



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

State of Washington

For the period July 1, 2021 through June 30, 2022

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

June 29, 2023

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 State's financial condition.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

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 basic financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units and remaining fund information, and each major fund 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 State’s financial statements.

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 21.027 Coronavirus State and Local Fiscal Recovery Funds and 21.023 Emergency Rental Assistance programs.

We also issued a qualified opinion on the State’s compliance with requirements applicable to the 93.558 Temporary Assistance for Needy Families programs, 93.959 Block Grants for Prevention and Treatment of Substance Abuse, and 93.958 Block Grants for Community Mental Health Services programs.

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>ALN</u>	<u>Program or Cluster Title</u>
Various	Research and Development Cluster
10.553	Child Nutrition Cluster – 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
10.557	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
10.582	Child Nutrition Cluster – Fresh Fruit and Vegetable Program
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
20.219	Highway Planning and Construction Cluster – Recreational Trails Program
20.224	Highway Planning and Construction Cluster – Federal Lands Access Program
20.509	Formula Grants for Rural Areas and Tribal Transit Program
21.019	COVID-19 – Coronavirus Relief Fund
21.023	COVID-19 – Emergency Rental Assistance Program
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
84.027	Special Education Cluster (IDEA) – COVID-19 – 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
84.173	Special Education Cluster (IDEA) – COVID-19 – 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)
84.425	COVID-19 – Education Stabilization Fund
93.067	Global AIDS
93.067	COVID-19 – Global AIDS
93.264	Student Financial Assistance Cluster – Nurse Faculty Loan Program (NFLP)
93.268	Immunization Cooperative Agreements

93.268 COVID-19 – Immunization Cooperative Agreements

93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

93.323 COVID-19 – Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

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

93.461 HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund

93.558 Temporary Assistance for Needy Families

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

93.777 Medicaid Cluster – COVID-19 – 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
93.958	Block Grants for Community Mental Health Services
93.958	COVID-19 – Block Grants for Community Mental Health Services
93.959	Block Grants for Prevention and Treatment of Substance Abuse
93.959	COVID-19 – Block Grants for Prevention and Treatment of Substance Abuse
96.001	Disability Insurance / SSI Cluster – Social Security Disability Insurance

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$46,199,580.

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

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding Number	Finding Title
2022-001	The State lacked adequate internal controls over financial reporting to ensure accurate recording and monitoring of financial activity in its financial statements.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding Number	Finding Title
2022-002	The University of Washington did not have adequate internal controls to ensure key personnel commitments specified in grant proposals or awards were met.
2022-003	The Office of Superintendent of Public Instruction did not have adequate internal controls over accountability for USDA-donated foods.
2022-004	The Department of Health did not have adequate internal controls to ensure payments to providers were allowable, met cost principles, and were within the period of performance for the Special Supplemental Nutrition Program for Women, Infants, and Children.
2022-005	The Employment Security Department did not have adequate internal controls to ensure it submitted accurate monthly reports for the Unemployment Insurance program.

2022-006	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.
2022-007	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.
2022-008	The Washington State Department of Transportation did not have adequate internal controls to ensure supervisors reviewed and approved payroll journals for the Highway Planning and Construction Cluster.
2022-009	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.
2022-010	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.
2022-011	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.
2022-012	The Washington State Department of Transportation did not have adequate controls over and did not comply with requirements to perform risk assessments for subrecipients of the Formula Grants for Rural Areas program.
2022-013	The Department of Corrections improperly charged \$37,392 to the Coronavirus Relief Fund.
2022-014	The Department of Social and Health Services improperly charged \$390 to the Coronavirus Relief Fund.
2022-015	The Office of Financial Management did not have adequate internal controls over and did not comply with reporting requirements for the Coronavirus Relief Fund.
2022-016	The Department of Commerce did not have adequate internal controls over and did not comply with requirements to ensure payments to subrecipients of the Emergency Rental Assistance program were allowable and properly supported.

2022-017	The Department of Commerce did not have adequate internal controls over and did not comply with reporting requirements for the Emergency Rental Assistance program.
2022-018	The Office of Financial Management did not have adequate internal controls over and did not comply with requirements to ensure Coronavirus State and Local Fiscal Recovery Funds were used only for allowable activities.
2022-019	The Department of Commerce did not have adequate internal controls over and did not comply with requirements for monitoring subrecipients to ensure payments were allowable, properly supported, and met period of performance requirements for the Coronavirus State and Local Fiscal Recovery Funds.
2022-020	The Office of Financial Management did not have adequate internal controls over and did not comply with reporting requirements for the Coronavirus State and Local Fiscal Recovery Funds.
2022-021	The Department of Commerce did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Coronavirus State and Local Fiscal Recovery Funds.
2022-022	Washington State University did not ensure that returns of Title IV funds were accurate for the Student Financial Assistance programs.
2022-023	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.
2022-024	The Charter School Commission did not have adequate internal controls over and did not comply with requirements to ensure charter schools with relationships to charter management organizations were monitored for conflicts of interest.
2022-025	The Office of Superintendent of Public Instruction did not have adequate controls over and did not comply with requirements to ensure it met the earmarking requirements for the Special Education program.
2022-026	The Office of Superintendent of Public Instruction did not have adequate internal controls to ensure it performed risk assessments for subrecipients of the Special Education program.
2022-027	The Office of Financial Management did not have adequate internal controls over and did not comply with federal level of effort requirements for the Education Stabilization Fund program.

2022-028	The University of Washington did not establish adequate internal controls to ensure payments to contractors and subrecipients for the Global AIDS program were allowable, properly supported and within the period of performance.
2022-029	The University of Washington 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.
2022-030	The University of Washington did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Global AIDS program received required single or program-specific audits, and that it followed up on findings and issued management decisions.
2022-031	The Department of Health did not have adequate internal controls over and did not comply with requirements to ensure payments to providers were allowable, met cost principles, and were within the period of performance for the Immunization Cooperative Agreements program.
2022-032	The Department of Health did not have adequate internal controls to ensure it filed accurate and timely reports required by the Federal Funding Accountability and Transparency Act for the Immunization Cooperative Agreements program.
2022-033	The Department of Health did not have adequate internal controls over and did not comply with fiscal monitoring requirements to ensure subrecipients of the Epidemiology and Laboratory Capacity for Infectious Diseases program only used funds for allowable activities and met cost principles.
2022-034	The Department of Health did not have adequate internal controls over and did not comply with reporting requirements for the Epidemiology and Laboratory Capacity for Infectious Diseases program.
2022-035	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.
2022-036	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with client eligibility requirements for child care services paid with the Child Care and Development Fund and Temporary Assistance for Needy Families funds.
2022-037	The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to ensure staff properly considered the income information obtained from data matching when determining client eligibility and benefits for the Temporary Assistance for Needy Families program.

2022-038	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.
2022-039	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.
2022-040	The Department of Commerce did not have adequate internal controls over and did not comply with requirements to issue management decisions for audit findings to subrecipients of the Low-Income Home Energy Assistance Program.
2022-041	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.
2022-042	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with matching, level of effort, and earmarking requirements for the Child Care and Development Fund Cluster.
2022-043	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.
2022-044	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.
2022-045	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.
2022-046	The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to ensure potential fraud was correctly identified and reported for the Child Care and Development Fund Cluster.
2022-047	The Department of Children, Youth, and Families did not have adequate controls over and did not comply with certain requirements of its Public Assistance Cost Allocation Plan.
2022-048	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.

2022-049	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.
2022-050	The Department of Children, Youth, and Families did not have adequate internal controls to ensure group care facility employees had cleared background checks before having unsupervised access to children.
2022-051	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with reporting requirements for the Foster Care program.
2022-052	The Department of Children, Youth, and Families did not have adequate internal controls over level of effort requirements for the Adoption Assistance program.
2022-053	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure clients were eligible for the Children’s Health Insurance Program.
2022-054	The Health Care Authority did not have adequate internal controls over and did not comply with managed care financial audit requirements.
2022-055	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.
2022-056	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.
2022-057	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.
2022-058	The Department of Social and Health Services did not have adequate internal controls over False Claims Act requirements.
2022-059	The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal provider eligibility requirements for the Medicaid Program.
2022-060	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it periodically audited cost report data for rate setting, hospital billings, and other financial and statistical records for inpatient hospital services.

2022-061	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.
2022-062	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.
2022-063	The Health Care Authority did not have adequate controls over and did not comply with requirements to ensure payments to providers for the Block Grants for Community Mental Health Services were allowable and met period of performance requirements.
2022-064	The Health Care Authority did not have adequate internal controls over level of effort requirements for the Block Grants for Community Mental Health Services program.
2022-065	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it filed accurate and timely reports required by the Federal Funding Accountability and Transparency Act for the Block Grants for Community Mental Health Services.
2022-066	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 Community Mental Health Services program and the Block Grants for Prevention and Treatment of Substance Abuse program received required single audits, and that it appropriately followed up on findings and issued management decisions.
2022-067	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure payments to providers for the Block Grants for Prevention and Treatment of Substance Abuse program were allowable and met period of performance requirements.
2022-068	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.
2022-069	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it filed accurate and timely reports required by the Federal Funding Accountability and Transparency Act for the Block Grants for Prevention and Treatment of Substance Abuse.

2022-070	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.
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SECTION IV – SUMMARY OF QUESTIONED COSTS

Federal Grantor	State Agency	ALN	Federal Program	Known Questioned Costs	Likely Improper Payments	Finding Number(s)
U.S. Department of the Treasury	Department of Corrections	21.019	Coronavirus Relief Fund	\$37,392	-	2022-013
U.S. Department of the Treasury	Department of Social and Health Services	21.019	Coronavirus Relief Fund	\$390	\$45,266	2022-014
U.S. Department of the Treasury	Department of Commerce	21.023	Emergency Rental Assistance Program	\$255,642,551	\$437,002,382	2022-016
U.S. Department of the Treasury	Department of Commerce	21.027	Coronavirus State and Local Fiscal Recovery Funds	\$28,886,606	\$71,007,353	2022-019
U.S. Department of the Treasury	Office of Financial Management	21.027	Coronavirus State and Local Fiscal Recovery Funds	\$300,000,000	-	2022-018
U.S. Department of Education	Washington State University	84.007 84.033 84.038 84.063 84.268 84.379	Student Financial Assistance Cluster	\$2,582	\$39,550	2022-022
U.S. Department of Education	Office of Superintendent of Public Instruction	84.027 84.173	Special Education Cluster	\$188,873	-	2022-025

U.S. Department of Health and Human Services	Department of Health	93.268	Immunization Cooperative Agreements	\$4,287,159	\$5,503,611	2022-031
U.S. Department of Health and Human Services	Department of Health	93.323	Epidemiology and Laboratory Capacity for Infectious Diseases	\$1,644,873	\$2,905,694	2022-033
U.S. Department of Health and Human Services	Department of Children, Youth, and Families	93.558	Temporary Assistance for Needy Families	\$67,705,118	\$6,731,953	2022-035, 2022-036
U.S. Department of Health and Human Services	Department of Children, Youth, and Families	93.575 93.596	Child Care and Development Fund Cluster	\$268,532,425	\$6,008,693	2022-036, 2022-041, 2022-045
U.S. Department of Health and Human Services	Health Care Authority	93.767	Children's Health Insurance Program	\$3,087,927	\$4,230,281	2022-053, 2022-055
U.S. Department of Health and Human Services	Department of Social and Health Services	93.775 93.777 93.778	Medicaid Cluster	\$237,404,150	-	2022-056
U.S. Department of Health and Human Services	Health Care Authority	93.775 93.777 93.778	Medicaid Cluster	\$1,538,620	\$1,091,978	2022-055, 2022-062

U.S. Department of Health and Human Services	Health Care Authority	93.958	Block Grants for Community Mental Health Services	\$8,668,982	-	2022-063
U.S. Department of Health and Human Services	Health Care Authority	93.959	Block Grants for Prevention and Treatment of Substance Abuse	\$19,960,375	-	2022-067, 2022-068

SCHEDULE OF AUDIT FINDINGS AND RESPONSES

State of Washington July 1, 2021 through June 30, 2022

2022-001 The State lacked adequate internal controls over financial reporting to ensure 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.

Employment Security Department

The Employment Security Department (ESD) is led by a Governor-appointed Commissioner. ESD provides economic security to Washington's residents by helping them find jobs, bridge gaps in employment, and provide paid family and medical leave. ESD delivers employment services, manages unemployment insurance benefits, collects and analyzes labor market information, and administers the state's Paid Family and Medical Leave program. ESD is one of Washington's largest state agencies, employing about 2,100 permanent and non-permanent employees.

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 five audits, we identified and communicated deficiencies in internal controls over the reporting of community and technical college financial data. This issue was reported as a finding in the prior five audits.

Description of Condition

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

ESD

Using a statistically valid sampling method, we randomly selected and examined a sample of 59 paid Pandemic Unemployment Assistance (PUA) claims totaling \$14,741.

- We found ESD subsequently reviewed and disqualified 15 claims paid for multiple reasons, with the most common being that the claimant failed to provide acceptable wage documentation. Of the 15 disqualified claims, ESD did not attempt to collect one payment totaling \$211.
- We also found that 31 of the claims, totaling \$7,838, were actually for expenditures that occurred in prior fiscal years.

In addition to reporting prior year unemployment claims in the current period, ESD did not initially estimate and record an accrual for unemployment benefits earned in the current period (fiscal year 2022) that will likely be paid in future periods.

We also found that ESD did not completely reconcile its bank accounts to the accounting records at fiscal year-end (June 30, 2022), and inaccurately calculated the allowance for doubtful receivables related to claimant overpayments.

SBCTC

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.

Cause of Condition

ESD

- ESD did not consistently require documentation of wages for PUA claims at the time of payment. Without having this requirement in place, the Department was unable to verify claimants' wages and employment status to ensure they met eligibility requirements. Further, ESD did not attempt to recover the overpaid claim because a system problem did not move it forward to adjudication.
- Claimants can file benefit payments for previous periods, and ESD had a large backlog of claims since the start of pandemic-related benefits. The errors in reporting unemployment benefits in the proper period was caused by staff failing to consider the size of prior period payments and apply accrual accounting, as well as a lack of configured reports available in ESD's Unemployment Tax and Benefits System.
- The bank reconciliation errors were caused by a lack of management oversight during the review.
- Error in the calculation of the allowance for doubtful receivables was caused by the use of non-current data in the calculation.

SBCTC

SBCTC did not dedicate sufficient time or resources to reconciling college financial data to the State's accounting system and making appropriate adjustments.

Effect of Condition

ESD

We found the following errors in the financial statements:

- Because we used a statistical sampling method to randomly select the payments we examined in the audit, we estimate the unassessed overpayments to be \$7.7 million, which was not recorded as an accounts receivable in the financial statements. This error was not corrected in the financial statements.
- We also estimate that ESD should have reported \$382 million in claims expense in prior periods. This error was corrected in the financial statements.
- We estimate appealed claims totaling \$150 million and claims flagged for further review totaling \$55 million were not accrued and reported in fiscal year 2022. The error, totaling \$150 million, was corrected and the error totaling \$55 million was not corrected in the financial statements.
- Various transactions, totaling \$128 million, were excluded from the bank reconciliations. When combined with other errors we noted, ESD overstated cash by \$87,905,305. These errors were not corrected in the financial statements.
- By using incorrect data and miscalculating the allowance for uncollectible receivables unrelated to fraud, we estimate ESD understated net receivables by about \$26.4 million. This error was not corrected in the financial statements.

SBCTC

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

- In governmental activities funds, the State's accounting system had lower balances than the consolidated college financial data. These variances included depreciable assets (\$130 million), expenses (\$65 million), charges for services (\$284 million), and grants and contributions (\$3 million).
- In the higher education special revenue funds, the State's accounting system had larger balances than the consolidated college financial data for charges for services (\$36 million), federal grants-in-aid (\$16 million) and education expenditures (\$176 million).
- Cash in the State's accounting system was \$3 million lower than the consolidated college financial data.

- In the higher education student services funds, cash in the State’s accounting system was \$7 million higher than the consolidated college financial data.
- These errors were not corrected in the financial statements.

Recommendations

ESD

We recommend ESD:

- Establish an effective, consistent process for verifying wages and attempt to collect unallowable PUA benefit payments
- Report claims on an accrual accounting basis to ensure they are reported in the proper period
- Perform a thorough review of the bank reconciliations to ensure they are accurate
- Review the calculation of the allowance for doubtful receivables to ensure the correct data has been used

SBCTC

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

State’s Response

The State understands the importance of establishing strong internal controls over recording and reporting financial transactions. OFM will continue to work with both agencies to improve their processes. Additionally, OFM will work with State Board of Community and Technical Colleges to fully reconcile their agency system with the State’s accounting system.

OFM is currently revising its accounting trainings for 2023 to help all agencies improve agency staff understanding of appropriate reporting requirements and generally accepted accounting principles.

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, 2021 through June 30, 2022

2022-002 The University of Washington did not have adequate internal controls to ensure key personnel commitments specified in grant proposals or awards were met.

Assistance Listing Number and Title:	Various, Research and Development Cluster – University of Washington
Federal Grantor Name:	Various
Federal Award/Contract Number:	Various
Pass-through Entity Name:	Various
Pass-through Award/Contract Number:	Various
Applicable Compliance Component:	Special Tests and Provisions: Key Personnel
Known Questioned Cost Amount:	None

Background

The federal government sponsors research and development (R&D) activities under a variety of types of awards. Most commonly, these are grants, cooperative agreements, and contracts to achieve objectives agreed upon between the federal awarding agency and the non-federal entity. The types of R&D conducted under these awards vary widely. Grants for R&D are awarded to non-federal entities on the basis of applications or proposals submitted to federal agencies or pass-through entities. An award is then negotiated that will include the purpose of the project, the amount of the award and the terms and conditions.

R&D awards may include staffing proposals that specify key personnel who will work on the project, as well as the extent of their planned involvement. One of these key personnel is typically a principal investigator (PI) who contributes to the scientific development or execution of a project in a substantive, measurable way. The non-federal entity is required to meet key personnel commitments specified in the award and may be required to obtain approval from the grantor for certain types of changes.

The University of Washington is the largest recipient of federal R&D awards in the state of Washington. The University expended funds from 2,396 separate awards for the R&D grants, with

expenditures totaling approximately \$1.02 billion of the almost \$1.17 billion expended statewide during the audit 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.

Description of Condition

The University did not have adequate internal controls to ensure key personnel commitments specified in grant proposals or awards were met.

To determine if the University complied with key personnel requirements, we reviewed the University's internal controls over monitoring key personnel time and effort, and also examined grant awards to determine if key personnel identified in the application/proposal and award were involved in the project as required.

We used a statistical sampling method to randomly select and examine 59 unique budget numbers assigned to R&D programs out of a total population of 7,486. We examined these samples and found:

- Four instances where we could not determine whether the University properly monitored key personnel time and effort to ensure that they met award requirements identified in the grant application/proposal and award were involved in the project as required.
- Two instances where key personnel were not involved in the project as required. Specifically, we found:
 - One award for which the PI was required to spend approximately 16 percent of their time on the award, but spent less than 5 percent
 - One award where the PI was required to spend 2 percent of their time on the award, but only spent .67 percent

We consider these internal control deficiencies to be a significant deficiency.

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

Cause of Condition

While we determined the University had policies and procedures to ensure that key personnel are involved in the grant projects as required, there were not policies or procedures to ensure that there was sufficient University-level oversight to ensure key personnel commitments were met.

Effect of Condition

By not establishing adequate internal controls, the University cannot reasonably ensure it meets the key personnel requirement.

Recommendation

We recommend the University improve its internal controls to ensure key personnel identified in the application/proposal and award were involved in the project as required. In addition, if the University identifies key personnel commitments are not going to meet required levels, ensure that federal awarding agency approval is obtained when required.

University's Response

The University has established internal controls to ensure compliance with program requirements through the effort certification and project reporting processes, and budget reconciliation requirements. However, we agree there are areas for improvement in terms of staff and PI training, and available resources to monitor contribution and documentation of committed levels of effort.

The University will implement the following improvements:

- The University offers multiple training courses to research administrators and principal investigators on management of sponsored awards. We will update our training materials and provide additional training on documentation of effort for PIs and key personnel, and prior approval requirements for reductions in effort.*
- Update guidance and instructions for effort certifications to ensure all devoted effort is properly accounted for during the effort certification process.*
- Develop exception reports to provide additional oversight to monitor deviations from committed effort for PIs and key personnel.*

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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 308, Revision of budget and program plans, states in part:

(a) The approved budget for the Federal award summarizes the financial aspects of the project or program as approved during the Federal award process. It may include either the Federal and non-Federal share (see definition for *Federal share* in § 200.1) or only the Federal share, depending upon Federal awarding agency requirements. The budget and program plans include considerations for performance and program evaluation purposes whenever required in accordance with the terms and conditions of the award.

(b) Recipients are required to report deviations from budget or project scope or objective, and request prior approvals from Federal awarding agencies for budget and program plan revisions, in accordance with this section.

(c) For non-construction Federal awards, recipients must request prior approvals from Federal awarding agencies for the following program or budget-related reasons:

(1) Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).

(2) Change in a key person specified in the application or the Federal award.

(3) The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-003 The Office of Superintendent of Public Instruction did not have adequate internal controls over accountability for USDA-donated foods.

Assistance Listing Number and Title:	10.553 School Breakfast Program 10.555 National School Lunch Program 10.555 COVID-19 National School Lunch Program 10.556 Special Milk Program for Children 10.559 Summer Food Service Program for Children 10.582 Fresh Fruits and Vegetable Program
Federal Grantor Name:	U.S. Department of Agriculture
Federal Award/Contract Number:	217WAWA3N1099; 217WAWA3N1199; 217WAWA1L1603; 227WAWA3N1099; 227WAWAN119; 227WAWA1L1603
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions: Accountability for USDA-Donated Foods
Known Questioned Cost Amount:	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 encourages the domestic consumption of nutritious agricultural commodities.

The Office of Superintendent of Public Instruction administers the state's Child Nutrition Cluster programs. The Office spent about \$578 million, including non-cash assistance, in federal funds on

eligible child nutrition meals during fiscal year 2022. The Office passed through most of the assistance to school food authorities (SFA) and other sponsors as subawards.

The United States 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 prior audits, we reported the Office did not have adequate internal controls over accountability for USDA-donated foods. The prior finding numbers were 2021-003, 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 physical inventory records from 2021 and 2022, USDA food order records, and distribution records. We determined the Office performed an annual physical inventory for all four warehouses. However, we found the Office:

- Did not perform monthly reconciliations between the federal government distribution report, the Office's internal inventory tracking spreadsheet and the warehouse documentation
- Did not keep supporting records for inventory loss adjustments

We identified 91 food items with negative adjustments. We reviewed 14 adjustments and found five were not supported and five were only partially supported. We also found that four out of the 239 food items we examined contained discrepancies. We noted a total variance of four (quantity in cases) out of 32,491 cases. The Office undercounted by three cases and overcounted by one case.

We consider these internal control deficiencies to be a significant deficiency.

Cause of Condition

In response to the prior audit finding, the Office developed a corrective action plan that included procuring a new or updated electronic food distribution system. However, at the time of the audit, the Office was still in the process of procuring 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:

- Strengthen established internal controls to ensure it reconciles physical inventory with inventory records on a monthly basis
- Follow up on the inventory discrepancies identified

Office's Response

OSPI concurs with this finding. We have implemented internal policies and procedures for the reconciliation of USDA Foods on an annual basis, meeting USDA requirements for state agencies operating this program. We will review our current process for monthly inventory review and explore the opportunities to strengthen internal controls around reconciling physical inventory with inventory records, and additionally, to follow up on any inventory discrepancies that are identified.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 7 CFR Part 250, *Donation of Foods for Use in the United States, Its Territories and Possessions and Areas Under Its Jurisdictions*, section 12, Storage and inventory management at the distributing agency level, describes storage and inventory management requirements for state distributing agencies.

Title 7 CFR Part 250, *Donation of Foods for Use in the United States, Its Territories and Possessions and Areas Under Its Jurisdictions*, section 16, Claims and restitution for donated food losses, describes the distributing agency's responsibilities for identifying and seeking restitution from responsible parties for the loss of donated foods.

Title 7 CFR Part 250, *Donation of Foods for Use in the United States, Its Territories and Possessions and Areas Under Its Jurisdictions*, section 19, Recordkeeping requirements, describes the distributing agency's requirements for maintaining donated food distribution records and the period of retention of records.

Title 7 CFR Part 250, *Donation of Foods for Use in the United States, Its Territories and Possessions and Areas Under Its Jurisdictions*, section 21, Distributing agency reviews, describes the distributing agency's scope of review requirements for on-site review and identification and correction of deficiencies identified in its reviews.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-004 The Department of Health did not have adequate internal controls to ensure payments to providers were allowable, met cost principles, and were within the period of performance for the Special Supplemental Nutrition Program for Women, Infants, and Children.

Assistance Listing Number and Title:	10.557 Special Supplemental Nutrition Program for Women, Infants, and Children 10.557 COVID-19 Special Supplemental Nutrition Program for Women, Infants, and Children
Federal Grantor Name:	U.S. Department of Agriculture
Federal Award/Contract Number:	217WAWA7W6003; 217WAWA7W6006; 217WAWA7W7003; 217WAWA7W1003; 217WAWA7W1006; 227WAWA7W1003; 227WAWA7W1006; 227WAWA1W5003
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs / Cost Principles Period of Performance
Known Questioned Cost Amount:	None

Background

The Department of Health 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

In fiscal year 2022, the Department spent more than \$106.2 million in federal program funds, about \$29.8 million of which it disbursed to subrecipients.

To help carry out the program's objectives, the Department issues consolidated contracts to Local Health Jurisdictions that are classified as subrecipients. A consolidated contract is for one subrecipient that combines funding for multiple federal programs.

Subrecipients are awarded federal funds on a reimbursement basis only. The Department assigns each subrecipient a risk level based on standardized criteria, and it maintains a matrix that specifies the documentation that subrecipients at each risk level are required to submit with every reimbursement. There are varying requirements among low, moderate, and high-risk subrecipients for each of the following expense categories:

- Salaries and benefits
- Equipment (\$5,000 or more)
- Materials, supplies, and other
- Travel (in-state and out-of-state)
- Contracts and sub-subrecipients
- Administrative/indirect costs

The Department's Fiscal Monitoring Unit (FMU) also conducts fiscal reviews of each subrecipient to review source documentation to ensure payments are for allowable activities and within the period of performance.

During the audit period, subrecipients submitted invoices to the Department's accounting unit where staff, on a weekly basis, compiled a list of all consolidated contract invoices into one email. The emails were sent to Department program staff requesting review to ensure the payment was allowable and within the period of performance. The emails consisted of 30 to 50 invoice requests with hundreds of pages of supporting documentation. The accounting unit considered each invoice listed in the email as approved if program staff did not respond. To address concerns about an invoice, program staff were required to email the accounting unit within 10 business days to withhold payment until the items in question were resolved.

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 provider payments were allowable and met cost principles

for the WIC program. The issue was reported as a finding in the prior audit. The prior finding number was 2021-004.

Description of Condition

The Department did not have adequate internal controls to ensure payments to providers were allowable, met cost principles, and were within the program's period of performance.

Department program staff were required to use the documentation matrix when reviewing subrecipient payments to ensure they were for allowable activities, met cost principles, were within the period of performance and included required supporting documentation. However, program staff did not communicate their approval to the accounting unit that issues payment. As a result, the Department paid the subrecipients without knowing whether these expenditures had been reviewed and approved by the program staff.

We consider this internal control deficiency to be a significant deficiency.

Cause of Condition

Management did not establish sufficient internal controls to ensure payments to subrecipients were reviewed and approved prior to paying them. The Department's established procedures allowed for the accounting unit to pay providers without evidence the program staff reviewed and determined the payment was allowable, within the grant's period of performance, and adequately supported.

Effect of Condition

Without establishing adequate internal controls that require program staff to communicate approval to the accounting unit prior to payment, the Department cannot reasonably ensure it is using federal funds for allowable purposes and within the period of performance.

Recommendation

We recommend the Department improve internal controls to ensure program staff document and communicate approval to the accounting unit to ensure expenditures are for allowable activities and within the period of performance prior to payment.

Department's Response

We appreciate the State Auditor's Office (SAO) audit of the Women, Infants and Children Special Supplemental (WIC) 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 consolidated contract provider payments to ensure allowability in meeting cost principles and period of performance.

The Department respectfully disagrees with SAO's assessment of a significant deficiency in internal controls over the consolidated contract provider payment process to ensure allowability in meeting cost principles and meeting period of performance with our WIC program. When accounting staff send the A19 consolidated contract invoices to the applicable programs WIC quality assurance (QA) program staff review invoice support for allowability and period of performance and keep a log with a breakdown of the total payment requested for WIC. If the payment has no issues or concerns, it is logged in the log and staff initial the entry to denote no issues and that full payment can be made. If there is a question on allowable cost, period of performance, a need for additional backup documentation or an error program QA staff will log the issue and amount/s in question and escalate the log to the WIC Deputy Program Director in accordance with the WIC programs escalation policy. Program will then communicate with the LHJ and document the correspondence. If the issues remain by the end of the ten day window, WIC Program Staff will contact the accounting consolidated contract payment desk to withhold the specific amount of payment until the issue is resolved. Once resolved staff initial and date the log to denote the issue has been resolved and email accounting to release the payment amount in question.

It should be noted that the current process over provider payments at the Department of Health has been in place for well over a decade and has been through several annual audits by the State Auditor's Office and separate federal reviews of the program by our federal funders without issue. The defined process of consolidated contract payments was in response to issues arising with timely payment of funds to our local government partners. The consolidated contracts are an essential tool in providing such funding on a large scale. This process balances many needs in tracking payments, providing documentation to the programs for review as well as allowing for timely distribution of funding to the local health jurisdictions for state and federal programs in order to serve the citizens of the State of Washington. It also simplifies the invoicing and payment process as well as reconciliation between DOH and the Local Health Jurisdictions (LHJs).

This, along with the following additional overall internal monitoring and policy processes support our overall assurance of the allowability of payments:

- 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.*

- *Program staff regularly provide technical assistance, policies, and training to WIC subrecipients related to both allowability and compliance as it relates to programmatic processes. Each of the subrecipients of 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-throughs and assessments of the internal controls surrounding the A19 payments process and typically select the most recent three A19's submitted for funding and agree all charges to the source documentation from the subrecipient for allowability using the costs principles and criteria as a basis.*
- *WIC program monitoring staff also perform biannual monitoring 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.*
- *The agency's Fiscal Monitoring Unit (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.*

Auditor's Remarks

In its response, the Department acknowledges the accounting unit issues payments to subrecipients without receiving an approval from program staff that the payment is allowable and met period of performance requirements. This is a weakness in the design of internal controls and, in our judgement, increases the risk that payments are made without assurance a program level review of the supporting documentation occurred.

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

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.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-005 The Employment Security Department did not have adequate internal controls to ensure it submitted accurate monthly reports for the Unemployment Insurance program.

Assistance Listing 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-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; UI-35977-21-60-A-53 UI-37098-21-55-A-53; UI-37256-22-55-A-53 UI-37313-22-55-A-53; UI-38013-22-60-A-53 UI-38163-22-55-A-53; UI-38511-22-55-A-53 UI-38580-22-75-A-53
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None

Background

The Unemployment Insurance (UI) program was created by the Social Security Act, 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 Employment Security Department administers the state's UI program. During fiscal year 2022, the Department paid more than \$2.8 billion dollars in unemployment insurance benefits to more than 454,000 people.

The *Unemployment Insurance Reports Handbook No. 401*—published by the U.S. Department of Labor (DOL), Employment and Training Administration, Office of Unemployment Insurance – outlines the requirements for states to submit financial and performance reports to the federal government so it can evaluate their UI programs. The ETA 9055 – Appeals Case Aging – Lower

and Higher Authority Appeals report (OMB No. 1205-0359) is submitted monthly, and it provides information on the inventory of lower and higher-authority single claimant appeals cases that have been filed in court but not yet decided. These reports provide the federal government with information about the number of days from the date an appeal was filed through the end of the month covered by the report, as well as the average and median age of the pending appeals cases. The Department prepares this report using data obtained through interagency data-sharing agreements with the Washington State Office of Administrative Hearings and the Washington State Administrative Office of the Courts.

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

Description of Condition

The Department did not have adequate internal controls to ensure it submitted accurate monthly reports for the UI program.

During fiscal year 2022, the Department was required to submit monthly ETA 9055 performance reports to DOL. The Department did not require or perform a secondary review of the reports before submitting them. A single Department employee manually prepared the information contained in the reports and submitted them to the federal grantor, and no one verified they were accurate and complete before submission.

We consider this internal control deficiency to be a significant deficiency.

Cause of Condition

Management did not monitor the completion of these reports to determine whether internal controls would be sufficient to detect and correct any potential data entry errors. In addition, management relied on staff knowledge and information received directly from other agencies being accurate and complete.

Effect of Condition

By not establishing adequate internal controls to ensure monthly performance reports are complete and accurate, the Department is at an increased risk of inaccurately reporting data to the federal grantor.

Recommendation

We recommend the Department implement internal controls to ensure it has an effective review process in place before submitting monthly reports to the federal grantor.

Department's Response

The Department concurs with this finding.

The Department will implement a secondary review of these reports to verify the data pulled from relevant sources is accurately represented prior to submitting to the federal reporting system.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

The U.S. Department of Labor, Employment and Training Administration, Office of Unemployment Insurance, *Unemployment Insurance Reports Handbook No. 401*, Section V: Benefits Time Lapse and Quality, states in part:

ETA 9055 – APPEALS CASE AGING

Section V-5

D. General Reporting Instructions

Appeals Case Aging measures require states to report data on the universe of all single claimant appeals cases that have not been decided prior to the end of the reporting period. Edit checks can be found in Handbook 402, Unemployment Insurance Required Reports User's Manual, Appendix C.

4. Pending Lower Authority Single Claimant Appeals Case Aging.

- a. Includes all lower authority single claimant appeals cases, including those remanded by the higher authority for a hearing and decision reopened appeals cases not decided at the end of the month.

5. Pending Higher Authority Single Claimant Appeals Case Aging.

- a. Includes all higher authority single claimant appeals cases, including remanded and reopened appeals cases, not decided at the end of the month. An appeals case that has been remanded to the lower authority for additional evidence and will be returned to the higher authority for a decision is reported in this inventory. An appeals case that has been remanded to the lower authority for a new hearing and decision is not a pending higher authority appeals case and should not be counted as such.

Office of Management and Budget, 2 CFR Part 200, Appendix XI, Compliance Supplement, Unemployment Insurance, states in part:

L. Reporting

2. Performance Reporting

States are required to submit periodic reporting to evaluate the performance of the states' UI programs. The auditor should test the information included in the key reports included below that ensure the timeliness of benefits paid. Detailed information on these reports can be accessed under:
https://wdr.doleta.gov/directives/attach/ETAH/ETHand401_5th.pdf

Report Name	Frequency of Submission	Reference Core Measure	Sections for Test
ETA 9050 – Time Lapse of All First Payments except Workshare	Monthly	First Payment Time Lapse 14/21 days, Interstate and Intrastate UI, UCFE, and UCX, full and partial weeks	Section A. Do not include Workshare
ETA 9052 – Nonmonetary Determination Time Lapse Detection	Monthly	Nonmonetary Determinations 21-Day Timeliness	Sections A, B and C

<p>ETA 9055 – Appeals Case Aging – Lower and Higher Authority Appeals</p>	<p>Monthly</p>	<p>Average Age of Pending Lower and Higher Authority Appeals</p>	<p>Section A. Exclude the test for states that do not have Higher Authority Appeals.</p>
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SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-006 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.

Assistance Listing 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-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; UI-35977-21-60-A-53;
UI-37098-21-55-A-53; UI-37256-22-55-A53;
UI-37313-22-55-A53; UI-38013-22-60-A-53;
UI-38163-22-55-A-53; UI-38511-22-55-A-53;
UI-38580-22-75-A-5

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, and it provides benefits under the Unemployment Compensation program to unemployed workers for periods of involuntary unemployment. The program 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 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 in separation status. The program

estimates error rates and dollar amounts of benefits improperly paid or denied by projecting the results from investigations in a state.

The Employment Security Department administers the state's Unemployment Insurance program. During fiscal year 2022, the Department paid more than \$2.8 billion dollars in unemployment insurance benefits to more than 457,000 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 *Benefit Accuracy Measurement State Operations Handbook*, which is published by the U.S. Department of Labor's Employment and Training Administration, indicates the time frame and requirements for conducting BAM program case sampling for paid claims. States must complete reviews of:

- 70 percent of the sampled cases within 60 days of the week ending date of the batch; and
- 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.

In addition, states must sample denied claims and review:

- 60 percent of the sampled cases within 60 days of the week ending date of the batch;
- 85 percent of the sampled cases within 90 days of the week ending date of the batch; and
- 98 percent of the sampled cases within 120 days of the end of the calendar year.

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 federal requirements to conduct case reviews for the BAM program of the Unemployment Insurance program in a timely manner. The prior finding numbers were 2021-005 and 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 adequately staff its BAM unit with resources sufficient to meet BAM program requirements. Management said the BAM unit has struggled to maintain adequate staffing due to attrition and funding. Also, once staff are hired into the unit, it takes considerable time to train new employees to effectively complete case sampling. Staff appointed to assist the Department's BAM unit in response to the prior audit findings left employment during the current audit period, making it more 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. We performed testing to determine whether the Department complied with federal requirements for investigating paid claims and denied claims in a timely manner.

For paid claims, we found the Department:

- Completed only 198 (45 percent) of its 440 sampled cases within 60 days of the week ending date of the batch, failing to meet the federal requirement of 70 percent
- Completed only 294 (67 percent) of its 440 sampled cases within 90 days of the week ending date of the batch, failing to meet the federal requirement of 95 percent
- Completed only 319 (73 percent) of its 440 sampled cases within 120 days of the ending date of the annual report period, failing to meet the federal requirement of 98 percent
- Failed to complete investigations for the remaining 29 (seven percent) of its 440 sampled cases during the audit period

We also found the Department completed only 91 of its 109 (83.5 percent) sampled cases of denied claims in separation within 90 days of the week ending date of the batch, failing to meet the federal requirement of 85 percent.

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 BAM Unit currently has one vacancy and is expected to have further challenges with upcoming retirements. The Agency is currently in a hiring pause for UI Administrative funding, furthering the challenge to fully staff the unit and meet requirements. The unit anticipates if fully staffed, this capacity would 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 20 CFR Part 602, *Quality Control in the Federal-State Unemployment Insurance System*, section 21, Standard methods and procedures, establishes the requirements for states to conduct

representative case sampling for quality control study of unemployment benefit claims, which state in part:

§602.21 Standard methods and procedures.

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 (for benefit payments, a minimum of 400 cases of week paid per State per year);
- c. Complete prompt and in-depth case investigations to determine the degree of accuracy and timeliness in the administration of the State UC law and Federal programs with respect to benefit determinations, benefit payments, and revenue collections; and conduct other measurements and studies necessary or appropriate for carrying out the purposes of this part;
- f. Furnish information and reports to the Department, including weekly transmissions of case data entered into the automated QC system and annual reports, without, in any manner, identifying individuals to whom such data pertain;

The U.S. Department of Labor, Employment and Training Administration *Benefit Accuracy Measurement State Operations Handbook – ET Handbook No. 395, 5th 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 week ending date of the calendar year.

The U.S. Department of Labor, Employment and Training Administration *Benefit Accuracy Measurement State Operations Handbook – ET Handbook No. 395, 5th Edition*, Chapter VIII – Denied Claims Accuracy (DCA), Section 7: Completion of DCA Cases and Timely Data Entry, states in part:

As in paid claims, prompt completion of investigations is important to ensure the integrity of the information being collected by questioning claimant and employers before the passage of time adversely affects recollections. However, due to the fact that contacting the claimant and obtaining claimant information is more difficult than in paid claims, the timeliness standards differ as the following indicates:

- A minimum of 60 percent of cases must be completed within 60 days of the week ending date of the batch, and 85 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, 2021 through June 30, 2022

2022-007 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.

Assistance Listing 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-33263-19-55-A-53; AA-34801-20-55-A-53; AA-36352-21-55-A-53; AA-33263-19-55-A-53; AA-34801-20-55-A-53; AA-36352-21-55-A-53; AA-33263-19-55-A-53; AA-34801-20-55-A-53; AA-36352-21-55-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 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 (LWDBs) 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 2022, the Department spent about \$66 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 prior audits, 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 audit finding numbers were 2021-007 and 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. The Department did not review the changes applied to the data extraction process to ensure accurate reporting of WIOA participant information.

Effect of Condition

We verified the Department submitted all four quarterly PIRL reports to the DOL, as required during fiscal year 2022. 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 quarter one report 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	167,035	336,693	49.61%
2	0	322,723	0.00%
3	0	316,816	0.00%
4	0	303,472	0.00%

Data Element 904

Quarter	Blanks	Total	Percent
1	167,189	336,693	49.66%
2	0	322,723	0.00%
3	0	316,816	0.00%
4	0	303,472	0.00%

Data Element 905

Quarter	Blanks	Total	Percent
1	167,200	336,693	49.66%
2	0	322,723	0.00%
3	0	316,816	0.00%
4	0	303,472	0.00%

We could not determine the total population of WIOA participants for testing for quarter one because these data elements were incomplete and inaccurate. Further, we could not complete testing over the quarter two, three and four PIRL reports. When we attempted to design our testing over the key data elements, Department management said they could not ensure that the participant information reported would be materially accurate and complete due to the complexity of information that flows into data elements 903, 904 and 905, and due to the Department not validating the changes it made to the ETO data extraction process for effectiveness. Therefore, we could not perform further testing to determine whether the reports were accurate and complete.

Since the key data elements were incomplete and inaccurate, we could not test to determine the level of material noncompliance. Without complete data, the Department cannot demonstrate compliance with reporting requirements nor accurately inform its federal grantor of its current level of program participation.

Recommendations

We recommend the Department:

- Update its written validation procedures for the PIRL report to meet DOL requirements
- Provide training and technical assistance to LWDBs 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

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.

The Department is conducting a balance of performing and implementing these recommendations concurrently with the WIT replacement project, which is estimated for completion in December 2024.

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: Provide training and technical assistance to LWDB's on PIRL data element reporting requirements to ensure they enter all required information into ETO.

ESD's Data Integrity team has established a technical assistance PIRL reporting process focused on continuous improvement practices including data analysis training efforts. This process has been in place since Q2 2021.

ESD will direct stakeholders to the current training processes and procedures which are shared on the Workforce Professional Center website. The agency is already working on a project to create an ETO Registration 101. This work will create a process that will add consistency and a more complete approach to the pre-requisite requirements of our customers as they are added to ETO. This is estimated to be complete in March 2023.

The Data Integrity team will also be available for 1:1 specialized technical assistance, regarding their continuous improvement practices and pertinent data analysis, 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. In addition, the Data Integrity team will continue to identify and fix issues when using WIPS and Performance Measure Analysis (for credentials and measurable skill gains).

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

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.1205-0526, can be found at <https://www.dol.gov/agencies/eta/performance/reporting>

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-008 The Washington State Department of Transportation did not have adequate internal controls to ensure supervisors reviewed and approved payroll journals for the Highway Planning and Construction Cluster.

Assistance Listing Number and Title:	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
Federal Grantor Name:	U.S. Department of Transportation
Federal Award/Contract Number:	Too numerous to list. All approved subaward projects under the Federal Highway Administration Stewardship and Oversight Agreement.
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Known Questioned Cost Amount:	None

Background

The Washington State Department of Transportation, Payments & Deductions Unit, administers federal funding under the Highway Planning and Construction Cluster for employee payroll related to state highway construction projects. The Department spent about \$614 million on highway projects during fiscal year 2022. Of that amount, the Department used about \$68 million for employee payroll.

As part of the Highway Planning and Construction Cluster, the Department is allowed to request federal reimbursement for salaries and benefits for program activities. The Department defines its

labor and payroll reporting requirements in its *Payroll Manual*. Employees' time and effort are tracked in the DOTtime timekeeping system, which allows the Department to charge hours worked and wages paid to the appropriate federal project. The Unit creates payroll journals twice monthly, and emails them to the Department's regional timekeepers. The journals are sent prior to payroll processing; supervisors must sign the journals, and timekeepers are required to return them to the Unit within two weeks after they are initially sent. The Unit is responsible for maintaining a payroll calendar, which is sent to the timekeepers to document the due dates.

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 supervisors reviewed and approved payroll journals for the Highway Planning and Construction Cluster.

During the audit period, the Department issued 1,056 payroll journals for staff participating in federal projects. We used a statistical sampling method, and randomly selected and examined 57 journals to determine whether an appropriate supervisor reviewed and approved them. We found 11 payroll journals (19 percent) were not approved and returned timely to the Unit during payroll processing. These approvals were between one and 54 days overdue. We also found seven journals (12 percent) were not approved by the assigned supervisor during the audit period. All seven journals were not approved until after we requested the documentation, and they were at least six months overdue.

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 did not monitor to ensure that supervisors reviewed, approved and returned payroll journals to the Unit, as Department policy requires. In addition, regional management did not consistently follow up on requests from the Unit to begin reviewing payroll journals, and Department management did not implement internal controls to ensure supervisors performed the required approvals timely.

Effect of Condition

By not establishing effective internal controls to ensure payroll transactions are reviewed for appropriateness in a timely manner, the Department does not have adequate assurance that its payroll distributions are accurate.

Recommendations

We recommend the Department:

- Improve internal controls to ensure supervisors review, approve and return payroll journals to the Unit, as policy requires
- Consider updating its existing policies to include provisions for when supervisors must review, approve and return payroll journals for payroll processing
- Monitor the review of payroll journals to ensure supervisors provide the required responses

Department's Response

The Washington State Department of Transportation (WSDOT) appreciates the State Auditor's Office (SAO) audit of the Highway Planning and Construction Cluster and values the Auditor's assessment regarding the Description and Effects of Condition as they pertain to Payroll Journals. The Department is committed to ensuring that we have adequate internal controls established to ensure payroll journals are reviewed and returned in a timely manner.

WSDOT's current process was developed to ensure that payroll distributions are certified in a timely manner. Payroll journals are generated and sent to the designated signers using a link to Adobe Acrobat Sign, via email on Day 4 of payroll processing. The signer will receive an automated follow-up email each day that the document remains unsigned. Once signed the document is routed back to Payroll via Adobe Acrobat Sign. Payroll staff responsible for the journals also have an audit system in place, where they monitor the return of signed documents. Each signed document also contains an audit report that identifies the sender and the signer, the time and date the original email request was sent, the date and time the document was signed, and when the document workflow has been completed.

In an effort to ensure increased compliance with this policy, we will review existing controls and evaluate the current audit process of monitoring the review and return of the payroll journals. We will also review the Payroll Manual to ensure directions, guidelines, and expectations around the signing of the payroll journals is clearly defined and determine whether provisions for when managers must sign and return the journals for payroll processing is appropriate for reducing the risk to payroll distributions within the Highway Planning and Construction Cluster.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Washington State Department of Transportation, *Payroll Manual (M 13-08.06)*, April 2021 version, states in part:

Chapter 2 Roles and Responsibilities

2-4 Timekeepers

It is the responsibility of the timekeeper to:

12. Be the point of contact and provide payroll and labor documentation as requested.
13. Ensure Payroll Journals have the appropriate signatures and are returned to HQ Payroll Office.

2-5 Supervisors

It is the responsibility of the employee's supervisor/org manager to:

6. Review the payroll journal.
7. Approve by signing the Payroll Journal that it is correct to the best of your knowledge.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-009 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.

Assistance Listing Number and Title:	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
Federal Grantor Name:	U.S. Department of Transportation
Federal Award/Contract Number:	Too numerous to list. All approved subaward projects under the Federal Highway Administration Stewardship and Oversight Agreement
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	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 \$614 million on highway projects during fiscal year 2022. Of that amount, it passed through about \$248 million to local agencies through 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 (PMRs) 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 2021-008, 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 for every subrecipient every three years, as required by the Agreement. During the audit period, the Department was required to complete PMRs for 12 of its subrecipients. We found the Department did not perform any of the required PMRs for these subrecipients during the audit period. The Department suspended all PMRs scheduled during state fiscal year 2022 and reinstated its review schedule in September 2022, which was after the audit period.

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

Cause of Condition

The Department worked with FHWA to switch to a risk-based PMR scheduling approach, but did not receive official concurrence to change this approach during the audit period. Department management made a conscious decision to switch to the risk-based approach before receiving

official approval from FHWA to allow for a different selection methodology than the one outlined in the Agreement signed by the Department and FHWA.

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 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 Condition in the finding. Technically, the finding is correct for fiscal year 2022 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. During fiscal year 2022, the Department executed a memo agreement with FHWA to update our PMR process to a leading practice. This new process includes a "risk-based approach" which will improve the effectiveness of our subrecipient monitoring efforts. As a result, the reviews and resources will be focused on the high-risk agencies or projects rather than a three-year review cycle. Our risk-based program approach began in calendar year 2021 via an initial memo agreement with FHWA and was approved for use going forward via the July 2022 memo agreement with FHWA.

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.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 23 CFR, 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 CFR, 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’s 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's *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, 2021 through June 30, 2022

2022-010 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.

Assistance Listing Number and Title:	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
Federal Grantor Name:	U.S. Department of Transportation
Federal Award/Contract Number:	Too numerous to list. All approved subaward projects under the Federal Highway Administration Stewardship and Oversight Agreement
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None

Background

The Washington State Department of Transportation, 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 \$614 million on highway projects during fiscal year 2022. Of that amount, it passed through about \$248 million to local agencies through subawards.

Federal regulations require the Department to monitor its subrecipients' activities. 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 30 calendar days after receiving the auditor's report(s), or nine months after the end of the subrecipient's audit period, whichever is earlier.

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 2021-010, 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 audit findings to subrecipients of the Highway Planning and Construction Cluster.

The Department had five subrecipients that received single audits, which resulted in findings that the Department was required to issue management decisions for during the audit period. We used a non-statistical sampling method, and randomly selected and examined four of the five subrecipients. We examined the Department's audit notes and records to determine if it had issued management decisions for these single audit findings. We found the Department did not issue management decisions for one of the subrecipients (25 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 and internally communicated about them, the Local Programs Office did not correctly respond to all findings related to its programs that required management decisions.

The subrecipient in question reported the noncompliance to the Local Programs Office prior to the audit finding being issued. Department staff discussed the issue internally and determined the subrecipient's corrective actions already taken would have resolved the deficiency. While the Department appropriately reviewed the subrecipient's response to the audit finding, it did not follow up and issue a formal, written management decision to the subrecipient upon receiving the auditor's report, as required.

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 to subrecipient monitoring.

Our Local Programs Division had a different understanding of the requirement to issue Management Decision Letters (Decision Letters). We typically issue Decision Letters to all subrecipients that receive Single Audit findings related to WSDOT federal grant awards. For the subrecipient in question, the subrecipient had contacted Local Programs upon realizing a discrepancy in their advertisement practices, which was prior to the issuance of SAO's audit report

and finding. WSDOT evaluated their advertisement practice, reviewed and approved the county's corrective action plan, and implemented a training plan with the county. Since these activities preceded the issuance of SAO's report containing the audit finding, WSDOT elected to forgo a formal Decision Letter.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200, Uniform Guidance, section 332, Requirements for pass-through entities, establishes requirements the pass-through entity must follow when issuing subawards to subrecipients.

Title 2 CFR Part 200, Uniform Guidance, section 339, Remedies for noncompliance, describes remedial actions that the Federal awarding agency or pass-through entity may take if the non-federal entity fails to comply with the U.S. Constitution, Federal statutes, regulations or the terms and conditions of a Federal award.

Title 2 CFR Part 200, Uniform Guidance, section 521, Management decisions, establishes when a management decision must be issued in relation to audit findings relating to Federal awards.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-011 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.

Assistance Listing Number and Title:	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
Federal Grantor Name:	U.S. Department of Transportation
Federal Award/Contract Number:	Too numerous to list. All approved subaward projects under the Federal Highway Administration Stewardship and Oversight Agreement.
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions: Quality Assurance Program
Known Questioned Cost Amount:	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 \$614 million on highway projects during fiscal year 2022.

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 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. 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 on the project, and it 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 2021-011, 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 57 out of the 1,091 materials that were used on federally funded projects during state fiscal year 2022. For each material, we reviewed the ROM to verify the assigned Project Engineer updated the quantity placed and paid in accordance with the Construction Manual. We found that Project Engineers did not maintain the ROM for 22 materials (39 percent) in accordance with the Construction Manual.

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

For the 57 randomly selected materials, we requested the supporting documentation for acceptance and/or testing of the material. We found one material (2 percent) where testing did not occur, and the Department was unable to provide documentation justifying the item did not require testing.

Entry of tester certification into Qualified Tester Database

We used a statistically valid sampling method to randomly select 55 of the 383 testers that became initially certified or recertified during the audit period to verify that the exam results of each tester were reviewed and approved prior to being entered into the qualified tester database. We found:

- Twelve exams were reviewed after the audit period.
- Four reviews were completed, but they lacked supervisor signatures.
- Two testers were missing exams.

Ten of our samples were data entry errors, and the testers' tests occurred outside of the audit period. This was due to the Department not being able to provide us with a definitive population of testers certified or recertified during the audit period.

Testing personnel were not properly certified

We used a statistically valid sampling method to randomly select 58 out of 1,311 testers that were actively certified in the Department's qualified tester database. We requested and reviewed test documentation to verify whether the testers had all required documents to support their certification. We found four testers (7 percent) did not have complete supporting documents. Specifically:

- One tester did not have evidence of completing a written and performance exam.
- Three testers had exams that did not indicate the date of completion; therefore, we could not confirm the exams occurred before or during the audit period.

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 and did not monitor to ensure it was properly maintained.

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

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

Exceptions noted in the audit reflect the importance of documentation in our QA program. Our response to each type of exception follows:

Maintenance of the Record of Materials (ROM)

The construction contracts awarded in FY22 utilizing federal funding contained more than 4,900 materials, with almost 1,100 of them requiring testing. The State Auditor tested 57 materials and initially found 22 where the Department did not maintain aspects of the ROM. The Department agrees that there is always room for improvement in its processes; however, for the majority of the 22 instances where the ROM was not updated timely, the project offices were able to provide documentation to support the proper approval, acceptance, and field verification of the materials tested or that materials testing was not required, and one material (2%) was identified where testing did not occur.

Materials Acceptance

The State Auditor tested 57 materials of the approximately 1,100 requiring testing for FY22 and found one material (2.0%) that the Department could not provide documentation to support that testing occurred or was not required.

Testing Personnel Certifications

The State Auditor reviewed 55 of 383 testers for entry of data into the qualified tester database and 58 testers out of 1,311 testers actively certified in the qualified tester database. For two (3.6%) of the materials testers for entry of data into the qualified tester database the exams could not be located and one (1.7%) of the materials testers for actively certified testers in the qualified tester database did not have a written and performance exam. Other noted exceptions included lack of signatures, missing dates of completion and data entry errors.

The Department continues to work closely with the Federal Highway Administration (FHWA) on our QA program and has received positive feedback from them on the strength of our program. The Department is working towards replacing its ROM legacy system. The new system will automate many processes and should help to strengthen controls over the QA 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 recently

delivered training to Project Engineering staff on material documentation and the single audit issues, and will continue to offer training, in-person, remotely, and through the monthly Material QA Section newsletter, to emphasize QA program requirements.

Auditor's Remarks

We thank the Department for its cooperation and assistance throughout the audit.

While we agree with the Department that the materials for the 22 instances when the ROM was not maintained by the Project Engineer ultimately met acceptance criteria for payment without monitoring project offices to ensure the ROM is updated as required, management does not have assurance that materials incorporated into federal projects have met acceptance criteria.

We reaffirm our finding, and 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 23 CFR 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 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 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.

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 Engineer or Assistant State Materials Engineer to determine the appropriate action.

9-1.2C Record of Materials

The Record of Materials (ROM) is used to track material type, make/model, approval, acceptance, field verification documentation, Certificate of Materials Origin, and other materials documentation.

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, 2021 through June 30, 2022

2022-012 The Washington State Department of Transportation did not have adequate controls over and did not comply with requirements to perform risk assessments for subrecipients of the Formula Grants for Rural Areas program.

Assistance Listing Number and Title:	20.509 Formula Grants for Rural Areas 20.509 COVID-19 Formula Grants for Rural Areas
Federal Grantor Name:	U.S. Department of Transportation
Federal Award/Contract Number:	WA-2017-66-00; WA-2018-77-00; WA-2018-77-01; WA-2019-901-00; WA-2020-038-00; WA-2020-132-01; WA-2021-052-00; WA-2021-130-00; WA-2021-022-00_SF
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None

Background

The Washington State Department of Transportation administers the Section 5311 program—Formula Grants for Rural Areas—to rural transportation areas by providing financial assistance for operating, planning, administrative expenses, and the acquisition, construction, and improvement of facilities and equipment. In addition, Section 5311 specifically provides for the support of rural intercity bus services, as well as funding for training, technical assistance, research, and related services to support the rural transit service. The Department spent about \$82 million in program funds during fiscal year 2022. Of that amount, it passed through about \$39.5 million to subrecipients through subawards.

Pass-through entities are required to monitor subrecipients' activities to ensure they are properly using federal funding. To determine the appropriate level of monitoring, federal regulations require

the Department to perform risk assessments to determine each subrecipient's risk of noncompliance with federal statutes and regulations, and the subaward's terms and conditions.

During fiscal year 2022, the Department awarded about \$69 million in new subawards to 27 subrecipients for Section 5311 rural routes and services throughout the state. The Department's Public Transportation Division is responsible for issuing subawards to rural transit subrecipients and completing risk assessments for those receiving Section 5311 funding. The Department's *Consolidated Grant Guidebook* communicates the requirements for conducting assessments of each subrecipient's risk of noncompliance. In March 2022, the Department updated the guidebook to require risk assessments to be conducted at least every two years.

The Public Transportation Division maintains a tracking spreadsheet to monitor active subrecipients and related information, such as subawards issued, progress reporting, risk assessments and other monitoring information. Subawards containing federal funds are normally awarded to subrecipients at the start of each fiscal biennium.

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 controls over and did not comply with requirements to perform risk assessments for subrecipients of the Formula Grants for Rural Areas program.

We randomly selected and reviewed eight of the 27 subrecipients awarded funding during the audit period to verify the Department performed a risk assessment to determine the appropriate level of monitoring for each subrecipient. We found the Department did not perform a risk assessment for two subrecipients (25 percent). We also reviewed the Department's tracking spreadsheet and found it did not include nine subrecipients (33 percent) that received funding during the audit period, including the two previously identified. All nine of these subrecipients received their subawards after the Department's normal process of subawarding at the start of the fiscal biennium had already occurred.

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 the Department met the federal requirement to perform risk evaluations for subrecipients. It also did not have a process in place for performing risk assessments for subrecipients when executing subawards after the start of the fiscal biennium.

Effect of Condition

By not performing risk assessments, the Department is less likely to detect subrecipients' noncompliance with federal regulations and the grant's terms and conditions. Further, without consistently performing risk assessments for all subrecipients, the Department cannot ensure it using the proper criteria to determine the appropriate level of monitoring required for each subrecipient.

Recommendations

We recommend the Department:

- Ensure it performs and documents the required risk assessments, which would allow management to evaluate the results and demonstrate compliance with federal requirements
- Modify its risk assessment process to ensure it performs risk assessments for every subrecipient regardless of when the subaward is granted

Department's Response

The Washington State Department of Transportation (WSDOT) appreciates the State Auditor's Office audit of the Formula Grants for Rural Areas and COVID-19 Formula Grants for Rural Areas. WSDOT is committed to ensuring our programs comply with federal regulations. WSDOT concurs with the finding and plans to implement the recommendations. Specifically, our Public Transportation Division will ensure that it performs risk assessments for all subrecipients receiving federal subawards regardless of when WSDOT executes the related contract. As of February 2023, the Public Transportation Division is currently updating its risk assessment process that it plans to implement in Spring 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200, Uniform Guidance, section 332, Requirements for pass-through entities, describes the requirement to 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.

Title 2 CFR Part 200, *Frequently Asked Questions*, states in part:

Are pass-through entities required to assess the risk of non-compliance for each applicant prior to making a subaward?

Section 200.332(b) requires risk assessments of subrecipients. While there is no requirement for pass-through entities to perform these assessments before making subawards, pass-through entities are encouraged to conduct the risk assessments prior to making subawards. Doing so before making the subaward helps determine the appropriate monitoring tools pass-through entities should use for their subrecipients. Pass-through entities may use their own 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.

The Washington State Department of Transportation *Consolidated Grant Guidebook (M130 (March 2022 version))*, Chapter 1 – Requirements and guidelines for all projects, states in part:

Program compliance and project reporting

Risk assessments

Every two years and in accordance with 2 CFR 200.332(b)(1-4), WSDOT conducts risk assessments to evaluate each grantee's risk of noncompliance with the grant requirements. We use the risk assessment results to determine how much technical assistance and oversight may be necessary to help organizations comply with grant requirements.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-013 The Department of Corrections improperly charged \$37,392 to the Coronavirus Relief Fund.

Assistance Listing Number and Title:	21.019 COVID-19 Coronavirus Relief Fund
Federal Grantor Name:	U.S. Department of the Treasury
Federal Award/Contract Number:	None
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Known Questioned Cost Amount:	\$37,392

Background

In March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which 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, territorial, tribal, and certain eligible local 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 approximately \$2.2 billion to state agencies for various programs. In fiscal year 2022, state agencies spent approximately \$345 million in CRF funds.

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

- Necessary expenditures incurred due to the public health emergency (COVID-19)
- Costs that were not accounted for in the government's most recently approved budget as of March 27, 2020
- Costs that were incurred during the period that begins March 1, 2020, and ends December 31, 2021

In fiscal year 2022, the Department of Corrections spent \$240 million in CRF funds. The Department used the funds to cover payroll costs for employees who were substantially dedicated to responding to the COVID-19 public health emergency.

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 improperly charged \$37,392 to the CRF.

We found the Department had adequate internal controls to ensure it materially complied with activities allowed or unallowed and allowable costs/cost principles requirements. We used a statistical sampling method and randomly selected and examined 59 monthly payments out of a total population of 29,459. In addition to the 59 payments, we judgmentally picked two individually significant items. We examined the supporting documentation for each monthly payment and found one instance where an employee's payroll overpayment totaling \$37,392 was identified and referred to collections by the Department, but was inadvertently charged to the CRF.

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 actual questioned costs exceed that threshold.

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

Cause of Condition

The Department followed procedures for approving payroll costs. However, multiple reviews did not prevent the overpayment made to an employee from being charged to the CRF.

Effect of Condition and Questioned Costs

The Department improperly charged the CRF for payroll costs totaling \$37,392.

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 Corrections (DOC) would like to thank the State Auditor's Office (SAO) for the audit of the Coronavirus Relief Fund (CRF) grant. The Department agrees that questioned costs were charged to the grant due to an employee's overpayment. While the SAO has complimented our internal controls and processes for being able to track each line item in the CRF, we also know that internal controls can always be improved. The Department has additional allowable costs that were not charged to the grant which should compensate for the questioned costs identified and intends to discuss this change with the funder. The Department appreciated the patience of the SAO in obtaining supporting documentation and having clarifying conversations during the 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200.1, Uniform Guidance, establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable costs.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-014 The Department of Social and Health Services improperly charged \$390 to the Coronavirus Relief Fund.

Assistance Listing Number and Title:	21.019 COVID-19 Coronavirus Relief Fund
Federal Grantor Name:	U.S. Department of the Treasury
Federal Award/Contract Number:	None
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Known Questioned Cost Amount:	\$390

Background

In March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which 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, territorial, tribal, and certain eligible local 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 for various programs. In fiscal year 2022, state agencies spent about \$345 million in CRF funds.

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

- Necessary expenditures incurred due to the public health emergency (COVID-19)
- Costs that were not accounted for in the government's most recently approved budget as of March 27, 2020
- Costs that were incurred during the period that begins March 1, 2020, and ends December 31, 2021

In fiscal year 2022, the Department of Social and Health Services spent \$40 million in CRF funds. The Department used the funds to cover payroll costs for employees who were substantially dedicated to responding to the COVID-19 public health emergency.

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 improperly charged \$390 to the CRF.

We found the Department had adequate internal controls to ensure it materially complied with activities allowed or unallowed and allowable costs/cost principles requirements. We used a statistical sampling method to randomly select and examine 83 monthly payments out of a total population of 9,415. We reviewed the supporting documentation for each monthly payment and found:

- One overpayment for four hours overtime and overtime shift totaling \$208.
- One payment where there was no supporting documentation for an employee's shift differential pay of \$7.50.
- One overpayment for call-back pay totaling \$174.23.

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 followed procedures for approving payroll costs. However, multiple reviews did not prevent the unsupported shift differential pay and the two overpayments from being charged to the CRF.

Effect of Condition and Questioned Costs

The Department improperly charged the CRF for payroll costs totaling \$390. Based on the unallowable payments, we estimate the likely questioned costs for this grant to be \$45,266.

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 reflect 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 concurs with the audit finding.

If the grantor contacts the Department regarding the questioned costs, the Department will discuss the way we used the funds and will take additional action if appropriate.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200.1, Uniform Guidance, establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable costs.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-015 The Office of Financial Management did not have adequate internal controls over and did not comply with reporting requirements for the Coronavirus Relief Fund.

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

Background

In March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which 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, territorial, tribal, and certain eligible local 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 for various programs. In fiscal year 2022, the state spent about \$345 million in CRF funds, with the Department of Social and Health Services (DSHS) and the Department of Corrections (DOC) accounting for more than \$280 million (81 percent) of these expenditures.

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. During fiscal year 2022, the FPRs were due no later than 10 days after each calendar quarter. 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.

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.

In the prior audit, we reported the Office did not have adequate internal controls over and did not comply with reporting requirements for the CRF. The prior finding number was 2021-014.

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 shortly after the end of the audit period, which reported on activity during the audit period. At the end of each quarter, Office staff sent an Excel template to state agencies to report CRF expenditures for key line items for 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 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 DOC expenditures because they accounted for more than 81 percent of CRF expenditures. To examine the accuracy of the FPRs, we reviewed the agency and state-level templates and accounting records provided by the Office. We found that the templates and accounting records did not adequately support and align with information the Office reported on the FPRs. We also found that when the amounts reported on the FPR differed from the state-level templates or accounting records, the Office could not provide documentation supporting the change. Finally, we could not determine that staff responsible for certifying the FPRs reviewed the supporting documentation, but a review should have identified differences between the source data and submitted reports.

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

Cause of Condition

During the audit period, management transferred responsibility for reporting from the fiscal and operations division to the statewide accounting division. However, during this process, management did not ensure that all records necessary to support the reports submitted by the fiscal and operations division were retained and reviewed for completeness. In addition, the employee responsible for preparing these first two reports left the Office, and management did not ensure that complete supporting documentation was retained.

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 could not provide complete supporting documentation for some reports, we contacted DSHS and DOC for supporting documentation and additional information. To determine whether the FPRs submitted were accurate and complete, we compared the Office’s consolidated templates and FPRs to expenditure reports and the information provided by DSHS and DOC.

During our review of DSHS projects, we identified the following discrepancies:

Reporting Cycle & Expenditure Type	DSHS Reported Amount	DSHS Accounting Record Amount	DSHS Variance	Details
Cycle 6 – Contracts >= \$50,000	\$10,220,300	\$10,345,300	(\$125,000)	Underreported
Cycle 7 – Contracts >= \$50,000	\$120,000	\$195,000	(\$75,000)	Underreported
Cycle 7 – Transfers >= \$50,000	(\$402,616,439)	(\$403,364,801)	\$748,362	Overreported
Cycle 8 – Transfers >= \$50,000	\$0	\$7,382,000	(\$7,382,000)	Underreported

During our review of DOC expenditures, we identified discrepancies totaling \$246,550,000 in the final reporting cycle (Cycle 10). We determined that \$240,000,000 in expenditures reported as aggregate payments to individuals was reported twice, once in Cycle 7 and again in Cycle 10. In addition, \$6,550,000 of Coronavirus State and Local Fiscal Recovery Funds were incorrectly included in the report as CRF expenditures.

Recommendations

We recommend the Office:

- Improve internal controls to ensure reported amounts, including corrections or adjustments made during submission, are properly tracked and documented for subsequent reporting cycles
- Ensure management reviews source data when certifying the report to ensure amounts reported reconcile to supporting documentation
- Retain all necessary documentation to support amounts reported to the federal grantor
- Consult with the federal grantor to determine if a revision and resubmission of the final FPR is required

Office's Response

The Office had controls in place for the Coronavirus Relief Fund (CRF) reporting requirements to ensure reported amounts, including corrections or adjustments made during the reporting period, were properly tracked and documented for subsequent reporting cycles. The Office performed continual monitoring of CRF expenditures to ensure the total grant expenditures reported were complete and accurate.

During the audit period, the Fiscal & Operations staff were responsible for uploading and certifying cycle 6 and 7 reports. Agencies were required to provide data on a report template designed to collect and compile statewide information. Since CRF reporting deadlines did not align with the state's accounting fiscal month cut-off, agencies reported expenditure data up to the end of the last calendar month included in the reporting period instead of waiting until after the close of fiscal month. Staff entered agencies' data into the federal reporting system manually, while dealing with various challenges caused by system issues. During the process, staff communicated with agencies for questions and clarifications via emails or phone calls to ensure reporting was complete and accurate. With staff turnover, some of the email exchanges and telephone conversations could not be provided for audit purposes. Due to the cumulative reporting nature of CRF, it was our understanding that any corrections could be made in the subsequent reporting cycle.

The Statewide Accounting staff, who took over the responsibility for reviewing and certifying cycle 8-10 reports, performed a review of each report prior to submission which was documented via emails. The review ensured amounts submitted on the reports reconciled to supporting documentation provided by agencies at the time the reports were prepared.

In accordance with the CRF reporting guidance issued by Department of Treasury, specifically the FAQ's published in March 2021 (OIG-CA-20-028R), the Office made necessary adjustments to reports to accurately reflect all expenditures in the appropriate categories. For the final cycle

10 report, the Office ensured the amounts on the CRF report were supported by the underlying accounting records and performed a complete reconciliation of expenditures to the totals reported for each expenditure category. All revisions and resubmissions of the final report was completed in cycle 10. No additional revisions are required as this time.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Office of Management and Budget, 2 CFR Part 200, Appendix XI, *2022 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.

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 tenth 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-016 The Department of Commerce did not have adequate internal controls over and did not comply with requirements to ensure payments to subrecipients of the Emergency Rental Assistance program were allowable and properly supported.

Assistance Listing Number and Title:	21.023 COVID-19 Emergency Rental Assistance Program
Federal Grantor Name:	U.S. Department of the Treasury
Federal Award/Contract Number:	N/A
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs / Cost Principles Period of Performance
Known Questioned Cost Amount:	\$255,642,551

Background

Congress passed two acts authorizing federal funds for the Emergency Rental Assistance (ERA) program to respond to the COVID-19 pandemic. The Consolidated Appropriations Act, 2021, enacted on December 27, 2020, provided \$25 billion for ERA. These funds are known as ERA1. The American Rescue Plan Act of 2021, enacted on March 11, 2021, provided \$21.55 billion in additional funding for ERA. These funds are known as ERA2. The funds are provided directly to states, U.S. territories, local governments and, in the case of ERA1, Indian tribes, to assist eligible households through existing or newly created rental assistance programs.

The Department of Commerce administers the ERA program in Washington. The Department subawarded federal funds to subrecipients to provide financial assistance to households, landlords and utility providers. In fiscal year 2022, the Department spent about \$450 million in ERA1 and ERA2 funds. During the audit period, the Department allocated program funds to 38 ERA1 subrecipients and 12 ERA2 subrecipients. Grant recipients may use ERA1 and ERA2 funds for administrative expenses, housing stability services, financial assistance, and other affordable rental housing and eviction prevention purposes.

Most of the expenditures the Department spent were for financial assistance to eligible households, which included payment of rent, rental arrears, utilities and home energy costs, utilities and home energy costs arrears, housing stability services and other expenses related to housing. Under the ERA1 program, award funds used for “other expenses” must be related to housing and “incurred due, directly or indirectly, to the COVID-19 outbreak.” The amount for prospective rent cannot exceed three months under a single household application. Financial assistance arrears may only cover household expenses accrued on or after March 13, 2020, up to a maximum 15 months for ERA1 and a maximum of 18 months under ERA1 and ERA2 combined.

There is no maximum dollar amount for the cumulative financial assistance that may be provided on behalf of an eligible household beyond the requirement that the amounts paid be based on documentation of household income, leases and equivalent forms.

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 payments for the ERA program were allowable and properly supported.

During the audit period, the Department only required high-level supporting documentation when approving subrecipient payments. Since detailed source documentation was not required at the time of the reimbursement payment, the Department implemented a fiscal review process for the ERA1 and ERA2 subrecipients.

We reviewed the three fiscal reviews completed in the audit period and determined they were sufficient for ensuring payments to these subrecipients were allowable and adequately supported. However, we determined the Department did not complete fiscal reviews for 35 of the 38 ERA1 subrecipients (92 percent) and all 12 ERA2 subrecipients (100 percent) during the audit period.

We used a statistical sampling method to randomly select and review 55 out of 369 payments. Additionally, we judgmentally reviewed one individually significant payment that exceeded \$23 million. In total, we examined more than \$258 million in provider payments as part of the audit.

Of the 56 payments examined, we identified 54 payments (96 percent), including the individually significant payment, that did not have adequate documentation and for which the subrecipient did not receive a fiscal review to ensure the payment(s) was for allowable activities, met cost principles, and occurred within the award’s period of performance.

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 ERA program. Department staff approved payments to subrecipients without adequate supporting documentation, and management relied on annual fiscal monitoring reviews to ensure subrecipients had proper support for reimbursement payments. However, management said that due to limited staffing and resources, they were only able to conduct monitoring for three subrecipients during the audit period.

Effect of Condition and Questioned Costs

We determined the Department did not receive adequate supporting documentation before paying subrecipients and did not perform fiscal reviews to ensure that expenditures were for allowable activities. As a result, we identified \$255,642,551 in known federal questioned costs and \$437,002,382 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 the population 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.

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 discuss whether the questioned costs identified in the audit should be repaid

Department's Response

The Coronavirus pandemic created an unprecedented crisis of imminent evictions for an estimated 200,000 households who would face homelessness. Prompt program implementation was critical to reducing evictions as 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.

During fiscal years 2021 through 2023, the department created the following programs with federal funding:

- *Eviction Rent Assistance Program (ERAP) 1.0 and 2.0, with Coronavirus State Fiscal Recovery Funds allocated by the Washington State Legislature.*
- *Treasury Rent Assistance Program (T-RAP) 1.0 and 2.0, with funds awarded to the Department by the United States Department of Treasury.*

The Department endeavored to quickly deploy these programs either concurrently or on overlapping timelines, as the federal government doubled down on passing legislation to provide much needed assistance to the states.

At the time the Department received the first ERAP funds for rental assistance, the Department had current contracts with grantees for the same activity and for whom monitoring plans had been completed. The vast majority of our grantees are local government entities, with whom the Department has a long history of contracting and partnering on delivering services. Local governments have controls in place and a proven track record of administering housing assistance funds, so the Department has an inherent trust and confidence in their administrative and fiscal control functions, including the detailed review of expenditures.

When the Department received the first emergency rental assistance funds (August 2020) the funding for the program was set to expire just four months after the federal award, requiring the Department to lift bureaucratic barriers and issue funds quickly. 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. The Department had started a fiscal review process for ERAP 1 and ERAP 2 programs following those awards. Upon receiving the results of the fiscal year 2021 emergency rental assistance audit, it was determined the fiscal review must be completed for all program reimbursements, even if the detail review of expenditures was completed at our subrecipient level. The initial fiscal monitoring was based on previously conducted risk assessments, so not all payees received a fiscal monitoring. The State Auditor's Office identified this deficiency during fiscal year 2021. Following that, at the end of fiscal year 2022, the department began to review supporting backup documentation for all expenditures. Unfortunately this process had not been

implemented in full to meet the second audit requirements for fiscal year 2022. The Department continues to complete reviews of supporting documentation for fiscal year 2023 expenditures and we strive to meet all other program requirements. We will continue to submit monthly and quarterly data and reconciliation reports to the United States Department of Treasury and work with the Washington State Auditor's Office in response to any current or future audits.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200, Uniform Guidance, section 403, Factors affecting allowability of costs, describes the general criteria in order for a cost to be allowable under federal awards, including being adequately documented.

Title 2 CFR Part 200.1, Uniform Guidance, establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable costs.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-017 The Department of Commerce did not have adequate internal controls over and did not comply with reporting requirements for the Emergency Rental Assistance program.

Assistance Listing Number and Title:	21.023 COVID-19 Emergency Rental Assistance Program
Federal Grantor Name:	U.S. Department of the Treasury
Federal Award/Contract Number:	None
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting Special Tests and Provisions: ERA Funds Reallocation
Known Questioned Cost Amount:	None

Background

Congress passed two acts authorizing federal funds for the Emergency Rental Assistance (ERA) program to respond to the COVID-19 pandemic. The Consolidated Appropriations Act, 2021, enacted on December 27, 2020, provided \$25 billion for ERA. These funds are known as ERA1. The American Rescue Plan Act of 2021, enacted on March 11, 2021, provided \$21.55 billion in additional funding for ERA. These funds are known as ERA2. The funds are provided directly to states, U.S. territories, local governments and, in the case of ERA1, Indian tribes, to assist eligible households through existing or newly created rental assistance programs.

The Department of Commerce administers the ERA program in Washington. The Department subawarded federal funds to subrecipients to provide financial assistance to households, landlords and utility providers. In fiscal year 2022, the Department spent about \$450 million in ERA1 and ERA2 funds. During the audit period, the Department allocated program funds to 38 ERA1 subrecipients and 12 ERA2 subrecipients. Grant recipients may use ERA1 and ERA2 funds for administrative expenses, housing stability services, financial assistance, and other affordable rental housing and eviction prevention purposes.

The Department is required to submit monthly and quarterly reports for ERA1 and ERA2. For monthly reports, the Department reports the total number of participating households that received ERA assistance and the total amount of ERA funds expended by the Department to or for participating households. For quarterly reports, the Department reports the cumulative amount obligated and expended. Additionally, before the federal government issued the full reporting requirements for the program, the Department submitted interim reports for the first quarter after each award opened. The Department collects data from each subrecipient and manually aggregates it together to determine the reported amounts.

The U.S. Department of the Treasury uses these reports to make reallocation determinations to ensure ERA funds remain available to grantees in accordance with jurisdictional needs and demonstrated capacity to deliver assistance while the ERA appropriations remain available.

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 reporting requirements for the ERA program.

During the audit period, Department program staff asserted that all reports were reviewed and approved by appropriate staff before submission to Treasury. However, program staff did not document their review or approval, so we were unable to determine if the proper reviews occurred.

For the monthly reports, we used a nonstatistical sampling method to randomly select and examine eight out of 24 reports. We identified one report (13 percent) that did not contain data for two subrecipients, resulting in an underreporting of 262 households and \$1,720,736 in rental assistance.

For the quarterly reports, we used a nonstatistical sampling method to randomly select and examine five out of 12 interim and quarterly reports. We identified two interim quarterly reports (40 percent) where the reported amounts were supported only by subrecipients' reported amounts with no detailed support. As a result, we could not verify that \$55,139,970 in expenditures and obligations were accurate and complete. Furthermore, in reviewing the accuracy of the aggregated subrecipient data, one of these interim reports was overreported by \$811,010.

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 did not require management to document their reviews of reports and supporting documentation prior to submission. If reviews of the reports were performed, they were inadequate for detecting the identified errors.

Additionally, for the interim quarterly reports, the Department did not require subrecipients to provide detailed data to support expenditure and obligation amounts submitted on the data-collection forms.

Effect of Condition

By not retaining adequate supporting documentation for the reports, management was unable to demonstrate that the amounts the Department reported were complete and accurate. As a result, Treasury may not be able to make accurate reallocation determinations.

Without establishing adequate internal controls, the Department cannot reasonably ensure that the expenditure and obligation amounts reported to Treasury are complete and accurate.

Recommendations

We recommend the Department:

- Ensure that management perform and document an adequate review of the supporting documentation before submitting reports to the Department of the Treasury
- Ensure that data collected from subrecipients contains detailed information to support the amounts included in required reports

Department's Response

The Coronavirus pandemic created an unprecedented crisis of imminent evictions for an estimated 200,000 households who would face homelessness. During fiscal years 2021 through 2023, the Department managed the Treasury Rent Assistance Programs 1.0 and 2.0: ERA funds.

The program included multiple funding allocations to fund the programs. The Department endeavored to quickly deploy these programs either concurrently or on overlapping timelines, as the federal government doubled down on passing legislation to provide much needed assistance to the states.

At the time the Department received the Treasury Rent Assistance funds directly from the Department of Treasury (Treasury), the program was unaware of the 2 CFR 200 compliance requirements. The only program specific information provided for reporting was the basic outline of requirements from the statute authorizing the use of ERA funds.

The Department's Treasury Rent Assistance Program (T-RAP 1.0 and 2.0) launched in March of 2021. Reporting guidance specifically for Treasury Rent assistance programs was not released until June 30, 2021. While it was helpful to have more guidance on reporting, the guidance provided was confusing and difficult to understand. Accessing Treasury staff to provide additional guidance and answer questions was a challenge. Local governments also had a difficult time comprehending the guidance and were unable to get technical assistance from Treasury, which led the National Council of State Housing Agencies (NCSHA) to convene regular meetings with local government peers administering emergency rental assistance funds. The NCSHA assisted in understanding the guidance and advocated to Treasury to provide clear language and technical assistance on the guidance they issued.

As the Department's program ramped up over the summer of 2021, Treasury updated the reporting requirements adding a significant amount of new data elements and expenditure reporting. Between June 2021 and March of 2023, Treasury updated reporting guidance eight times. With each update and new requirements added, Department staff had to reconfigure their data collection methods to ensure they were able to collect the newly required information from subrecipients, and ultimately able to properly report it.

The Department quickly realized that additional support was needed in order to ensure compliance with reporting requirements. The Department contracted with a vendor skilled in performing data analytics, FORWARD (formerly known as LiveStories), to help aggregate the data required in the monthly and quarterly reports. FORWARD began helping the Department with their reporting duties starting in January 2022.

Program management acknowledges reporting approvals were not separately documented for signature of review and approvals. The Department's Internal Control Officer has provided recommendations for the program to implement to ensure all reporting reviews and approvals are documented. The Department is currently evaluating how to implement the review and approval controls. We also acknowledge the under reporting deficiency which occurred on one of our monthly reports and the interim report. The Treasury reporting system did not allow the Department the ability to modify or change existing reports. The Department had no way of updating the reported information, the only method the program had to update reporting was to verify the final fiscal year figures were updated and reported accurately.

The Department constantly strives to ensure we obtain detailed supporting documentation from subrecipients which support all amounts included in all Treasury required reports.

The Department thanks SAO for this opportunity to provide a response to the deficiencies reported.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Section 501 of the Consolidated Appropriations Act, 2021

(d) Reallocation of unused funds.

Beginning on September 30, 2021, the Secretary shall recapture excess funds, as determined by the Secretary, not obligated by a grantee for the purposes described under subsection (c) and the Secretary shall reallocate and repay such amounts to eligible grantees who, at the time of such reallocation, have obligated at least 65 percent of the amount originally allocated and paid to such grantee under subsection (b)(1), only for the allowable uses described under subsection (c). The amount of any such reallocation shall be determined based on demonstrated need within a grantee's jurisdiction, as determined by the Secretary.

Section 3201 of the American Rescue Plan Act of 2021

(e) Reallocation of funds.

(1) In General. Beginning March 31, 2022, the Secretary shall reallocate funds allocated to eligible grantees in accordance with subsection (b) but not yet paid in accordance with subsection (c)(2) according to a procedure established by the Secretary.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-018 The Office of Financial Management did not have adequate internal controls over and did not comply with requirements to ensure Coronavirus State and Local Fiscal Recovery Funds were used only for allowable activities.

Assistance Listing Number and Title:	21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Federal Grantor Name:	U.S. Department of the Treasury
Federal Award/Contract Number:	None
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs/Cost Principles Period of Performance
Known Questioned Cost Amount:	\$300,000,000

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. Washington has received approximately \$4.4 billion of SLFRF money from the U.S. Department of the Treasury (Department).

Federal law stipulates that states may use SLFRF funds to:

- Support public health expenditures, including COVID-19 prevention and mitigation efforts
- Address negative economic impacts caused by the public health emergency
- Replace lost public sector revenue
- Provide premium pay for essential workers
- Invest in water, sewer, and broadband infrastructure

States may only use funds to cover costs incurred during the period of performance, which began on March 3, 2021, and ends on December 31, 2024.

Under the Department’s final rule, SLFRF recipients could use funds to replace lost public sector revenue to provide government services. Recipients could elect a one-time standard allowance of \$10 million to spend on the provision of government services during the grant’s period of performance. Alternatively, SLFRF recipients could calculate lost revenue based on a formula established by the Department to determine the amount of SLFRF funds that can be used for the provision of government services. Washington chose to calculate its lost revenue rather than used the standard allowance.

The calculated amount of revenue loss determines the limit of SLFRF funds that can be used to provide government services by a recipient. For reporting purposes on the Schedule of Expenditures of Federal Awards (SEFA), the aggregate expenditures for all eligible use categories must be reported, not the result of the revenue loss calculation or the standard allowance.

Washington received the first half (\$2.2 billion) of its total \$4.4 billion SLFRF allocation in May 2021. When received, the funds were accounted for in the state’s Coronavirus State Fiscal Recovery Fund (Fund 706). Washington State Substitute Senate Bill 5165, section 408, included distributions totaling \$600 million from Fund 706 into various state transportation-related accounts. According to the Office, the purpose of these distributions was to compensate for revenue losses in state fiscal years 2020 and 2021 relative to revenues collected in state fiscal year 2019 and to be used to maintain government services. The Office attributed \$300 million of this as SLFRF expenditures for transportation related accounts on the State’s fiscal year 2022 SEFA.

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 and did not comply with requirements related to the SLFRF revenue loss provision.

While SLFRF funds are allowed to replace lost public sector revenues, the State was required to identify actual expenditures that were provided for government services. At the time of audit, the State had not identified such expenditures. Rather, the state asserted that all expenditures in the Transportation accounts receiving the SLFRF funds were appropriated for government services and, therefore, there was no doubt as to the allowability of the use of funds.

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 does not believe federal requirements and the Department’s final rule required the State to separately identify actual expenditures that equal the amount of SLFRF expenditures claimed. It is the Office’s position that all expenditures in the Transportation related accounts were for government services and, therefore, the state had sufficient expenditures to meet the grant requirement.

During the audit, the Office contacted the Department to obtain guidance on the matter. The Office cited the Department’s FAQ Question 13.15, which states in part, “recipients should not deviate from their established practices and policies regarding the incurrence of costs, and that they should expend and account for the funds in accordance with laws and procedures for expending and accounting for the recipient’s own funds.” A Department representative acknowledged this FAQ and said the Department does not have additional specific requirements about how recipients should internally track their use of SLFRF funds used for revenue replacement.

Effect of Condition and Questioned Costs

Without a population of actual expenditures to audit, we could not design tests to verify costs charged to the grant were only for allowable activities, met cost principles, and were incurred during the grant’s period of performance. In our judgment, without identifying the specific expenditures charged to the SLFRF, the Office did not comply with federal requirements.

Therefore, we are questioning \$300 million in costs that were not supported by specifically identified expenditures for government services. 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 federal expenditures.

Recommendations

We recommend the Office:

- Identify the actual government service expenditures that are the basis for the \$300 million in SLFRF expenditures recorded on the State’s fiscal year 2022 SEFA
- Review the supporting documentation for the expenditures to ensure they meet compliance requirements for the SLFRF and are adequately documented, while also documenting the details of this review
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

Office's Response

The Office does not concur with the audit finding.

The state of Washington created a separate fund to track the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) expenditures. The state, through legislation, approved the transfer from the SLFRF account to various state transportation accounts. Each transportation account that received SLFRF funds was established in statute and is for a specific "government service" purpose. Therefore, all payments from those accounts would be considered an actual government service expenditure. The U.S. Department of Treasury FAQ 3.2 states that "Government services generally include any service traditionally provided by a government, unless Treasury has stated otherwise." We reaffirm that all expenditures from the transportation accounts that received the SLFRF funds were used to maintain government services.

The State Administrative and Accounting Manual requires all state agencies to establish internal controls over payments for goods and services, including ensuring payments are lawful and for proper purposes, reviewing payments to ensure they are supported, as well as documenting the review of all payments. State agencies continued to follow their established internal controls to ensure expenditures from the transportation accounts were proper and allowable. Additionally, the Office followed consistent policies and practices regarding the incurrence of costs in the transportation accounts for both non-SLFRF and SLFRF funds, which complied with federal guidance.

We disagree that the total amount of lost revenue transferred to the transportation accounts should be considered questioned costs because the auditors were unable to design tests for compliance. The following table lists the accounts and the amounts received from SLFRF during fiscal year 2022. We know all expenditures in these accounts are for government services, and therefore are allowable costs for the program.

	Account	Authority	Amount transferred from Account 706 (CSLFRF)
1	Account 039 - Aeronautics Account	RCW 82.42.090	\$ 388,500.00
2	Account 081 - State Patrol Highway Account	RCW 46.68.030	\$ 6,179,000.00
3	Account 082 - Motorcycle Safety Education Account	RCW 46.68.065	\$ 9,000.00
4	Fund 099 - Puget Sound Capital Construction Account	RCW 47.60.505	\$ 1,446,000.00
5	Account 09H - Transportation Partnership Account	RCW 46.68.290	\$ 19,773,500.00
6	Account 102 - Rural Arterial Trust Account	RCW 36.79.020	\$ 1,546,000.00
7	Account 106 - Highway Safety Account	RCW 46.68.060	\$ 4,109,500.00

8	Account 108 - Motor Vehicle Account	RCW 46.68.070	\$ 49,708,000.00
9	Fund 109 - Puget Sound Ferry Operations Account	RCW 47.60.530	\$ 42,983,000.00
10	Fund 16J - State Route Number 520 Corridor Account	RCW 47.56.875	\$ 29,783,500.00
11	Account 17P - SR520 Civil Penalties Account	RCW 47.56.876	\$ 2,721,000.00
12	Account 144 - Transportation Improvement Account	RCW 47.26.084	\$ 7,922,000.00
13	Account 186 - County Arterial Preservation Acct	RCW 46.68.090	\$ 969,500.00
14	Account 20H - Connecting Washington Account	RCW 46.68.395	\$ 33,831,500.00
15	Account 215 - Special Category C Account	RCW 46.68.090	\$ 1,987,500.00
16	Account 218 - Multimodal Transportation Account	RCW 47.66.070	\$ 57,805,500.00
17	Account 511 - Tacoma Narrows Toll Bridge Account	RCW 47.56.165	\$ 7,853,500.00
18	Account 550 - Transportation 2003 Account	RCW 46.68.280	\$ 14,340,500.00
19	Account 595 - I-405 and SR-167 Express Toll Lanes Acct	RCW 47.56.884	\$ 16,446,500.00
20	Account 780 - School Zone Safety Account	RCW 46.61.440	\$ 196,500.00
			\$ 300,000,000.00

We requested that the auditors perform testing of the entire population of expenditures in the transportation accounts for compliance. Questioned costs, if any, could have been identified through relevant audit procedures.

During multiple trainings offered by the U.S. Treasury, there has been communication that the grantor will be working with grant recipients through ongoing desk audits to ensure no questioned costs are required to be repaid. The Office will work with the legislature to ensure SLFRF funds can be tracked separately from other funds.

Auditor's Remarks

We believe that the federal requirement is that SLFRF recipients must separately identify actual expenditures that equal the amount of SLFRF expenditures stated on the Schedule of Expenditures of Federal Awards. Furthermore, that is the practice used by the State for all other federal programs. We appreciate that the Office will make efforts to work with the Legislature to ensure future SLFRF funds can be tracked separately from other funds.

We reaffirm our finding and will follow-up on the Office's corrective actions in 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200, Uniform Guidance, section 302, Financial management, states in part:

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.
- (3) Records that identify adequately the source of the 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.

Title CFR Part 200, Uniform Guidance, section 403, Factors affecting allowability of costs, states in part:

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

- (g) Be adequately documented.

Title 2 CFR Part 200, Uniform Guidance, establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable costs.

Title 2 CFR Part 200, Uniform Guidance, section 516, Audit findings, establishes reporting requirements for audit findings.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-019 The Department of Commerce did not have adequate internal controls over and did not comply with requirements for monitoring subrecipients to ensure payments were allowable, properly supported, and met period of performance requirements for the Coronavirus State and Local Fiscal Recovery Funds.

Assistance Listing Number and Title:	21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Federal Grantor Name:	U.S. Department of the Treasury
Federal Award/Contract Number:	SLFRP0002
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs/Cost Principles Period of Performance Subrecipient Monitoring
Known Questioned Cost Amount:	\$28,886,606

Background

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), as part of the American Rescue Plan Act of 2021, delivered \$350 billion to state, local, and tribal governments to support the response to and recovery from the COVID-19 public health emergency. Washington received \$4.4 billion of SLFRF money from the U.S. Department of the Treasury, which the state's Office of Financial Management allocated to state agencies for various programs. In fiscal year 2022, state agencies spent more than \$1.4 billion in SLFRF funds, \$132 million of which was spent by the Department of Commerce.

The Department used SLFRF funds to administer and provide economic assistance to households at risk of eviction and homelessness primarily through the Eviction Rental Assistance Program (ERAP 2.0), in addition to transportation, tourism, and other pandemic-recovery projects. During fiscal year 2022, the Department expended about \$111 million on reimbursements and advance

payments to local governments and nonprofit organizations as subrecipients. These subrecipients were responsible for making direct payments of rent and utilities for eligible low-income households with overdue rent payments dating as far back as March 2020.

Pass-through entities are required to monitor the activities of subrecipients to ensure they are properly using federal funds for allowable activities and expenditures.

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 monitoring subrecipients to ensure payments were allowable, properly supported, and met period of performance requirements for the SLFRF program.

During the audit period, the Department only required summary level supporting documentation when approving subrecipient payments. Since detailed source documentation was not required at the time of reimbursement, the Department implemented a fiscal review process for ERAP 2.0 subrecipients.

We determined that the Department did not perform fiscal reviews or any program reviews for 20 of its 32 subrecipients (63 percent) during the audit period.

We used a statistical sampling method to randomly select and review seven out of 12 subrecipients for which the Department completed monitoring during the audit period. We determined four of the seven fiscal reviews completed were insufficient for ensuring payments to these subrecipients were allowable and adequately supported, primarily because the support reviewed lacked enough detail to ensure the activities were allowable and within the period of performance.

We also examined program monitoring documentation completed for these same seven subrecipients. The Department selected only one household from each subrecipient for eligibility verification. We determined these reviews did not provide reasonable assurance that payments to the subrecipients were made only on behalf of eligible households.

We also used a statistical sampling method to randomly select and review 56 out of 627 payments. Additionally, we judgmentally selected and reviewed one individually significant payment of \$6 million. In total, we examined 57 provider payments totaling \$48.5 million. Of the 57 payments examined, we identified 37 (65 percent), including the individually significant payment, that did not have adequate documentation to ensure the payment was for allowable activities, met cost principles, and occurred within the award's period of performance.

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

The 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 ERAP 2.0 and the use of SLFRF funds. Department staff approved payments to subrecipients without reviewing adequate supporting documentation, and management relied on annual program and fiscal monitoring to ensure subrecipients had proper support and only served eligible households. However, management said that due to limited staffing and resources, they were only able to monitor 12 subrecipients during the audit period, wherein staff elected to review just one household payment for each subrecipient for appropriateness.

Furthermore, the program did not have written policies and procedures in place documenting the programmatic and fiscal monitoring requirements for staff to follow. Therefore, management could not ensure that reviews were thorough and consistent, included a valid sample of subrecipient records, and required detailed source documentation, including accounting support.

Effect of Condition and Questioned Costs

We determined the Department did not review adequate supporting documentation before paying subrecipients, and it did not perform adequate fiscal reviews to ensure that expenditures were for allowable activities. As a result, we identified \$28,886,606 in known federal questioned costs and \$71,007,353 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 reflect 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.

Without establishing adequate internal controls and reviewing detailed supporting documentation from subrecipients, the Department cannot reasonably ensure it is using federal funds for allowable purposes and that spending occurs within the allowed 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 Department:

- Implement written policies and monitoring procedures to ensure adequate review of each subrecipient's use of federal funds
- Improve internal controls to ensure subrecipients provide adequate supporting documentation when requesting reimbursement
- Ensure it has sufficient staffing and resources to monitor each subrecipient, as required under Uniform Guidance
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

Department's Response

The Coronavirus pandemic created an unprecedented crisis of imminent evictions for an estimated 200,000 households who would face homelessness. Prompt program implementation was critical to reducing evictions as homelessness was shown to increase the spread of COVID-19 leading to death. In fiscal year 202, Commerce created the Eviction Rent Assistance Programs 1.0 and 2.0: Coronavirus State Fiscal Recovery Funds allocated by the Washington State legislature to fund the program.

All of the rental assistance programs included multiple funding allocations. To provide much needed assistance to the state, the Department quickly deployed the programs either concurrently or on overlapping timelines. The vast majority of our grantees are local government entities with whom the Department has a long history of contracting and partnering with to deliver services. Federal requirements dictate local governments ensure their internal controls meet standards to comply with all compliance requirements. The Department used that expectation to rely on their administrative and fiscal control functions to ensure compliance.

The Department received the first emergency rental assistance funds in August 2020 and the funding was set to expire four months after the award issuance. The Department moved quickly to relieve barriers to issue funding. In December 2020 Congress extended the end date to continue the funding for this program into 2021.

As a result of the fiscal year 2021 audit, it was determined the fiscal review must be completed for all program reimbursements, even if the detail review of expenditures was completed at our subrecipient level. The initial fiscal monitoring was based on previously conducted risk assessments, so not all payees received a fiscal monitoring. As a result of the deficiencies reported in the fiscal year 2021 audit, the program deployed new subrecipient monitoring risk assessment processes, and now completes a new assessment for each award at the time of the award.

Once the deficiency was identified, the Department began to review supporting backup documentation for all expenditures. The current finding also focused on specific sets of expenditures which were not reviewed in detail. As a result, the Department is currently evaluating the best approach to obtain and review supporting documentation at a detail level to ensure compliance with all requirements. The Department continues to complete reviews of supporting documentation for fiscal year 2023 expenditures and we strive to meet all other program requirements.

We thank the State Auditor's Office for identifying areas we could improve to meet all compliance requirements for federal funding.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200, Uniform Guidance, section 332, Requirements for pass-through entities, establishes the requirements for all pass-through entities.

Title 2 CFR Part 200, Uniform Guidance, section 403, Factors affecting allowability of costs, describes the general criteria in order for a cost to be allowable under federal awards, including being adequately documented.

Title 2 CFR Part 200.1, Uniform Guidance, establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable costs.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-020 The Office of Financial Management did not have adequate internal controls over and did not comply with reporting requirements for the Coronavirus State and Local Fiscal Recovery Funds.

Assistance Listing Number and Title:	21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Federal Grantor Name:	U.S. Department of the Treasury
Federal Award/Contract Number:	None
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None

Background

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), as part of the American Rescue Plan Act of 2021, delivered \$350 billion to state, local, and tribal governments to support the response to and recovery from the COVID-19 public health emergency. The program also provides resources to fight the pandemic, address economic impacts, maintain vital public services, and build a strong, resilient, and equitable recovery.

Washington received about \$4.4 billion of SLFRF money from the U.S. Department of the Treasury (Treasury), which the state's Office of Financial Management allocated to state agencies for various programs. In fiscal year 2022, the State spent more than \$1.1 billion in federal program funds.

Under the SLFRF program, recipients are required to submit Project and Expenditure Reports during the covered period which began March 3, 2021 and ends December 31, 2024. Treasury identified the following key line items that contain critical information:

1. Obligations and Expenditures
 - Current period obligation
 - Cumulative obligation

- Current period expenditure
 - Cumulative expenditure
2. Subawards
 3. Detailed information on any loans issued; contracts and grants awarded; transfers made to other government entities; and direct payments made by the recipient that are greater than \$50,000. For amounts less than \$50,000, the recipient must report in the aggregate for these same categories of loans issued; contracts and grants awarded; transfers made to other government entities; and direct payments made by the recipient.

Recipients must submit the reports online using the Treasury Portal. Users had the option of manually entering data or providing information through a bulk upload using a Treasury template. The Office was responsible for compiling information from state agencies and submitting the reports no later than the last day of the month following the end of each reporting period.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant 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 SLFRF.

During the audit period, the Office submitted three Project and Expenditure Reports:

- Report No. 1 (covering activity from March 3, 2021 to December 31, 2021)
- Report No. 2 (covering activity from January 1, 2022 to March 31, 2022)
- Report No. 3 (covering activity from April 1, 2022 to June 30, 2022)

At the end of each reporting period, Office staff sent an Excel template to state agencies to report SLFRF expenditures. The agencies completed and returned the template along with supporting accounting records. Office staff reviewed and consolidated each agency template into one statewide template to prepare and submit the reports online via the Treasury Portal.

We examined all three reports and the Office's supporting documentation related to each. We found that each report was incomplete and inaccurate when compared to the supporting documentation and information submitted in the Treasury Portal.

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

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

Cause of Condition

During the audit period, the Office transitioned responsibility from its fiscal and operations division to the statewide accounting division. This change improved the Office’s reporting process but did not ensure adequate documentation was retained. Multiple staff submitted reports during the audit period, causing a lack of familiarity with information submitted in previous reporting cycles. For Report No. 1, management did not ensure adequate separation of duties.

Treasury’s new reporting system was implemented and updated during the audit period, and included safeguards intended to prevent the submission of incomplete information. However, the Office said these safeguards created system errors that caused it to have to manually input information for the report to be accepted.

Office management also did not ensure manual entries and adjustments to draft uploads were documented and retained. Additionally, management did not adequately review and reconcile the information submitted in the Treasury Portal to ensure it was completely and accurately captured in the reports.

Effect of Condition

We examined each of the obligation and expenditure key line items and focused our review on agencies with project expenditures that were material to the overall report. We identified three instances of inaccurate or incomplete reporting, which include the following:

Report	Agency (Project ID)	Reported Amount	Expected Amount	Variance	Details
Report No. 1	Health Care Authority (Project No. 5)	\$31,000,000	\$30,985,791	\$14,209	Overreported
Report No. 1	Commerce (Project No. 11)	\$37,419,820	\$31,116,860	\$6,302,960	Overreported
Report No. 3	Commerce (Project No. 11)	\$37,033,965	\$36,805,037	\$228,928	Overreported

We also examined detailed expenditure information in each report, including subaward amounts, subaward IDs, subaward types, subrecipient names, and expenditure amounts. We identified 241 instances where required fields were left blank, or the information reported was inaccurate.

Additionally, we examined the Office’s bulk upload templates and found 494 subawards and expenditures uploaded to the Treasury Portal that were omitted from the reports. These omissions included 124 subawards and expenditures for amounts totaling \$102,952,311 that were included in Report No. 1, but subsequently omitted from the expenditures and subaward sections of Report

Nos. 2 and 3 without a discernible cause. Because the Office did not maintain adequate documentation of manually entered expenditures, we could not determine whether the information entered was accurate.

During the covered period for fiscal years 2021 and 2022, cumulative SLFRF expenditures totaled \$818,297,395 in the reports and \$1,230,743,420 in the state's Schedule of Expenditures of Federal Awards (SEFA). We found the total expenditures in Report No. 3 did not account for \$412,446,025 (33.5 percent) of expenditures that were reported on the SEFA for the same time period.

By not establishing adequate internal controls, the Office cannot ensure that information reported to the federal grantor is complete and accurate.

Recommendations

We recommend the Office:

- Establish internal controls to ensure information is completely and accurately uploaded to the federal reporting system, supported by accounting records, and reviewed and reconciled prior to submission and certification of the report
- Provide training to increase staff familiarity with the federal reporting system
- Provide resources for staff to improve report preparation so that it complies with federal reporting guidance and system requirements
- Refer to Treasury's Project and Expenditure Report User Guide for instructions on correcting the data.

Office's Response

The Office has continued to improve internal controls for the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) reporting requirements to ensure reported amounts, including corrections or adjustments made during the reporting period, were properly tracked and documented for the subsequent reporting cycles. The Office created a separate fund to track CSLFRF expenditures and performed continual monitoring to ensure the total grant expenditures reported were complete and accurate.

The Office was proactive in strengthening controls and processes in CSLFRF reporting. Once the complexities of the federal reporting guidelines became apparent, an additional staff member was hired and dedicated to preparing and submitting the quarterly reports. Staff are familiar with Treasury's Project and Expenditure (P&E) Report User Guide but had to deal with challenges due to guidance being issued late, changed multiple times, and containing complicated reporting requirements. The federal reporting system also does not allow the prior report to be edited after the reporting deadline. Per Treasury's P&E Report User Guide, FAQ 1.11, any changes or revisions need to be reflected in the next quarterly report.

The audit procedures did not take into consideration irregularities found in the Treasury reporting system. The auditors reviewed a pdf. version of the report located on the Treasury website to conduct audit testing. However, the information on that report did not tie to the actual information in the reporting portal. Additionally, the CSLFRF reporting deadlines did not align with the state's accounting fiscal month and fiscal year cut-off dates. Agencies had to report expenditure data up to the end of the last calendar month included in the reporting period, but all expenditure activities could not be captured due to the short timeframe between fiscal month close and the report due date. Also, for this reason, the report for the quarter ending June 30, 2022 (due July 31st) did not tie to the FY22 Schedule of Expenditure of Federal Awards.

The Office continues to improve the quarterly reporting template and assist state agencies during the reporting process to ensure compliance with federal reporting guidance and system requirements. The Office will continue to perform reconciliations of reported expenditures to ensure expenditures are accurately reflected in the appropriate projects and categories. Internal controls also include adequate reviews to ensure reported expenditures are accurate and adequately supported by accounting records before the information is uploaded to the federal reporting system. Internal procedures have been developed to formally document the reporting process.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Office of Management and Budget, 2 CFR Part 200, Appendix XI, *2022 Compliance Supplement*, for Assistance Listing 21.027 Coronavirus State and Local Fiscal Recovery Funds, states in part:

L. Reporting

b. Special Reporting

- a. There are three types of reporting requirements for the CSLFRF program:
 - i. Project and Expenditure Report: Report on financial data, projects funded, expenditures, and contracts and subawards over \$50,000, and other information. Project and Expenditure Reports are due on a regular recurring basis after the Interim Reports. The reporting frequency and deadlines vary by type of recipient and total allocation amount.
- b. *Key Line Items* – The following line items contain critical information for the Project and Expenditure Report:
 - i. Obligations and Expenditures
 - Current period obligation
 - Cumulative obligation
 - Current period expenditure
 - Cumulative expenditure
 - ii. Subawards
 - iii. Detailed information on any loans issued; contracts and grants awarded; transfers made to other government entities; and direct payments made by the recipient that are greater than \$50,000. For amounts less than \$50,000, the recipient must report in the aggregate for these same categories of loans issued; contracts and grants awarded; transfers made to other government entities; and direct payments made by the recipient.

Please see Treasury's Compliance and Reporting Guidance at (<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds/recipient-compliance-and-reporting-responsibilities>) for more information.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-021 The Department of Commerce did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Coronavirus State and Local Fiscal Recovery Funds.

Assistance Listing Number and Title:	21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Federal Grantor Name:	U.S. Department of the Treasury
Federal Award/Contract Number:	SLFRP0002
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None

Background

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), as part of the America Rescue Plan Act of 2021, delivered \$350 billion to state, local, and tribal governments to support the response to and recovery from the COVID-19 public health emergency. Washington received \$4.4 billion of SLFRF money from the U.S. Department of the Treasury, which the state's Office of Financial Management allocated to state agencies for various programs. In fiscal year 2022, state agencies spent about \$1.15 billion in SLFRF funds, \$132 million of which was spent by the Department of Commerce.

The Department used SLFRF funds to administer and provide economic assistance to households at risk of eviction and homelessness primarily through the Eviction Rental Assistance Program (ERAP 2.0), in addition to transportation, tourism, and other pandemic-recovery projects. During fiscal year 2022, the Department expended about \$109 million on payments to local governments and nonprofit organizations as subrecipients. These subrecipients were responsible for making direct payments of rent and utilities for eligible low-income households with overdue rent payments dating as far back as March 2020.

Pass-through entities are required to monitor the activities of subrecipients to ensure they are properly using federal funds for allowable activities and expenditures. 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 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 perform risk assessments for SLFRF subrecipients.

During the audit period, the Department awarded about \$360 million in SLFRF funds to 37 subrecipients. The Department's Office of Family and Adult Homelessness, which oversees multiple housing assistance programs, delegated responsibility to individual programs to complete risk assessments of various federal and state awards and grants. All risk assessments, including ERAP 2.0, were to be completed in January 2022 for active subrecipients. Management relies on the results of these risk assessments to prioritize program and fiscal monitoring of higher-risk subrecipients to ensure expenditures are allowable and rent and utility payments are made only to eligible households.

We examined 12 of the 37 subrecipients awarded funding during the audit period to verify if the Department performed a risk assessment to determine the appropriate level of monitoring for each one. We found the Department did not perform a risk assessment for three subrecipients (25 percent). All three subrecipients received their ERAP 2.0 subawards after the Department conducted risk assessments for the subrecipients' other programs, and management did not ensure the required risk assessments were performed.

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's subrecipient monitoring controls and processes were not well-defined or monitored for effectiveness. In addition, because the Department scheduled risk assessments to be performed annually rather than at the time of the award, management did not monitor to ensure subawards executed throughout the year were properly identified and that subrecipients receiving federal funds after January 2022 would undergo a risk assessment. Management also did not implement a formal tracking process to ensure risk assessments were reviewed for appropriateness and adequately documented.

Effect of Condition

Without performing risk assessments of subrecipients that received SLFRF 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:

- Improve its internal controls to ensure it performs risk assessments for all subawards issued to subrecipients
- Ensure it performs and documents the required risk assessments sufficiently for management to evaluate the results and demonstrate compliance with federal requirements
- Update its risk assessment procedures to ensure factors related to potential noncompliance with ERAP requirements are incorporated into the overall risk assessment result

Department's Response

The Department received a similar finding in the fiscal year 2021 Single Audit and has since implemented corrective action to ensure risk assessments for each program subrecipient is completed, even if a risk assessment for the same subrecipient was completed for a prior award.

The program had two separate program awards from the United States Department of Treasury (Treasury) which funded the same program. The Department funded the same subrecipients with each award, therefore, we felt it was a duplication of efforts to create separate risk assessments for each of the awards.

Specifically, we did not perform new risk assessments for the three Eviction Rent Assistance Program contracts (funded with Treasury Coronavirus State and Local Fiscal Recovery Funds) because we had already completed them for the Treasury Rent Assistance Program contracts (funded with Treasury Emergency Rental Assistance funds).

Moving forward, we will complete a separate risk assessment for each award even if it is for the same program and sub recipient.

We thank the State Auditor's Office for providing this guidance so the Department can comply with all subrecipient monitoring 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200, Uniform Guidance, section 332, Requirements for pass-through entities, establishes the requirements for all pass-through entities.

Title 2 CFR Part 200, Uniform Guidance, section 516, Audit findings, establishes reporting requirements for audit findings.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-022 Washington State University did not ensure that returns of Title IV funds were accurate for the Student Financial Assistance programs.

Assistance Listing Number and Title:	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
Federal Grantor Name:	U.S. Department of Education
Federal Award/Contract Number:	Various
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions: Return of Title IV Funds
Known Questioned Cost Amount:	\$2,582

Background

As amended, Title IV of the Higher Education Act authorizes programs that provide financial assistance to students to pursue postsecondary education at eligible institutions of higher education. When students who receive Title IV grant or loan assistance withdraw from an institution during a payment period or period of enrollment, the institution must determine the amount of Title IV aid the students have earned as of their withdrawal date.

Schools calculate this by determining the percentage of program funds the students have earned and applying that percentage to the total amount of assistance that was or could have been disbursed to students for the payment period or period of enrollment as of their withdrawal date.

If the total amount of Title IV assistance earned by students is less than the amount that was disbursed to them as of their withdrawal date, the institution is required to return the difference to

the U.S. Department of Education (Department), and it cannot make any additional disbursements to students for the payment period or period of enrollment.

In fiscal year 2022, Washington State University disbursed more than \$205 million in Title IV funds to students.

Description of Condition

The University did not ensure that returns of Title IV funds were accurate for the Student Financial Assistance programs.

We found the University had adequate internal controls over the return of Title IV funds, and it materially complied with the federal requirements. However, we identified questioned costs as the result of returns that were incorrectly calculated.

We used a statistical sampling method to randomly select and examine 57 out of a total population of 873 students for which the University was required to calculate a return of Title IV funds. We found two students for whom the University incorrectly calculated the amount required to be returned to the Department. Specifically:

- One student had \$489 returned to the Department. When recalculating the amount required to return, we found the University should have returned \$2,801, resulting in a difference of \$2,312.
- The second student had \$2,590 returned to the Department. When recalculating the amount required to return, we found the University should have returned \$2,860, resulting in a difference of \$270.

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 University returned incorrect amounts because it did not verify that the students were eligible for all funds within their student accounts before calculating amounts and returning the Title IV funds to the Department. Staff responsible for calculating the amounts to return did not verify that loans that were never disbursed were excluded from the University's calculation of unearned aid.

Effect of Condition and Questioned Costs

We identified \$2,582 in known federal questioned costs and \$39,550 in likely federal questioned costs. We consider the \$2,582 difference for the two students to be questioned costs because they had unearned financial aid still owed to the Department. At the time of the audit, the University had not processed a corrected return of funds for the two students.

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 reflect 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 University:

- Verify student eligibility for all disbursed Title IV funds before calculating the amount of unearned aid required to be returned for students who have withdrawn from school
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

University’s Response

Washington State University takes very seriously its responsibilities to ensure compliance with federal requirements.

The University appreciates the auditor acknowledgement that the University’s internal controls over the Return of Title IV funds are adequate. The two (out of 57) records with noted exception were isolated and should not be a reflection on the whole of the program or the University’s management of federal funds. These exceptions were identified by management when the records were pulled for auditor testing. Management had not made correction yet only because the audit was still in progress. Upon finding the isolated issues, management performed a review of all 873 students that fell in the audit population, performing calculations of each record to determine if there were any other errors. No errors that needed to be submitted to the Department of Education, other than the two in the test population, were noted.

The University is working with the sponsor to ensure return of the known questioned costs can be properly facilitated.

Internal processes have been further strengthened to provide for independent quality checks. A report was developed to identify and isolate anomalies, like returning more funds than were actually disbursed. The return to Title IV requirements are very complex and internal controls over compliance are regularly reviewed to ensure improvement and continued adherence to the requirements.

The University thanks the State Auditor for bringing this issue to the University's attention.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200.1, Uniform Guidance establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable costs.

Title 34 CFR Part 668, *Student Financial Assistance General Provisions*, Section 668.14 Program participation agreement, states in part:

(b) By entering into a program participation agreement, an institution agrees that –

(24) It will comply with the requirements of §668.22;

Title 34 CFR Part 668, *Student Financial Assistance General Provisions*, Section 668.22 Treatment of title IV funds when a student withdraws, states in part:

(a) General.

- (1) When a recipient of title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of title IV grant or loan assistance that the student earned as of the student's withdrawal date in accordance with paragraph e) of this section.
- (4) If the total amount of title IV grant or loan assistance, or both, that the student earned as calculated under paragraph (e)(1) of this section is less than the amount of title IV grant or loan assistance that was disbursed to the student or on behalf of the student in the case of a PLUS loan, as of the date of the institution's determination that the student withdrew—
 - (i) The difference between these amounts must be returned to the title IV programs in accordance with paragraphs (g) and (h) of this section in the order specified in paragraph (i) of this section; and
 - (ii) No additional disbursements may be made to the student for the payment period or period of enrollment.
- (5) If the total amount of title IV grant or loan assistance, or both, that the student earned as calculated under paragraph (e)(1) of this section is greater than the total amount of title IV grant or loan assistance, or both, that was disbursed to the student or on behalf of the student in the case of a PLUS loan, as of the date of the institution's determination that the student withdrew, the difference between these amounts must be treated as a post-withdrawal disbursement in accordance with paragraph (a)(6) of this section and §668.164(i).

(e) Calculation of the amount of title IV assistance earned by the student –

- (1) General. The amount of title IV grant or loan assistance that is earned by the student is calculated by—
 - (i) Determining the percentage of title IV grant or loan assistance that has been earned by the student, as described in paragraph (e)(2) of this section; and
 - (ii) Applying this percentage to the total amount of title IV grant or loan assistance that was disbursed (and that could have been disbursed, as defined in paragraph (l)(1) of this section) to the student, or on the student's behalf, for the payment period of period of enrollment as of the student's withdrawal date.
- (2) Percentage earned. The percentage of title IV grant or loan assistance that has been earned by the student is—
 - (iii) Equal to the percentage of the payment period or period of enrollment that the student completed (as determined in accordance with paragraph (f) of this section) as of the student's withdrawal date, if this date occurs on or before—
 - (A) Completion of 60 percent of the payment period or period of enrollment for a program that is measured in credit hours; or

- (B) Sixty percent of the clock hours scheduled to be completed for the payment period or period of enrollment for a program that is measured in clock hours; or
 - (iv) 100 percent, if the student's withdrawal date occurs after—
 - (A) Completion of 60 percent of the payment period or period of enrollment for a program that is measured in credit hours; or
 - (B) Sixty percent of the clock hours scheduled to be completed for the payment period or period of enrollment for a program measured in clock hours.
 - (3) Percentage unearned. The percentage of title IV grant or loan assistance that has not been earned by the student is calculated by determining the complement of the percentage of title IV grant or loan assistance earned by the student as described in paragraph (e)(2) of this section.
 - (4) Total amount of unearned title IV assistance to be returned. The unearned amount of title IV assistance to be returned is calculated by subtracting the amount of title IV assistance earned by the student as calculated under paragraph (e)(1) of this section from the amount of title IV aid that was disbursed to the student as of the date of the institution's determination that the student withdrew.
- (g) Return of unearned aid, responsibility of the institution.
- (1) The institution must return, in the order specified in paragraph (i) of this section, the lesser of—
 - (i) The total amount of unearned title IV assistance to be returned as calculated under paragraph (e)(4) of this section; or
 - (ii) An amount equal to the total institutional charges incurred by the student for the payment period or period of enrollment multiplied by the percentage of title IV grant or loan assistance that has not been earned by the student, as described in paragraph (e)(3) of this section.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-023 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.

Assistance Listing 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/Contract Number:	S101A190047–19A; S010A200047; S010A210047–21A
Pass-through Entity Name:	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 help 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 reach of the grades three through five, six through nine, and 10 through 12.

The Office of Superintendent of Public Instruction administers the Title I, Part A program in Washington. The Office, in consultation with the 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 them.

LEAs are required to complete a District Administration and Security Report (DASR) for each test administered. This report must be submitted to the Office no later than 10 business days after the test has been administered and the testing window has closed for the LEA.

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 and did not comply with federal requirements to ensure LEAs implemented testing security measures. The prior finding numbers were 2020-026 and 2021-021.

Description of Condition

The Office did not have adequate internal controls 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 submit a DASR at the end of each testing cycle to ensure they have implemented testing security measures.

During the audit period, the Office did not address known instances of LEAs not submitting DASRs within 10 days after the testing window closed. The Office implemented new monitoring protocols in the spring of 2021. The new protocols included identifying a list of all LEAs that administered each state assessment and checking to ensure that DASRs were received for all assessments administered.

During the audit, we randomly selected 58 assessments out of 1,216 tests administered by LEAs. The Office did not receive 33 DASRs (57 percent) within 10 business days of the testing window ending. The Office pursued these unsubmitted reports from the LEAs and received 25 of the late DASRs. At the time of our testing, the Office still had not received eight DASRs (14 percent). These unsubmitted DASRs are known instances of LEA noncompliance that the Office did not correct.

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

Cause of Condition

While the Office developed and implemented new monitoring protocols to track DASR submissions, they did not address instances of LEA noncompliance. The Office routinely followed up with LEAs through various forms of communication, but continued to not receive the DASRs in a timely manner.

Effect of Condition

By not properly monitoring LEAs, the Office cannot ensure that the school districts are following testing security policies and procedures.

Recommendation

We recommend the Office address LEAs' test security noncompliance to ensure they have implemented testing security measures.

Office's Response

The Office will continue to communicate with LEAs, as it has documented to the SAO. In addition, the Office will begin direct communication with every LEA once per week for four weeks leading up to the end of the test administration window and then once per week for three weeks after the end of the test administration window. This communication will remind each LEA to provide DASR reports for all tests administered in the spring.

Once the Office receives the annual final list in August of all tests administered by each LEA, it will be able to narrow its focus and send out weekly reminders to LEAs beginning in mid-August.

If the Office has not received completed DASRs by mid-September, a management decision has been established for non-compliance. This management decision is a letter that will be sent to each district Superintendent from the Office's Assistant Superintendent of Assessment and Student information, informing them of their assessment office's non-compliance.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

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);

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, 2021 through June 30, 2022

2022-024 The Charter School Commission did not have adequate internal controls over and did not comply with requirements to ensure charter schools with relationships to charter management organizations were monitored for conflicts of interest.

Assistance Listing 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/Contract Number:	S101A190047-19A1; S010A200047; S010A210047-21A
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions: Oversight and Monitoring Responsibilities with Respect to Charter Schools with Relationships with Charter Management Organizations
Known Questioned Cost Amount:	None

Background

The Title I Grants to Local Educational Agencies (Title I, Part A) provides financial assistance to help 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 Washington State Charter School Commission is the main authorizer of charter public schools in Washington. The Commission provides monitoring and oversight of charter schools, holding them accountable for administering education and use of funds. The Commission was formed following the passage of Initiative 1240 by state voters in 2012, which established the charter public school system in Washington.

The Commission is responsible for overseeing and monitoring charter schools that have relationships with charter management organizations (CMOs) to ensure they comply with federal regulations and the terms and conditions of the subaward. There are two CMOs in Washington. Each CMO is comprised of three different charter schools and one charter board that oversees all charter schools collectively.

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 Commission did not have adequate internal controls over and did not comply with requirements to ensure charter schools with relationships to CMOs were monitored for conflicts of interest.

The Commission provides guidance and oversight to charter schools in the state through the use of contracts, reporting requirements and charter board meeting review. Each board member of a charter school must submit an F-1 Personal Financial Affairs Disclosure form to the Public Disclosure Commission (PDC). During the audit period, the Commission did not review the F-1 forms that had been submitted to the PDC by charter board members for either of the charter management organizations.

While the Commission informs charter schools of the requirement to submit F-1 forms to the PDC, and routinely attends board meetings of charter schools with CMOs to make note of conflicts of interest, they did not review each board member's F-1 forms to determine whether conflicts of interest existed.

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 Commission was unaware of the federal requirement to monitor charter schools for conflicts of interest and financial risks.

Effect of Condition and Questioned Costs

Without reviewing the financial disclosures of board members, the Commission cannot ensure it is aware of, and can address, any conflicts for a charter school with a relationship with a CMO in a timely manner.

Recommendation

We recommend the Commission review financial disclosures of charter board members to ensure that conflicts of interest can be monitored.

Commission's Response

Thank you for giving the Commission the opportunity to respond to the proposed finding relating to the April 2022 Federal Compliance Supplement regarding Federal Title I funds. The Commission looks forward to implementing the changes recommended by the Auditor in order to strengthen and improve oversight of charter public schools. The Commission will reach out to OSPI regarding future information sharing regarding the federal funds that OSPI administers, and matters that may require additional action by the Commission. However, the Commission disagrees with the Auditor's position that a finding is warranted for the 2021-2022 audit year for the reasons below.

Under the Charter School Act (CSA), state and federal funds are received and distributed by OSPI to charter public schools, not the Commission. RCW 28A.710.220. OSPI is also required to “adopt rules necessary for the distribution of funding required by this section and to comply with federal reporting requirements. RCW 28A.710.280. This is consistent with state law establishing OSPI as the state agency authorized to accept and administer federal education funds for Washington State. RCW 28A.300.070. See, for example: Title I, Part A Fiscal Requirements and Guidance | OSPI (www.k12.wa.us). The Commission has no authority over or role in managing federal funds.

In the April 2022 Federal Compliance Supplement, the guidance makes a distinction between a charter public school that is an LEA under a covered program or a charter public school that is within an LEA under a covered program. Compliance Supplement 2022, 4-84.000-25. Also see, 4-84.000-28 (“Auditors should also note that, depending upon state law, a public charter school may be its own LEA or a school that is part of a traditional LEA.”). The distinction impacts which entity is subject to the obligations, as does the entity that is responsible for allocating funds:

If a state considers a charter school to be an LEA under a covered program, this requirement applies to the SEA or other state agency responsible for allocating funds under that program— either by formula or through a competition—to LEAs. If a state considers a charter school to be a public school within an LEA under a covered program, this requirement applies to the LEA. The requirements in this Supplement address an SEA's responsibilities with respect to eligible charter school LEAs. An LEA that is responsible for providing funds under a covered program to eligible charter schools must comply with these requirements on the same basis as an SEA.

Compliance Supplement 2022, 4-84.000-25 (emphasis added).

Under the CSA, a charter school is an LEA for purposes of federal law (but not state law). RCW 28A.710.020(4) states that a charter public school:

Functions as a local education agency under applicable federal laws and regulations and is responsible for meeting the requirements of local education agencies and public schools under those federal laws and regulations, including but not limited to compliance with the individuals with disabilities education improvement act (20 U.S.C. Sec. 1401 et seq.), the federal educational rights and privacy act (20 U.S.C. Sec. 1232g), the McKinney-Vento homeless assistance act of 1987 (42 U.S.C. Sec. 11431 et seq.), and the elementary and secondary education act (20 U.S.C. Sec.6301 et seq.).

RCW 28A.710.020(4) (emphasis added). Based on the fact that charter public schools in Washington are LEAs for purposes of federal law, the requirements as written apply to the SEA responsible for allocating funds which would be OSPI. Because of the status of charter public school as an LEA for purposes of federal law, the “Compliance Requirements” obligations fall to the SEA under the guidance, when the distinction between a charter school as an LEA under federal law (as in Washington) vs. a charter public school within an LEA are considered:

Compliance Requirements *As grantees, SEAs/LEAs are responsible for overseeing and monitoring subrecipients, including charter schools with relationships with Charter Management Organizations (CMOs). . . .*

Compliance Supplement 2022, 4-84.000-28 (strikethrough added). Also see, 4-84.000-25, above.

In addition, the CSA specifically addresses where charter public school boards are required to file their financial disclosure statements:

(2) Members of a charter school board must file personal financial affairs statements with the public disclosure commission.

RCW 28A.710.290(2) (emphasis added).

The Commission is ready to implement the additional oversight requirements identified by the Auditor. However, the Commission believes that based on the analysis above, a finding against the Commission is not warranted. The April 2022 Federal Compliance Supplement, along with Washington law, indicate that the compliance obligations under these federal programs do not apply to the Commission given the status of charter public schools as LEAs for purposes of federal law, and OSPI’s authority over the receipt and distribution of federal funds. Moving forward, the Commission will add the review of the financial disclosure statements of school board members to its oversight process.

Auditor’s Remarks

The Commission asserts it does not have the responsibility to monitor the charter schools for this requirement and instead it is the responsibility of the SEA, which is OSPI. Our work in this area started with inquiry with OSPI, but we were directed to the Commission and reviewed RCW 28A.710.070 which states, in part:

(1) The Washington state charter school commission is established as an independent state agency whose mission is to authorize high quality charter public schools throughout the state, especially schools that are designed to expand opportunities for at-risk students, and to ensure the highest standards of accountability and oversight for these schools.

It is our opinion that the RCW established the Commission as an independent state agency whose scope of responsibility includes this requirement.

The Commission also states that they have no authority or role in the management of federal funds. We agree with this assertion. However, this special test and provision does not require the Commission to administer Title I funds, but rather oversee the risk posed by charter schools with relationships to CMOs, pertaining specifically to conflict of interest, segregation of duties, and related party transactions.

While the CSA specifically addresses where charter public school boards are required to file their financial disclosure statements, this special test and provision requires that the Commission, as the agency responsible for administering these requirements, review financial disclosures of charter board members to ensure that conflicts of interest can be monitored.

We reaffirm our finding and will follow up on the status of the Commission'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.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 34 CFR Part 75, Subpart E – Conflict of Interest, 525 Conflict of Interest: Participation in a Project states:

- (a) A grantee may not permit a person to participate in an administrative decision regarding a project if:
 - (1) The decision is likely to benefit that person or a member of his or her immediate family; and
 - (2) The person
 - (i) Is a public official; or
 - (ii) Has a family or business relationship with the grantee.

- (b) A grantee may not permit any person participating in the project to use his or her position for a purpose that is – or gives the appearance of being – motivated by a desire for a private financial gain for that person or others.

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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-025 The Office of Superintendent of Public Instruction did not have adequate controls over and did not comply with requirements to ensure it met the earmarking requirements for the Special Education program.

Assistance Listing Number and Title:	84.027 Special Education Grants to States (IDEA, Part B) 84.027 COVID-19 Special Education Grants to States (IDEA, Part B) 84.173 Special Education-Preschool Grants (IDEA Preschool) 84.173 COVID-19 Special Education-Preschool Grants (IDEA Preschool)
Federal Grantor Name:	U.S. Department of Education
Federal Award/Contract Number:	H027A190074 - 19A; H027A200074 - 20A; H027A210074 - 21A; H027X210074; H173A190074; H173A200074; H173A210074; H173X210074
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Earmarking
Known Questioned Cost Amount:	\$188,873

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 administers the Special Education program in Washington and serves about 143,000 eligible students. The program provides specially designed instruction that addresses students' unique needs. 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 \$264 million in federal IDEA grant funds during fiscal year 2022, and passed about \$260 million of that funding through to LEAs and educational service districts (ESDs).

IDEA, Part B identifies the amount of funds the Office must distribute to its LEAs on a formula basis, as well as the amount it can set aside for administration and other state-level activities. The Office was awarded \$8,375,301 for the fiscal year 2020 IDEA Preschool Grant. From this award, \$2,205,322 was earmarked to be spent on state-level activities. This state-level activity is split between administrative costs of up to \$441,064 and other state-level activities for the remaining amount.

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 met the earmarking requirements for the program.

During the audit period, the Office did not accurately track expenditures for administration and other state-level activities. For the life of the grant, the Office spent \$156,773 on administrative costs, which allowed for a maximum of \$2,048,548 to be spent on other state-level activities. The Office spent \$2,237,421 on other state-level activities, which exceeded the maximum by \$188,873. As a result, we are questioning the \$188,873 as unallowable state-level costs.

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 recommended earmarks were established, but the Office did not address identified variances in the spending plan for them. This was due in part to the program having changes in management that led to inconsistencies in tracking expenditures of the earmarked funds.

Effect of Condition and Questioned Costs

Without adequate internal controls, the Office cannot ensure that it meets the grant's earmarking requirements. By not complying with the grant's earmarking requirements, the Office improperly spent \$188,873 on activities that exceeded the allowable earmarked 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 Office:

- Improve internal controls to ensure it does not exceed the maximum allowable amounts that are earmarked for administration and other state-level activities
- Consult with the federal grantor to discuss whether the questioned costs identified in the audit should be repaid

Office's Response

When special education fiscal leadership transitioned in 2021, the incoming director identified necessary changes in agency procedures for closing out the fiscal year for special education. Since that time, the following internal controls have been fully implemented to ensure spending plans do not exceed the maximum allowable amounts earmarked for administration and other state-level activities:

- 1. At the beginning of the fiscal year, the Director of Operations/Budget Analysis meet to review the criteria for spending plans.*
- 2. Copies of GAN and Grants to States Summary Table and Preschool Grants to States Summary Table are shared with the Budget Analysis.*
- 3. Director of Operations/Budget Analysis meet to review the GAN and Grants to States Summary Table and Preschool Grants to States Summary Table.*
- 4. Director of Operations/Budget Analysis meet to review spending plan and update the maximum allowable amounts earmarked for administration and other state-level activities in the spending plan.*
- 5. Maximum allowable amounts earmarked for administration and other state-level activities are reviewed throughout the fiscal year.*
- 6. Director of Operations/Budget Analysis meet weekly to review spending plan.*
- 7. Spending Plan updated as requests are received.*
- 8. Monthly expenditure reports are produced and during weekly meetings, Director of Operations/Budget Analysis review expenditures.*

These internal controls have contributed to increased communication and partnership between the Director of Operations/Budget Analysis. With implementing these consistent controls, we can ensure that maximum allowable amounts that are earmarked for administration and other state-level activities will meet compliance.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 34 CFR Part 300, *Assistance to States for the Education of Children with Disabilities*, states in part:

Section 300.812 Reservation for State activities, states:

- (a) Each State may reserve not more than the amount described in paragraph (b) of this section for administration and other State-level activities in accordance with §§ 300.813 and 300.814.
- (b) For each fiscal year, the Secretary determined and reports to the SEA an amount that is 25% of the amount the State received under section 619 of the Act for fiscal year 1997 cumulatively adjusted by the secretary for each succeeding fiscal year by the lesser of –
 - (1) The percentage increase, if any, from the preceding fiscal year in the State's allocation under section 619 of the Act; or
 - (2) The rate of inflation, as measured by the percentage increase, if any, from the preceding fiscal year in the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics to the Department of Labor.

Section 300.813 State administration, states:

- (a) For the purpose of administering section 619 of the Act (including the coordination of activities under Part B with the Act with, and providing technical assistance to, other programs that provide services to children with disabilities), a State may use not more than 20 percent of the maximum amount the State may reserve under § 300.812 for any fiscal year.

- (b) Funds described in paragraph (a) of this section may also be used for the administration of Part C of the Act.

Section 300.814 Other State-level activities.

Each State must use any funds the State reserves under § 300.812 and does not use for administration under § 300.813 –

- (a) For support services (including establishing and implementing the mediation process required by section 615€ of the Act), which may benefit children with disabilities younger than three or older than five as long as those services also benefit children with disabilities aged three through five;
- (b) For direct services for children eligible for services under section 619 of the Act;
- (c) For activities at the State and local levels to meet the performance goals established by the State under section 612(a)(15) of the Act;
- (d) To supplement other funds used to develop and implement a statewide coordinated services system designed to improve results for children and families, including children with disabilities and their families, but not more than one percent of the amount received under section 619 of the Act for a fiscal year;
- (e) To provide early intervention services (which must include an educational component that promotes school readiness and incorporates preliteracy, language, and numeracy skills) in accordance with Part C of the Act to children with disabilities who are eligible for services under section 619 of the Act and who previously received services under Part C of the Act until such children enter, or are eligible under State law to enter, kindergarten; or
- (f) At the State’s discretion, to continue service coordination or case management for families who receive services under Part C of the Act, consistent with § 300.814(e).

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-026 The Office of Superintendent of Public Instruction did not have adequate internal controls to ensure it performed risk assessments for subrecipients of the Special Education program.

Assistance Listing Number and Title:	84.027 Special Education Grants to States (IDEA, Part B) 84.027 COVID-19 Special Education Grants to States (IDEA, Part B) 84.173 Special Education Preschool Grants (IDEA Preschool) 84.173 COVID-19 Special Education-Preschool Grants (IDEA Preschool)
Federal Grantor Name:	U.S. Department of Education
Federal Award/Contract Number:	H027A190074 - 19A; H027A200074 - 20A; H027A210074 - 21A; H027X210074; H173A190074; H173A200074; H173A210074; H173X210074
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	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 administers the Special Education program in Washington and serves about 143,000 eligible students. The program provides specifically designed instruction that addresses a student's unique needs. 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 \$264 million in federal IDEA grant funds during fiscal year 2022, and it passed about \$260 million of that funding through to LEAs and all nine educational service districts (ESDs).

Federal law requires the Office to evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for 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.

In the prior audit, we reported the Office did not have adequate internal controls over requirements to perform risk assessments for the program's subrecipients. The prior finding number was 2021-023.

Description of Condition

The Office did not have adequate internal controls to ensure it performed risk assessments for subrecipients of the Special Education program. As a result, the Office did not perform risk assessments for the nine ESDs that received program funding during the audit period.

We consider this internal control deficiency to be a significant deficiency.

Cause of Condition

In response to the prior year audit finding, the Office provided training to ESDs on how to submit monitoring documentation. It also updated the ESD contracts to reflect monitoring activities that would start during the 2022-2023 school year. Since the Office did not plan to start monitoring until the following school year, it did not perform risk assessments of any ESDs that received program funding during the audit period.

Effect of Condition

Without conducting risk assessments, management cannot ensure the Office performs the appropriate amount of monitoring to ensure subrecipients comply with program requirements. Further, without appropriate levels of subrecipient monitoring, the Office cannot have reasonable assurance that federal requirements are being met.

Recommendation

We recommend the Office establish and follow adequate internal controls to 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

Initial Implementation Actions Completed to Date:

In April 2022 OSPI Special Education revised and expanded the form package submitted by Educational Service Districts (ESDs), including the required end of year reporting. ESDs are required to respond to the following questions, but are not limited to:

- a. Contracts/Procurement: Did the ESD/subrecipient contract for services? List the planned contractors and the services provided. Describe the procurement process implemented by the ESD.*
- b. Time & Effort: Describe the ESD's process to ensure payroll charges are accurate, allowable, and properly allocated to federal programs, and how the ESD ensures time and effort is received from employees in a timely manner. Provide a Payroll Distribution Report from which OSPI will request supporting documents for selected employees.*
- c. Professional Development: Provide supporting evidence such as, agendas, sign-in sheets, electronic invitations, etc., related to professional development provided by the ESD using federal funds.*
- d. End of Year Expenditures: Upload an end of year expenditure report to verify allowable expenditures.*

Based on the results from monitoring activities, ESDs will be selected for additional monitoring and may be subject to an onsite visit if determined necessary.

The Fiscal Monitoring Procedures Handbook for Educational Service Districts has been finalized March 2023.

Timeline for Full Implementation:

- February 1, 2024: Last day for ESDs to upload required documentation.*
- February 2024: Finalize review of required documents. Issue Report to ESDs that identify any Actions Required or Actions Recommended.*
- March 2024: Final reports issued no later than 60 calendar days after the ESD review.*

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200, Uniform Guidance, section 332, Requirements for pass-through entities, establishes the requirements for all pass-through entities.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-027 The Office of Financial Management did not have adequate internal controls over and did not comply with federal level of effort requirements for the Education Stabilization Fund program.

Assistance Listing Numbers and Titles:	84.425D COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER) 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) 84.425V COVID-19 American Rescue Plan – Emergency Assistance to Non-Public Schools (ARP EANS)
Federal Grantor Name:	U.S. Department of Education
Federal Award/Contract Number:	S425D210015; S425R210012; S425U210015; S425V210012
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Level of Effort
Known Questioned Cost Amount:	None

Background

The U.S. Department of Education distributed funding to multiple federal subprograms of the Education Stabilization Fund (ESF). Beginning 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. Several rounds of funding were distributed to states under the ESF program, each with the intent to support public and non-public schools. The U.S Department of Education awarded ESF grants to the Office of Financial Management (Office), which then dispersed funds to the Office of Superintendent of

Public Instruction for pass through to Local Education Agencies (LEAs). In fiscal year 2022, the state spent more than \$1.15 billion in ESF federal funding.

The ESF program included a level of effort requirement to ensure states provided a minimum level of funding to LEAs based on prior years. Under the American Rescue Plan Act, ESF recipients were required to meet a proportional amount of their state's support for elementary and secondary education relative to their overall spending, averaged over fiscal years 2017, 2018 and 2019.

The Legislature included a proviso with ESF funding that instructed the Office to coordinate with the Office of Superintendent of Public Instruction and legislative fiscal staff from the House of Representatives Office of Program Research and Senate Committee Services on the data, quantification, and report required to seek from the U.S. Department of Education a waiver to the state's level of effort 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 Office did not have adequate internal controls over and did not comply with federal level of effort requirements for the ESF program.

The Office performed the calculations required to monitor the level of effort requirements for the ESF program, and determined that the fiscal year 2022 expenditures did not meet the level of effort requirement.

When compared to overall state spending, the average of state spending on elementary and secondary education for fiscal years 2017, 2018 and 2019 totaled 49.25 percent. The state was required to spend at least this percentage toward education in fiscal year 2022. However, the state only expended 46.85 percent of total state spending on education, meaning the level of effort requirement was not met by approximately 2.5 percent, or \$725,311,449.

Once the Office determined the state did not meet the level of effort requirement, it submitted a waiver request to the U.S. Department of Education in accordance with the Legislature's proviso. However, the U.S. Department of Education did not approve waivers for any state during the audit period, and the Office's waiver request is still pending.

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

In response to the effects of the COVID-19 pandemic, the Legislature approved a state budget that spent proportionally more on social supports like food, rent and medical services than in prior

years. Further, state revenues declined due to restrictions included in the Governor’s pandemic-related emergency proclamations that were intended to slow the spread of COVID-19. These changes, as well as directives to achieve state spending reductions, resulted in not meeting the ESF program’s level of effort requirement because the state budget allocated less funding to elementary and secondary education than the average of the previous three fiscal years.

Effect of Condition

By not establishing adequate internal controls, the Office cannot ensure the state is meeting the federal level of effort requirement for the ESF program. In addition, receiving a waiver from the U.S. Department of Education for this requirement is not guaranteed. By not complying with federal requirements, the Office risks having to repay federal funds or having future federal funds withheld.

Recommendations

We recommend the Office:

- Consult with the grantor to discuss the pending waiver request and the next steps it should take
- Consult with the appropriate state-level authority to ensure the state maintains the level of effort required to comply with federal law

Office’s Response

The Office of Financial Management (OFM) does not concur with the finding and maintains that there are adequate internal controls in place to ensure compliance with federal requirements.

OFM performed the maintenance of effort (MOE) calculations in accordance with the guidance provided by U.S. Department of Education (ED). Based on appropriations and past funding, it was determined that the fiscal year 2022 expenditures did not meet the MOE requirement. OFM followed the federal guidance and direction from a legislative proviso in the enacted state budget (Chapter 334, Laws of 2021, Sec. 954) and submitted a waiver request on ED’s MOE Waiver Request Form for FY22 and FY23. The submission date was before ED’s stipulated deadline of December 31, 2021. ED’s website confirmed an MOE waiver request was received from Washington State and the status of the request is currently listed as “under review.” OFM followed all federal and state requirements with due diligence in requesting the waiver. The approval process rests with the federal grantor, and the waiver has not been disapproved.

In addition, OFM has been meeting with ED on a monthly basis since October 2022 and is already consulting with the grantor regarding the pending waiver request. OFM will also continue to work with the Legislature, which is the state-level authority for state appropriations.

Auditor's Remarks

While we understand the Office submitted a request to the U.S. Department of Education to waive the maintenance of effort requirement during the audit period, unless and until the waiver is approved, the State is noncompliant with federal law. The submission of a waiver request does not guarantee its approval. In addition, the reason the waiver was requested was the State did not have sufficient internal controls to ensure it complied with federal law prior to expending the federal award.

We reaffirm our finding, and we will follow up on 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRSSA Act) Sec. 317.

(a) At the time of award funds to carry out sections 312 or 313 of this title, a State shall provide assurances that such State will maintain support for elementary and secondary education (which shall include State funding to institutions of higher education and state need-based financial aid, and shall not include support for capital projects or for research and development or tuition fees paid by students) in fiscal year 2022 at least at the proportional levels of such State's support for elementary and secondary education and for higher education relative to such State's overall spending, averaged over fiscal years 2017, 2018, and 2019.

(b) The Secretary may waive the requirement in subsection (a) for the purpose of relieving the fiscal burdens on State that have been experienced a precipitous decline in financial resources.

The American Rescue Plan Act, Section 2004. Maintenance of Effort and Maintenance of Equity, states in part:

(a) State Maintenance of Effort. –

1. In general.–As a condition of receiving funds under sections 2001, a State shall maintain support for elementary and secondary education, and for higher education (which shall

include state funding to institutions of higher education and State need-based financial aid, and shall not include support for capital projects or for research and development or tuition and fees paid by students), in each of fiscal years 2022 and 2023 at least at the proportional levels of such state's support for elementary and secondary education and for higher education relative to such State's overall spending, averaged over fiscal years 2017, 2018 and 2019.

2. Waiver.—For the purpose of relieving fiscal burdens incurred by States in preventing, preparing for, and responding to the coronavirus, the Secretary of Education may waive any maintenance of effort requirements associated with the Education Stabilization Fund.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-028 The University of Washington did not establish adequate internal controls to ensure payments to contractors and subrecipients for the Global AIDS program were allowable, properly supported and within the period of performance.

Assistance Listing Number and Title:	93.067 Global AIDS 93.067 COVID-19 Global AIDS
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	NU2GGH001430; NU2GGH001968; NU2GGH002038; NU2GGH002116; NU2GGH002242; NUGGH002360; NU2GGH002157; NU2GGH002298; NU2GGH002374
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs / Cost Principles Period of Performance
Known Questioned Cost Amount:	None

Background

The Global AIDS program is a federal initiative focused on treating and preventing the transmission of HIV/AIDS around the world. The program is authorized by Sections 307 and 317(k)(2) of the Public Health Service Act, the U.S. Leadership Against HIV/AIDS, Tuberculosis, and Malaria Acts of 2003 and 2008, and the U.S. President's Emergency Plan for AIDS Relief.

Since it was established in 2003, the federal government has invested more than \$100 billion in the global HIV/AIDS response, providing testing and treatment for millions of people, preventing transmission among affected communities, and supporting numerous countries to achieve HIV

epidemic control. The program distributes funding through public and private sector partnerships to reach the populations most vulnerable to HIV/AIDS epidemics.

The University of Washington administers this grant for the state through its International Training and Education Center for Health (I-TECH). I-TECH is a center in the University's Department of Global Health operated by more than 2,000 staff in offices located in Africa, Asia, the Caribbean, Eastern Europe and the United States.

In fiscal year 2022, the University spent more than \$66 million in federal program funds, about \$44 million of which it passed through to subrecipients.

To achieve the performance goals of the program, the Seattle headquarters of I-TECH (Seattle HQ) provides funding to subrecipients and contractors. Invoices submitted by contractors directly to Seattle HQ are reviewed and approved for payment by budget managers who have delegated authority from the Principal Investigator. Invoices submitted by subrecipients are reviewed and approved for payment by a Principal Investigator. Principal Investigators are also responsible for monitoring the subrecipient's technical progress and performance.

Seattle HQ also provides funding to country offices operating within the University's global network. The country offices incur costs associated with furnishing supplies and equipment to address the HIV/AIDS epidemic, as well as staffing resources and acquiring goods and services from contractors to carry out the objectives of the program. Payments made by country offices are approved by Country Directors and Country Representatives as delegated by the University. Under the University's policies, country offices are reimbursed for locally incurred expenses at least monthly. An invoice, accompanied by a schedule of expenses incurred, is submitted and approved by the Country Director and then by the Director of Finance at Seattle HQ, prior to payment. Country offices also responsible for obtaining and retaining supporting documentation for costs incurred and paid on each project.

Monthly, Budget Managers review and approve a Budget Activity Report (BAR) that details the expenses charged to the project for the previous month to ensure accurate posting of already approved expenses. This review is also to determine whether the work performed during the billing period reconciles to costs claimed within the contractor's invoice so that payment may be authorized.

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 have adequate internal controls to ensure payments to contractors and subrecipients of the Global AIDS program were allowable properly supported and within the period of performance.

Payments to country offices

We used a statistical sampling method to randomly select and examine 58 out of 1,644 transactions for country offices.

Of the 58 payments examined, we identified one payment (1.7 percent) that was not approved by the Country Director and the corresponding Budget Activity Report was not approved by the Director of Finance.

Payments to contractors

We used a statistical sampling method to randomly select and review 58 out of 3,040 payments to contractors. We found:

- Invoices for three payments (5 percent) were not approved by a Budget Manager
- Monthly Budget Activity Reports were not approved for 12 payments (20 percent)

Subrecipient reimbursements

We used a statistical sampling method to randomly select and review 55 out of 438 payments to subrecipients. We found the assigned Budget Manager did not review and approve the monthly Budget Activity Reports for 52 payments (94 percent).

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

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

Cause of Condition

Program management did not require supporting documentation for each payment to be forwarded to and reviewed by headquarters personnel prior to payment authorization. Management also did not monitor the submission of invoices and Budget Activity Reports to ensure they were approved by the responsible Budget Manager, as required.

Effect of Condition

Without establishing adequate internal controls, the University cannot reasonably ensure it is using federal funds for allowable purposes and that expenditures of federal funds are supported by adequate documentation.

Recommendations

We recommend the University:

- Improve its internal controls to ensure invoices are properly approved by Principal Investigators, as required
- Improve its internal controls to ensure Budget Managers review and approve monthly Budget Activity Reports before authorizing payments for projects incurring reimbursement requests
- Ensure it retains supporting documentation sufficient to show costs incurred and paid by the program are allowable, and to demonstrate the required managerial reviews have occurred prior to issuing payment

University's Response

In response to the findings for the Global Aids Program, we would like to clarify the following:

General Clarification: The draft finding inaccurately represents the role of BARS approvals as part of the internal controls to ensure payments to country offices, contractors and subrecipients are allowable, properly supported and within the period of performance. This is not the role of the BARS review process. Compliance, Budget Manager and PI reviews are the controls that ensure allowability of payments and BARS approvals are after-the-fact validations of accurate posting of already approved expenditures. We provided edits to the Background section to reflect our process. We request in light of this that the description of condition, cause of condition and recommendation sections of this finding be updated accordingly.

Payments to country offices

I-TECH country offices are not contractors; the offices are an extension of the University of Washington. Your review identified one of fifty-eight samples (1.7%) did not meet the approval requirements set forth in I-TECH's standard operating procedure. Based on the error percentage, we disagree with this finding.

Payments to contractors

Payments to contractors have multiple approvals. Upon receipt, individual invoices are approved by the program/budget manager either by signature or email. Invoices are then sent to the I-TECH Accounts Payable Administrator for input to the University's procurement system, ARIBA, which requires compliance approval from the Accounts Payable Supervisor or other manager, as well as funding approval from the budget manager prior to payment. Approvals of Budget Activity Reports (BARS) are not approval of individual payments to contractors, they are reviews of the monthly expenses posted to the budget and the program manager's concurrence that the expenses are as expected.

The exceptions noted were payments made to country offices instead of contractors. The support for approvals were provided to the State Auditors on April 26, 2023, prior to the completion of

fieldwork. We therefore disagree with this finding. We also request that the finding be adjusted to omit the 20% of missing BARS approvals as this is not related to the contractor payments.

Subrecipient reimbursements

Each subrecipient invoice is reviewed for reasonableness, allowability and allocability by the contracts manager and approved by both budget managers and principal investigators prior to being processed for payment in ARIBA. PI approvals were provided and verified for each subrecipient selection with no omissions noted by the auditors. Approvals of Budget Activity Reports (BARS) are not approval of individual payments to subrecipients, they are after-the-fact reviews of the monthly expenses posted to the budget, intended as documentation of the program manager's concurrence that the expenses are posted as expected.

We acknowledge the instances detailed in the finding where we were unable to produce related BARS approvals for 52 of the transactions; however, we request that the finding be adjusted as these BARS approvals are not related to subrecipient invoice review and approvals.

Our record keeping process for BARS approvals was to save the emails in a folder within our Finance Team mailbox. We learned during this review that emails beyond a certain date are deleted but maintained in the MS360 file. We've searched for the missing BARS approvals but have not yet been able to locate them. We have since begun saving the approvals to our server to ensure we have access to the data going forward.

Auditor's Remarks

The University's I-TECH Global Operations Manual stipulates that BARs will be generated, reviewed and approved monthly by the Budget Manager and management team. This information was provided to our Office as part of the University's overall design of internal controls over payments to contractors, subrecipients and country offices.

The University responded to our Office on April 20, 2023 adding that "BAR review is the University's key post payment control designed to ensure charges are accurately processed, coded and allowable on the budget charged." We interpret this response to indicate the BAR review process is a monitoring control, and the University asserted on multiple occasions this is a key internal control, which is why we tested it. On January 5, our Office notified University management in writing that the BAR review process would be tested as a key control over the cost principles and period of performance requirements for Global AIDS expenditures. We received no additional inquiry or concerns from University management regarding this internal control until the draft finding was issued on April 14.

We provided the University with a final written summary of our fieldwork in this area on April 6, 2023, after fieldwork had concluded. On April 7, the Finance Director responded to our Office in writing confirming they had no further questions or concerns regarding our testing results. It was

not until after the University received this finding that additional documentation supporting expenditures tested during the audit were ultimately given to our Office.

The basis for this audit finding is the key internal control failure rate of BAR approvals that exceeds our established materiality threshold of five percent, and constitutes a material weakness in internal control, which under the Uniform Guidance is required to be reported as an audit finding in accordance with 2 CFR 200.516 – *Audit findings*.

We reaffirm our finding and will follow up on 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

The University of Washington’s Policies, Procedures and Guidance (UW Research), *GIM 02 – Acceptance of Sponsored Program Awards and Fiscal Compliance on Sponsored Program Accounts (Budget Numbers)*, states in part:

Responsibilities

Principal Investigator

- Supervises expenditure of sponsored program funds and approves sub-recipient invoices (see GIM 8) to assure:
 - That funds are used only for purposes that directly relate to and benefit the activity supported in the award.
 - That expenditures are consistent with all special terms, conditions, or limitations that apply to expenditures under the particular grant or contract.
 - That expenditures do not exceed the total funds authorized for a given period under the grant or contract.

GIM 07 – Sponsored Program Subaward Administration, states in part:

Principal Investigator

- Review and approve subaward invoices.

GIM 08 – Subrecipient Monitoring, states in part:

Roles & Responsibilities

PI / Department Responsibilities

Project level monitoring of subrecipient including:

- Reviews that expenses are necessary, reasonable, and allocable to the work completed and are aligned with technical progress.
- Approve invoices for payment.

Subrecipient Monitoring – Project Level

Subrecipient invoices are reviewed and approved in accordance with the requirements of GIM 2 in the manner and frequency stated in the subaward.

The University of Washington *I-TECH Global Operations Manual* (GRef 2.3), Section 2, Finance, Accounting Policy and Procedure Requirements, states in part:

In addition to the Fiscal Guidelines set forth in the I-TECH Field Operations Manual, these country specific policies are implemented at I-TECH.

10. Budget Management and Reporting

- f. Reports that show the variance between the budget plan and the activity for each region and activity code will be generated, reviewed and approved by the budget managers and the Management Team each month.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-029 The University of Washington 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.

Assistance Listing Number and Title:	93.067 Global AIDS 93.067 COVID-19 Global AIDS
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	NU2GGH001430; NU2GGH001968; NU2GGH002038; NU2GGH002116; NU2GGH002242; NUGGH002360; NU2GGH002157; NU2GGH002298; NU2GGH002374
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None

Background

The Global AIDS program is a federal initiative focused on treating and preventing the transmission of HIV/AIDS around the world. The program is authorized by Sections 307 and 317(k)(2) of the Public Health Service Act, the U.S. Leadership Against HIV/AIDS, Tuberculosis, and Malaria Acts of 2003 and 2008, and the U.S. President's Emergency Plan for AIDS Relief.

Since it was established in 2003, the federal government has invested more than \$100 billion in the global HIV/AIDS response, providing testing and treatment for millions of people, preventing transmission among affected communities, and supporting numerous countries to achieve HIV epidemic control. The program distributes funding through public and private sector partnerships to reach the populations most vulnerable to HIV/AIDS epidemics.

The University of Washington administers this grant for the state through its International Training and Education Center for Health (I-TECH). I-TECH is a center in the University's Department of Global Health operated by more than 2,000 staff in offices located in Africa, Asia, the Caribbean, Eastern Europe and the United States.

In fiscal year 2022, the University spent more than \$66 million in federal program funds, about \$46.4 million of which it awarded 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 \$30,000. The University 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 University 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 University was required to report 18 subawards totaling about \$46 million of program funds that it awarded to 10 subrecipients. The University generates subawards and subaward modifications using information from its Sponsored Projects Administration and Electronic Research Compliance (SPAERC) system.

We randomly selected seven of the 18 subawards required to be reported during the audit period. We found the University failed to report one subaward (14 percent) totaling \$113,353 in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS).

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

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

Cause of Condition

The University uses SPAERC to identify and monitor active subawards and subaward modifications for the Global AIDS program. However, OSP does not currently use SPAERC data to generate external reports to identify subawards and subaward modifications that require

reporting in FSRS. During the audit period, staff responsible for submitting the required reports manually searched the system for related transactions to report during the audit period.

In addition, management did not review FSRS submissions and compare the information to SPAERC to ensure all required information was reported.

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 University for noncompliance by suspending or terminating the federal award or withholding future awards.

Recommendations

We recommend the University:

- Establish effective internal controls to ensure reports are submitted, as required
- Ensure management monitors reporting of this information to ensure future reports are submitted completely and accurately

Department's Response

The University acknowledges that we neglected to submit one FFATA report related to one Global AIDS program subaward modification during the audit period. We have since submitted that report.

The University believes that we already have solid and effective controls in place related to FFATA reporting. We have reviewed all subaward actions (new subawards and modifications) for the Global AIDS program during the audit period and have verified that no additional reports were missed.

Please note that per federal regulations, UW submits FFATA reports as required for all financial actions under 1st tier subawards once the threshold has first been met for a particular subaward. This generally results in multiple FFATA reports for a single subaward, with each monetary subaward action (new subawards and modifications) under direct federal funding requiring reporting once the threshold has been met. This results in a large volume of FFATA reports each month. Reporting for the Global AIDS project is handled along with all other FFATA reporting for subawards under the University's federal awards.

We acknowledge that our current processes can be improved through better use of the data in SPAERC. Upon receipt of the final FY2022 audit report (scheduled for June 2023) the University will design a report to assist in the identification and review of FFATA-reportable actions. Due to the timing, implementation of this report will not occur until FY2024.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 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 <https://www.fsr.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 <https://www.fsr.gov> specify.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-030 The University of Washington did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Global AIDS program received required single or program-specific audits, and that it followed up on findings and issued management decisions.

Assistance Listing Number and Title: 93.067 Global AIDS
93.067 COVID-19 Global AIDS

Federal Grantor Name: U.S. Department of Health and Human Services

Federal Award/Contract Number: NU2GGH001430; NU2GGH001968;
NU2GGH002038; NU2GGH002116;
NU2GGH002242; NUGGH002360;
NU2GGH002157; NU2GGH002298;
NU2GGH002374

Pass-through Entity Name: None

Pass-through Award/Contract Number: None

Applicable Compliance Component: Subrecipient Monitoring

Known Questioned Cost Amount: None

Background

The Global AIDS program is a federal initiative focused on treating and preventing the transmission of HIV/AIDS around the world. The program is authorized by Sections 307 and 317(k)(2) of the Public Health Service Act, the U.S. Leadership Against HIV/AIDS, Tuberculosis, and Malaria Acts of 2003 and 2008, and the U.S. President's Emergency Plan for AIDS Relief.

Since it was established in 2003, the federal government has invested more than \$100 billion in the global HIV/AIDS response, providing testing and treatment for millions of people, preventing transmission among affected communities, and supporting numerous countries to achieve HIV epidemic control. The program distributes funding through public and private sector partnerships to reach the populations most vulnerable to HIV/AIDS epidemics.

The University of Washington administers this grant for the state through its International Training and Education Center for Health (I-TECH). I-TECH is a center in the University's Department of Global Health operated by more than 2,000 staff in offices located in Africa, Asia, the Caribbean, Eastern Europe and the United States.

In fiscal year 2022, the University spent more than \$66 million in federal program funds, about \$44 million of which it passed through to subrecipients.

Federal regulations require the University to monitor its subrecipients' activities. This includes verifying that its subrecipients that spend \$750,000 or more in federal awards during a fiscal year obtain a single or program-specific audit. For the Global AIDS program, the Centers for Disease Control and Prevention requires foreign subrecipients to submit their audits directly to the federal government and pass-through entity within 30 days after receiving the auditor's report or nine months after the end of the subrecipient's audit period, whichever is earlier.

Additionally, for the awards it passes onto its subrecipients, the University must follow up and ensure the subrecipients take timely and appropriate corrective action on all deficiencies identified through audits. When a subrecipient receives an audit finding for a University-funded program, federal law requires the University to issue a management decision to the subrecipient within six months of the audit report's acceptance by the federal government. The management decision must clearly state whether the audit finding is sustained, the reason for the decision, and the actions the subrecipient is expected to take, such as repaying unallowable costs or making financial adjustments. These requirements help ensure subrecipients use federal program funds for authorized purposes and within the provisions of contracts or grant agreements.

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 have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Global AIDS program received required single or program-specific audits, and that it appropriately followed up on findings and issued management decisions.

We found the University did not have adequate internal controls in place to verify whether:

- Subrecipients received required audits, if necessary, and appropriate remedies were taken if audits were not filed
- Management decisions were required to be issued for subrecipients who required a single or program-specific audit

We used a nonstatistical sampling method to randomly select and examine seven out of a total population of 21 subrecipients. We found the University did not adequately monitor one subrecipient (14 percent) to ensure it received a required single or program-specific audit.

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

Staff in the University's Office of Sponsored Programs (OSP) used a spreadsheet to track subrecipient certifications and responses, and reviewed annual certifications from the subrecipient to monitor its audit status. However, OSP did not correctly interpret the subrecipient's response and, therefore, did not require it to provide documentation of a single or program-specific audit.

Additionally, management did not review the subrecipient's federal assistance expenditures to detect that it required an audit and, therefore, also failed to adequately follow up to ensure any reported findings were resolved with appropriate corrective action, if required.

Effect of Condition

Without establishing adequate internal controls, the University cannot ensure all subrecipients that required a single or program-specific audit received one. Furthermore, the University cannot ensure it is following up on subrecipient audit findings and communicating required management decisions to subrecipients. By failing to ensure subrecipients establish corrective actions and management monitors them for effectiveness where required, the University cannot determine whether subrecipients have sufficiently corrected issues identified in audit findings.

Recommendations

We recommend the University:

- Follow policies and procedures to ensure subrecipients receive required single or program-specific audits
- Establish and follow effective internal controls to ensure it reviews audit reports for its subrecipients and issues written management decisions, as required
- Ensure subrecipients develop and perform acceptable corrective actions to adequately address all audit recommendations
- Follow up with the subrecipient to ensure the required audit reports are received and reviewed to determine if the subrecipient is required to take corrective action to address audit recommendations
- Issue a written management decision for all applicable audit findings, if necessary

University's Response

The University of Washington has established internal controls to carry out a risk assessment per Uniform Guidance, 2 CFR § 200.332, Requirements for pass-through entities, and our UW Grants Information Memorandum (GIM) 8. This involves using various factors to assess risk. Part of our process to obtain the information needed from each subrecipient is through a certification process. The certification was obtained from the subrecipient, along with additional documentation from the subrecipient, such as an audited financial statement. We made a risk assessment using our standard risk criteria. We did misinterpret the response provided from the subrecipient regarding whether it expended \$750,000 or more in federal awards during a fiscal year in order to obtain a single or program-specific audit from this subrecipient. While this was not obtained and reviewed, a risk assessment using our standard criteria was performed with the subrecipient rated as a medium risk, and subject to monitoring throughout the project, per GIM 8. The monitoring at the program level occurred during the period in question.

We will be improving our required communications with subrecipients to have clear questions and responses regarding whether the subrecipient expended \$750,000 or more in federal awards during the fiscal year in order to obtain a single or program-specific audit, follow up with the subrecipient to ensure the required audit reports are received and reviewed to determine if the subrecipient is required to take corrective action to address audit recommendations, and issue a written management decision for all applicable audit findings, if necessary.

Auditor's Remarks

We thank the University for its cooperation and assistance during the audit.

Whether the University performed a risk assessment for the subrecipient is not being questioned. The University did not adequately monitor the subrecipient to ensure it detected whether the subrecipient was required to receive a single audit, or program-specific audit in accordance with 2 CFR §200.332(f). There is no other mechanism for the Federal government to monitor subrecipients of the University and, because a single audit of the subrecipient was not performed, neither the federal grantor nor the University had reasonable assurance of the subrecipient's compliance with federal award requirements.

We reaffirm our finding and will follow up on 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200, Uniform Guidance, establishes the following applicable requirements:

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:
 - (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.

- (f) Verify that every subrecipient is audited as required by Subpart F of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set for the in §200.501 Audit requirements.

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 200.501 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).

The University of Washington's Policies, Procedures and Guidance (UW Research), *GIM 8 – Subrecipient Monitoring*, states in part:

Background

Additionally, per the Federal Uniform Guidance, UW must evaluate each subrecipients' risk of noncompliance with federal regulations, include specific terms and conditions in the subaward as necessary, and monitor the activities of the subrecipient through various mechanisms. These mechanisms include: Training and technical assistance to subrecipients, on-site reviews, review of audit results, increased reporting requirements and enforcement action, if necessary.

University Policy

UW reviews each subrecipient entity according to an entity level comprehensive risk assessment prior to the issuance of a subaward. This risk assessment includes an entity level review of their fiscal systems, past audit activity, and if required, financial statements of the entity as well as the project specific activity proposed and that the required

compliance approvals are obtained. When necessary, UW imposes limitations and requirements on the subrecipient through subaward terms and conditions per Federal Uniform Guidance, Section 200.521, prior to the issuance or renewal of a subaward.

UW's subrecipient monitoring requirements are comprised, at a minimum, of the following:

- Completion of the UW's entity level comprehensive risk assessment (Certs & Reps, Annual Audit Certification)

Subrecipient Monitoring – Entity Level

Entity level monitoring consists of a combination of the following:

- Initial Subrecipient Certification Form completion and assurance by subrecipient's authorized official
- Annual audit assurance through an annual audit certification form
- Maintenance of a subrecipient profile list, which includes information on the entity's past audit information and certifications
- Risk assessment carried out at each annual renewal of a subaward

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-031 The Department of Health did not have adequate internal controls over and did not comply with requirements to ensure payments to providers were allowable, met cost principles, and were within the period of performance for the Immunization Cooperative Agreements program.

Assistance Listing Number and Title:	93.268 Immunization Cooperative Agreements 93.268 COVID-19 Immunization Cooperative Agreements
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	5 NH23IP922619-03-00; 6 NH23IP922619-03-01; 6 NH23IP922619-03-02; 6 NH23IP922619-02-01; 6 NH23IP922619-02-02; 6 NH23IP922619-02-03; 6 NH23IP922619-02-04; 6 NH23IP922619-02-06
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs / Cost Principles Period of Performance
Known Questioned Cost Amount:	\$4,287,159

Background

The Department of Health administers the Immunization Cooperative Agreements program, which aims to reduce and ultimately eliminate vaccine-preventable diseases by increasing and maintaining high immunization coverage. Emphasis is placed on populations at highest risk for underimmunization and disease, including children eligible under the Vaccines for Children program. In fiscal year 2022, the Department spent more than \$44.2 million in federal program funds, about \$14.2 million of which it disbursed to subrecipients. The Department also received more than \$94.5 million in non-cash assistance from the federal grantor in the form of vaccines.

To help carry out the program's objectives, the Department issues consolidated contracts to Local Health Jurisdictions that are classified as subrecipients. A consolidated contract is for one subrecipient that combines funding for multiple federal programs.

Subrecipients are awarded federal funds on a reimbursement basis only. The Department assigns each subrecipient a risk level based on standardized criteria, and it maintains a matrix that specifies the documentation that subrecipients at each risk level are required to submit with every reimbursement. There are varying requirements among low, moderate and high-risk subrecipients for each of the following expense categories:

- Salaries and benefits
- Equipment (\$5,000 or more)
- Materials, supplies, and other
- Travel (in-state and out-of-state)
- Contracts and sub-subrecipients
- Administrative/indirect costs

The Department's Fiscal Monitoring Unit (FMU) also conducts fiscal reviews of each subrecipient to review source documentation to ensure payments are for allowable activities and within the period of performance.

During the audit period, subrecipients submitted invoices to the Department's accounting unit where staff, on a weekly basis, compiled a list of all consolidated contract invoices into one email. The emails were sent to Department program staff requesting review to ensure the payment was allowable and within the period of performance. The emails consisted of 30 to 50 invoice requests with hundreds of pages of supporting documentation. Each invoice listed in the email would be considered approved if program staff did not respond. To address concerns about an invoice, program staff were required to email the accounting unit within 10 business days to withhold payment until the items in question were resolved.

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 payments to providers were allowable, met cost principles, and were within the program's period of performance.

Department program staff used the documentation matrix when reviewing subrecipient payments to ensure they were for allowable activities, met cost principles, were within the period of performance, and included required supporting documentation. However, program staff did not document their review or approval, so we were unable to determine if the proper reviews occurred.

During the audit period, the FMU conducted a fiscal monitoring review for four subrecipients that received program funds. We reviewed the fiscal monitoring activity for all four subrecipients and determined none of the four reviews included a detailed transaction review of program payments to ensure they had adequate supporting documentation.

We used a statistical sampling method to randomly select and review 55 out of 432 provider payments. Additionally, we judgmentally reviewed two individually significant payments that exceeded \$1.2 million each. In total, we examined more than \$9.3 million in provider payments as part of the audit. Of the 57 payments examined, we identified 27 payments that did not have the required supporting documentation for the subrecipients' assigned risk level. This included one of the individually significant payments.

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's established procedures allowed for paying providers without ensuring program staff reviewed and determined the payment was allowable, within the grant's period of performance, and adequately supported. Furthermore, program management did not ensure staff followed the existing review procedures.

In addition, management had not established guidance for how many transactions a fiscal reviewer needed to review to source documentation in order to have assurance the program funds were spent in accordance with grant requirements. Management also did not ensure transactions selected for review by the FMU represented all subawards issued to the subrecipient.

Effect of Condition and Questioned Costs

Without establishing adequate internal controls, the Department cannot reasonably ensure it is using federal funds for allowable purposes. By not ensuring subrecipients submitted required supporting documentation, staff could not adequately verify the reimbursement claims, and the Department could not ensure its subrecipients complied with the subaward's terms and conditions.

The 27 payments for which the Department did not have required supporting documentation from subrecipients totaled \$4,287,159 in known questioned costs. Based on these results, we estimate that the total amount of likely improper payments using federal funds to be \$5,503,611.

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 to ensure that it obtains adequate supporting documentation from subrecipients before reimbursing them
- Improve internal controls to ensure program staff review and approve expenditures to verify they are for allowable activities and within the period of performance prior to payment
- 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 Immunization Cooperative Agreement. 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 and meeting period of performance.

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 in line with our A-19 matrix and risk assessed of our subrecipients. Immunization staff who review invoices have been provided additional training and tracking sheets have been developed which enables staff to record details from backup documentation reviews. This ensures the proper level of review is completed and aligns with the agency’s A-19 documentation matrix. We will also be addressing the control weakness identified with the consolidated contract payment process and documenting our review and approval by program staff to ensure allowability and that funds were spent within the period of performance.

It should be noted that the current process over provider payments at the Department of Health has been in place for well over a decade and has been through several annual audits by the State Auditor’s Office and separate federal reviews by our federal funders without issue. The defined process of consolidated contract payments was in response to issues arising with timely payment of funds to our local government partners. The consolidated contracts are an essential tool in providing such funding on a large scale. This process balances many needs in tracking payments, providing documentation to the programs for review as well as allowing for timely distribution of

funding to the local health jurisdictions (LHJs) for state and federal programs in order to serve the residents of the State of Washington. It also simplifies the invoicing and payment process as well as reconciliation between DOH and the LHJs.

We would also note that for the exceptions identified with the Fiscal Monitoring Unit (FMU) visits, for all four reviews the totality of costs charged to Immunizations during the scope of those reviews were for staffing costs. FMU test staffing as a centralized function to determine if appropriate internal controls are being utilized to ensure costs are reasonable, necessary, allowable, and allocable. During review of these agencies, FMU did not find any instances of unallowable salary costs for time keeping samples that were tested.

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 level of documentation received from the subrecipient accounting system gave us assurance that the transactions/costs questioned met federal cost principles for allowability and period of performance. This, along with the following additional overall internal monitoring and policy processes support our overall assurance of the allowability of payments:

- Program staff maintain detailed budget information for each subrecipient by project area, and as A-19s are submitted, program and accounting staff update budget spreadsheets. When reviewing 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 immunization program refers to the federal Immunization Program Operations Manual (IPOM) to determine allowable costs, purchase, and procurement procedures. This information is available to all subrecipients.*
- FMU provides technical assistance and training, not only to program staff, but to the subrecipients while onsite and at the request of the entities receiving funding.*
- Program staff provide technical assistance, policies, and training to Immunization subrecipients related to both allowability and compliance as it relates to programmatic processes.*

As a compensating control, each subrecipient of federal funds receive a monitoring visit from our Fiscal Monitoring Unit (FMU) once every two years. During the course of these visits monitoring staff perform walk-throughs and assessments of the internal controls surrounding the A19 payment process. They select the most recent three A19's submitted for funding and review all charges to appropriate source documentation to ensure allowability using cost principles as a basis.

Auditor's Remarks

Department management has implemented procedures to ensure adequate documentation is reviewed to support reimbursement requests from subrecipients receiving federal funds. Our testing was based on these documentation requirements, but we do not agree that these requirements are higher than the Uniform Guidance requires. We found that payments were made without the required level of support to ensure they were allowable and met cost principles.

The Department asserts that the fiscal monitoring performed every two years compensates for the lack of adequate documentation. However, we found the fiscal monitoring transaction level review for payroll and vendor reimbursement requests did not include a review of any Immunization program payments and therefore gave no assurance that grant funds were spent on allowable activities and were adequately supported.

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

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.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200.1, Uniform Guidance, establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable costs.

Title 2 CFR Part 200, Uniform Guidance, section 403, Factors affecting allowability of costs, describes the general criteria in order for a cost to be allowable under federal awards, including being adequately documented.

Washington State Department of Health A-19 Documentation Matrix

Approved by FMU 11/30/20

This is the backup documentation required based on the determined risk level. Please ensure the *detailed* GL expenditure report clearly aligns with the A19 form. **More supporting documentation may be requested by programs at any time due to programmatic requirements regardless of risk category.**

Expenditure Category	Low-Risk	Moderate-Risk	High-Risk
<p>Salaries and Benefits</p>	<p>A-19 and a <i>detailed</i> GL expenditure report for all employees who are charged to the grant for the period with the following information:</p> <ul style="list-style-type: none"> • Salaries & Wages • Employee name • Employee rates of pay • Hours worked <p>Note: Salaries and benefits must be broken out as separate line items.</p>	<p>A-19 and a <i>detailed</i> GL expenditure report for all employees who are charged to the grant for the period with the following information:</p> <ul style="list-style-type: none"> • Salaries & Wages • Employee name • Employee rates of pay • Hours worked <p>Note: Salaries and benefits must be broken out as separate line items.</p>	<p>A-19 and a <i>detailed</i> GL expenditure report for all employees who are charged to the grant for the period with the following information:</p> <ul style="list-style-type: none"> • Salaries & Wages • Employee name • Employee rates of pay • Hours worked <p>AND</p> <ul style="list-style-type: none"> • Time Sheets for all staff direct charging to the award <p>Note: Salaries and benefits must be broken out as separate line items.</p>
<p>Equipment (\$5,000 or more)</p>	<p>A-19 and a <i>detailed</i> GL expenditure report that provides vendor name and amount</p> <p>Note: Pre-approval documentation must be provided</p>	<p>A-19 and a <i>detailed</i> GL expenditure report that provides vendor name, amount</p> <p>AND</p> <ul style="list-style-type: none"> • Item Description <p>Note: Pre-approval documentation must be provided</p>	<p>A-19 and a <i>detailed</i> GL expenditure report that provides vendor name, amount, item description</p> <p>AND</p> <ul style="list-style-type: none"> • Invoice • Supporting documentation reflecting authorizing official's approval.

Expenditure Category	Low-Risk	Moderate-Risk	High-Risk
<p>Materials, Supplies, and Other</p>	<p>A-19 and a <i>detailed</i> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Vendor Name • Item description • Cost of item <p>Note: If the entity has a petty cash fund, they must supply 100% of the supporting documentation.</p>	<p>A-19 and a <i>detailed</i> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Vendor Name • Item description • Cost of item <p>AND</p> <p>Invoices for transactions over \$1,000</p> <p>Note: If the entity has a petty cash fund, they must supply 100% of the supporting documentation.</p>	<p>A-19 and <i>detailed</i> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Vendor Name • Item description • Cost of item <p>AND</p> <p>Invoices for transactions over \$200.</p> <p>Note: If the entity has a petty cash fund, they must supply 100% of the supporting documentation</p>
<p>Travel</p>	<p>A-19 and a <i>detailed</i> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Employee name <p>Note: Pre-approval documentation from DOH for any out of state travel must be provided.</p>	<p>A-19 and a <i>detailed</i> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Employee name <p>AND</p> <ul style="list-style-type: none"> • Travel expense form* • All itemized receipts <p>* Travel expense form should include employee signature, supervisor approval and purpose.</p>	<p>A-19 and a <i>detailed</i> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Employee name • Travel expense form* • All itemized receipts <p>AND</p> <p>Pre-approval required for any flights and overnight stays.</p> <p>*Travel expense form should include employee signature, supervisor approval and purpose.</p>

Expenditure Category	Low-Risk	Moderate-Risk	High-Risk
		Note: Pre-approval documentation from DOH for any out of state travel must be provided.	Note: Pre-approval documentation from DOH for any out of state travel must be provided.
Contracts and Sub-Subrecipients	A-19 and a <i>detailed</i> GL expenditure report that provides: <ul style="list-style-type: none"> • Contractor/ Subrecipient Name 	A-19 and a <i>detailed</i> GL expenditure report that provides: <ul style="list-style-type: none"> • Contractor/ Subrecipient Name AND <ul style="list-style-type: none"> • Invoices for individual transactions over \$1,000.00 	A-19 and a <i>detailed</i> GL expenditure report that provides: <ul style="list-style-type: none"> • Contractor/ Subrecipient Name AND <ul style="list-style-type: none"> • Invoices for individual transactions over \$200.00.

NOTE:

Indirect costs included on A19s **must** include verification of the following:

- Indirect plan is current and on file with DOH
- Indirect rate is being applied accurately to allowable expenditures
- If the indirect cost rate plan has expired, no indirect costs can be charged

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-032 The Department of Health did not have adequate internal controls to ensure it filed accurate and timely reports required by the Federal Funding Accountability and Transparency Act for the Immunization Cooperative Agreements program.

Assistance Listing Number and Title:	93.268 Immunization Cooperative Agreements 93.268, COVID-19 Immunization Cooperative Agreements
Federal Grantor Name:	Department of Health and Human Services
Federal Award/Contract Number:	5NH23IP922619-03-00; 6NH23IP922619-03-01; 6NH23IP922619-03-02; 6NH23IP922619-02-01; 6NH23IP922619-02-02; 6NH23IP922619-02-03; 6NH23IP922619-02-04; 6NH23IP922619-02-06
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None

Background

The Department of Health administers the Immunization Cooperative Agreements program. The objective of the program is to reduce and ultimately eliminate vaccine-preventable diseases by increasing and maintaining high immunization coverage. Emphasis is placed on populations at highest risk for underimmunization and disease, including children eligible under the Vaccines for Children (VFC) program. In fiscal year 2022, the Department spent more \$44.2 million in federal program funds, approximately \$14.2 million of which it disbursed to subrecipients. The Department also received more than \$94.5 million in non-cash assistance from the federal grantor in the form of vaccines.

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 to ensure it filed accurate and timely reports required by the Act.

During the audit period, the Department reported approximately \$45 million of program funds that it awarded to 65 subrecipients. The Department's process for filing FFATA reports started with a fiscal analyst maintaining a spreadsheet throughout the month with the subaward information required for reporting. The fiscal analyst prepared and submitted the report each following month, and then emailed management to notify them the report was submitted. However, neither Department staff or management reviewed the reports for accuracy and completeness.

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

The Department does not require a review of FFATA reports before or after submitting them. Department officials said the purpose of the monthly email from the fiscal analyst is to inform management when a report has been finalized and uploaded, and it is not a request for managerial review.

Effect of Condition

Without requiring a review of the reports, management cannot ensure the Department is submitting accurate, complete and timely reports. To test for compliance with the Act, we randomly selected 12 of the 65 subawards obligated during state fiscal year 2022. We found the following:

- Eleven (92 percent) of the 12 subawards incorrectly reported the subaward obligation date.
- One (8 percent) of the 12 subawards was not reported timely.

Failing to submit complete, accurate and timely 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.

Recommendation

We recommend the Department establish and follow effective internal controls, including a review, to ensure FFATA reports are accurate and complete before submitting them.

Department's Response

We appreciate the State Auditor's Office audit of the immunization grant. DOH is committed to ensuring our programs comply with federal regulations. We understand that it is SAO's point of view that we are not in compliance with FFATA reporting requirements. We will review our processes and determine when a review is most effective to ensure accuracy and completeness of FFATA submissions. Management has already addressed the obligation dates to ensure we're reporting the execution date of the award or amendment.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

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 <https://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 <https://www.fsrs.gov> specify.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-033 The Department of Health did not have adequate internal controls over and did not comply with fiscal monitoring requirements to ensure subrecipients of the Epidemiology and Laboratory Capacity for Infectious Diseases program only used funds for allowable activities and met cost principles.

Assistance Listing Number and Title: 93.323 Epidemiology and Laboratory Capacity for Infectious Diseases
93.323 COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases

Federal Grantor Name: U.S. Department of Health and Human Services

Federal Award Number: NU50CK000515-01-00; NU50CK000515-01-06; NU50CK000515-01-07; NU50CK000515-01-08; NU50CK000515-01-09; NU50CK000515-02-00; NU50CK000515-02-01; NU50CK000515-02-03; NU50CK000515-02-04; NU50CK000515-02-06; NU50CK000515-02-07; NU50CK000515-02-09; NU50CK000515-03-00; NU50CK000515-03-01; NU50CK000515-03-03

Pass-through Entity: None

Pass-through Award/Contract Number: None

Applicable Compliance Component: Activities Allowed or Unallowed
Allowable Costs / Cost Principles
Subrecipient Monitoring

Known Questioned Cost Amount: \$1,644,873

Background

The Department of Health administers the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) program. The goal of the program is to support state, local, and territories' public health efforts to reduce morbidity and associated deaths caused by a wide range of infectious disease threats. ELC provides annual funding, strategic direction, and technical assistance to domestic jurisdictions for strengthening core capacities in epidemiology, laboratory, and health information systems activities. In addition to strengthening core infectious disease capacities nationwide, the program also supports several specific infectious disease programs and projects and provides special appropriations in response to infectious disease emergencies. The Department spent almost \$330 million in federal grant funds in fiscal year 2022, about \$103 million of which it disbursed to subrecipients.

To help carry out the program's objectives, the Department issues consolidated contracts to Local Health Jurisdictions that are classified as subrecipients. A consolidated contract is for one subrecipient that combines funding for multiple federal programs.

Subrecipients are awarded federal funds on a reimbursement basis only. The Department assigns each subrecipient a risk level based on standardized criteria, and it maintains a matrix that specifies the documentation that subrecipients at each risk level are required to submit with every reimbursement. There are varying requirements among low, moderate and high-risk subrecipients for each of the following expense categories:

- Salaries and benefits
- Equipment (\$5,000 or more)
- Materials, supplies, and other
- Travel (in-state and out-of-state)
- Contracts and sub-subrecipients
- Administrative/indirect costs

The Department's Fiscal Monitoring Unit (FMU) also conducts fiscal reviews of each subrecipient every two years to review source documentation to ensure payments are for allowable activities. A fiscal reviewer completes a standardized template to document what federal programs and reimbursement payment samples are reviewed. The fiscal reviewer judgmentally determines how many samples to test.

During the audit period, subrecipients submitted invoices to the Department's accounting unit where staff, on a weekly basis, compiled a list of all consolidated contract invoices into one email. The emails were sent to Department program staff requesting review to ensure the payment was allowable. The emails consisted of 30 to 50 invoice requests with hundreds of pages of supporting documentation. Each invoice listed in the email would be considered approved if program staff did not respond. To address concerns about an invoice, program staff were required to email the

accounting unit within 10 business days to withhold payment until the items in question were resolved.

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 payments to providers were allowable and met cost principles.

Department program staff were required to use the documentation matrix when reviewing subrecipient payments to ensure they were for allowable activities, met cost principles, and included required supporting documentation. However, program staff did not document their review or approval to the accounting unit that issues payment, so we were unable to determine if the proper reviews occurred.

We used a statistical sampling method to randomly select and review 57 out of 880 provider payments. Additionally, we judgmentally reviewed three individually significant payments that exceeded \$5.5 million each. In total, we examined more than \$75.4 million in provider payments as part of the audit. Of the 57 randomly selected payments examined, we identified four payments (7 percent) that did not have the required supporting documentation for the subrecipients' assigned risk level.

For fiscal monitoring, we used a nonstatistical sampling method to randomly select and examine five out of a total of eight subrecipients that received a review during the audit period. We found that none of the detailed transactions reviewed were noted as being for the ELC program.

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's established procedures allowed for paying providers without ensuring program staff reviewed and determined the payment was allowable and adequately supported. Furthermore, program management did not ensure staff followed the existing review procedures.

In addition, management had not established guidance for how many transactions a fiscal reviewer needed to review to source documentation in order to have assurance the program funds were spent in accordance with grant requirements. Management also decided that all pandemic-related programs would be documented as "COVID" on the detailed testing section of the standardized template. Therefore, it was not possible to determine if any ELC transactions were reviewed.

Effect of Condition and Questioned Costs

Without establishing adequate internal controls, the Department cannot reasonably ensure it is using federal funds for allowable purposes. By not ensuring subrecipients submitted required supporting documentation, staff could not adequately verify the reimbursement claims, and the Department could not ensure its subrecipients complied with the subaward's terms and conditions.

Allowing staff to select samples without adequate guidance from management does not provide the Department with reasonable assurance that subrecipients spent program funds in accordance with grant requirements and federal regulations. Additionally, because the reviewers do not document which specific pandemic-related federal program is being covered in the transaction-level testing, management cannot perform sufficient oversight to ensure the Department has met federal requirements.

The four payments for which the Department did not have required supporting documentation from subrecipients totaled \$1,644,873 in known questioned costs. Based on these results, we estimate that the total amount of likely improper payments using federal funds to be \$2,905,694.

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 reflect 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 (if applicable).

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 to ensure that it obtains adequate supporting documentation from subrecipients before reimbursing them
- Improve internal controls to ensure program staff review and approve expenditures to verify they are for allowable activities prior to payment
- 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 Epidemiology and Laboratory Capacity (ELC) for Infectious Diseases program. The Department of Health (DOH) is committed to ensuring our programs comply with federal regulations and would like to thank SAO for their work over the activities allowed and subrecipient monitoring requirements on the audit.

The Department partially agrees with the finding.

DOH would like to note that during the timeframe of this audit the Department and ELC program was in full COVID pandemic response mode. DOH was the leading agency charged with implementing a statewide response to an unprecedented pandemic. During this audit period, DOH's ELC Grants, and fiscal teams managed 27 newly awarded ELC grants totaling close to one billion dollars, which included applications, planning, restructuring, and monitoring. There were many emergency declarations that were also in place as well, creating new processes that staff were not familiar with, which created an environment where many of the normal day-to-day operations were pushed to their limits as well as the staff performing them. The COVID pandemic has shown us where we may have gaps in our processes, and we are diligently working to not only fill those gaps but to be better prepared for the next emergency response.

The Department does agree and is taking steps to improve internal controls over ensuring payments to providers contain support in line with our A19 matrix and risk assessed of our subrecipients. ELC staff who review invoices will be provided additional training and tracking sheets have been developed which enables staff to record details from backup documentation reviews. This ensures the proper level of review is completed and aligns with the agency's A-19 documentation matrix. Moving forward we've updated our A19 matrix to be more in line with federal guidance and the identified risk levels.

The Department partially agrees with SAO's assessment of a material weakness in internal controls over Subrecipient Monitoring. DOH agrees that the detailed transactions reviewed identified as being for "COVID" should have been specified to the specific revenue source and will do so in future monitoring visits. However, the Department would disagree that this is a material weakness over the subrecipient monitoring process. While the specific revenue source was not identified in testing allowability, monitoring staff document key control systems such as payroll and disbursements when conducting a fiscal monitoring site visit. When testing, this ensures those controls are operating effectively and provide assurance that amounts reported for reimbursement are allowable and accurate. Thus, not all transactions for that period may be tested.

The Department respectfully disagrees with SAO's assessment of a material weakness in internal controls over the consolidated contract provider payment process to ensure allowability in meeting cost principles with our ELC program. When accounting staff send the A19 consolidated contract invoices to the applicable programs ELC program staff review invoice support for

allowability and period of performance and keep a spreadsheet with a breakdown of the total payment requested for ELC. If the payment has no issues or concerns, the total payment is logged in the spreadsheet and staff save the spreadsheet to denote no issues and evidence of review and that full payment can be made. If there is a question on allowable cost, period of performance, a need for additional backup documentation or an error, program ELC staff will update spreadsheet with the amounts in question and communicate with the Local Health Jurisdiction, document the correspondence, and contact the accounting consolidated contract payment desk to withhold the specific amount of payment until the issue is resolved. Once resolved staff update the spreadsheet to denote the issue has been resolved and email accounting to release the payment amount in question.

It should be noted that the current process over provider payments at the Department of Health has been in place for well over a decade and has been through several annual audits by the State Auditor's Office and separate federal reviews by our federal funders without issue. The defined process of consolidated contract payments was in response to issues arising with timely payment of funds to our local government partners. The consolidated contracts are an essential tool in providing such funding on a large scale. This process balances many needs in tracking payments, providing documentation to the programs for review as well as allowing for timely distribution of funding to the local health jurisdictions (LHJs) for state and federal programs in order to serve the residents of the State of Washington. It also simplifies the invoicing and payment process as well as reconciliation between DOH and the LHJs.

We would also 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 level of documentation received from the subrecipient accounting system gave us assurance that the transactions/costs questioned met federal cost principles for allowability and period of performance. This, along with the following additional overall internal monitoring and policy processes support our overall assurance of the allowability of payments:

- Detailed ELC budgets were originally submitted by the subrecipient, reviewed and approved by Program staff so that they can ensure costs will be reasonable and are in alignment with expectations for the budget period submitted over time. No payment is made to an entity without that approved budget.*
- The ELC program has allowable cost guidance documents that are provided to the subrecipients initially, on their SOWs, and after any changes.*
- The ELC program/contract managers meet with subrecipients routinely (monthly or bi-monthly) to monitor progress of the work, resources, capacity, and budget management are discussed as well.*
- Program staff provide technical assistance and policies to subrecipients related to both allowability and compliance as it relates to programmatic processes.*

Auditor's Remarks

Department management has implemented procedures to ensure adequate documentation is reviewed to support reimbursement requests from subrecipients receiving federal funds. Our testing was based on these documentation requirements, but we do not agree that these requirements are higher than the Uniform Guidance requires. We found that payments were made without the required level of support to ensure they were allowable and met cost principles.

The Department asserts that the fiscal monitoring performed every two years compensates for the lack of adequate documentation. However, we found the fiscal monitoring transaction level review for payroll and vendor reimbursement requests did not specifically include a review of any ELC payments and therefore gave no assurance that grant funds were spent on allowable activities and were adequately supported.

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

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.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Washington State Department of Health A-19 Documentation Matrix

Approved by FMU 11/30/20

This is the backup documentation required based on the determined risk level. Please ensure the *detailed* GL expenditure report clearly aligns with the A19 form. **More supporting documentation may be requested by programs at any time due to programmatic requirements regardless of risk category.**

Expenditure Category	Low-Risk	Moderate-Risk	High-Risk
Salaries and Benefits	<p>A-19 and a <u>detailed</u> GL expenditure report for all employees who are charged to the grant for the period with the following information:</p> <ul style="list-style-type: none"> • Salaries & Wages • Employee name • Employee rates of pay • Hours worked <p>Note: Salaries and benefits must be broken out as separate line items.</p>	<p>A-19 and a <u>detailed</u> GL expenditure report for all employees who are charged to the grant for the period with the following information:</p> <ul style="list-style-type: none"> • Salaries & Wages • Employee name • Employee rates of pay • Hours worked <p>Note: Salaries and benefits must be broken out as separate line items.</p>	<p>A-19 and a <u>detailed</u> GL expenditure report for all employees who are charged to the grant for the period with the following information:</p> <ul style="list-style-type: none"> • Salaries & Wages • Employee name • Employee rates of pay • Hours worked <p>AND</p> <ul style="list-style-type: none"> • Time Sheets for all staff direct charging to the award <p>Note: Salaries and benefits must be broken out as separate line items.</p>
Materials, Supplies, and Other	<p>A-19 and a <u>detailed</u> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Vendor Name • Item description • Cost of item <p>Note: If the entity has a petty cash fund, they must supply 100% of the supporting documentation.</p>	<p>A-19 and a <u>detailed</u> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Vendor Name • Item description • Cost of item <p>AND</p> <p>Invoices for transactions over \$1,000</p> <p>Note: If the entity has a petty cash fund,</p>	<p>A-19 and <u>detailed</u> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Vendor Name • Item description • Cost of item <p>AND</p> <p>Invoices for transactions over \$200.</p> <p>Note: If the entity has a petty cash fund, they must supply 100% of the</p>

Expenditure Category	Low-Risk	Moderate-Risk	High-Risk
		they must supply 100% of the supporting documentation.	supporting documentation
Travel	<p>A-19 and a <i>detailed</i> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Employee name <p>Note: Pre-approval documentation from DOH for any out of state travel must be provided.</p>	<p>A-19 and a <i>detailed</i> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Employee name <p>AND</p> <ul style="list-style-type: none"> • Travel expense form* • All itemized receipts <p>* Travel expense form should include employee signature, supervisor approval and purpose.</p> <p>Note: Pre-approval documentation from DOH for any out of state travel must be provided.</p>	<p>A-19 and a <i>detailed</i> GL expenditure report that provides:</p> <ul style="list-style-type: none"> • Employee name • Travel expense form* • All itemized receipts <p>AND</p> <p>Pre-approval required for any flights and overnight stays.</p> <p>*Travel expense form should include employee signature, supervisor approval and purpose.</p> <p>Note: Pre-approval documentation from DOH for any out of state travel must be provided.</p>

Expenditure Category	Low-Risk	Moderate-Risk	High-Risk
Contracts and Sub-Subrecipients	A-19 and a <i>detailed</i> GL expenditure report that provides: <ul style="list-style-type: none"> • Contractor/ Subrecipient Name 	A-19 and a <i>detailed</i> GL expenditure report that provides: <ul style="list-style-type: none"> • Contractor/ Subrecipient Name AND <ul style="list-style-type: none"> • Invoices for individual transactions over \$1,000.00 	A-19 and a <i>detailed</i> GL expenditure report that provides: <ul style="list-style-type: none"> • Contractor/ Subrecipient Name AND <ul style="list-style-type: none"> • Invoices for individual transactions over \$200.00.

NOTE:

Indirect costs included on A19s **must** include verification of the following:

- Indirect plan is current and on file with DOH
- Indirect rate is being applied accurately to allowable expenditures
- If the indirect cost rate plan has expired, no indirect costs can be charged

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-034 The Department of Health did not have adequate internal controls over and did not comply with reporting requirements for the Epidemiology and Laboratory Capacity for Infectious Diseases program.

Assistance Listing Number and Title:	93.323 Epidemiology and Laboratory Capacity for Infectious Diseases 93.323 COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	NU50CK000515-01-08; NU50CK000515-02-04; NU50CK000515-02-07
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None

Background

The Department of Health administers the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) program. The goal of the program is to support state, local, and territories' public health efforts to reduce morbidity and associated deaths caused by a wide range of infectious disease threats. ELC provides annual funding, strategic direction, and technical assistance to domestic jurisdictions for strengthening core capacities in epidemiology, laboratory, and health information systems activities. In addition to strengthening core infectious disease capacities nationwide, the program also supports a myriad of specific infectious disease programs and projects and provides special appropriations in response to infectious disease emergencies. The Department spent almost \$330 million in federal grant funds during fiscal year 2022.

During the audit period, the Department was required to submit reports for the ELC projects Enhancing Detection, Enhancing Detection Expansion, and Reopening Schools. These projects are required to submit various reports to the Centers for Disease Control and Prevention (CDC).

Fiscal Reporting

For all three projects, the Department submits monthly fiscal reports in REDCap, a web-based system used by the CDC to collect data. This report summarizes the total monthly expenses, including salaries, fringe benefits, equipment, travel, supplies, and contractual payments.

Testing Reporting

This report is utilized by the Reopening Schools project to collect data on the use of polymerase chain reaction, antigen, and over-the-counter COVID-19 tests at schools. The Department collects the information for each type of test and submits the data utilizing the CDC report template.

Case Investigation and Contact Tracing (CICT)

For the Enhancing Detection and Enhancing Detection Expansion projects, the Department is required to submit monthly reports covering various attributes related to the number of COVID-19 cases reported and investigated. When a COVID-19 case is identified in the Washington Disease Reporting System, it is entered into the Case Risk and Exposure Surveillance Tool (CREST). Epidemiologists at the Department follow contact tracing protocols and enter the results of their investigations into CREST. The data is then reported in REDCap.

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 reporting requirements for the ELC program.

During the audit period, for all three reports, Department program staff asserted that all reports were reviewed and approved by appropriate staff before submission to the federal government. However, program staff did not document their review or approval, so we were unable to determine if the proper reviews occurred.

For the CICT reports, we used a non-statistical sampling method to randomly select and review five out of twelve monthly reports. We identified two months (40 percent) where the data reported in CREST did not match what was reported in REDCap. The variance between the CREST and REDCap reports ranged from 312 percent underreported to 98 percent overreported. For one month, 16 of the 19 (84 percent) fields were incorrect. For the second month, 14 of the 19 (74 percent) fields were incorrect. The Department identified the errors in March 2022, seven months after the first inaccurate report was submitted. At that time, the Department tried to have the report updated in REDCap, but the system would not allow the edits due to the length of time between the report filing date and the detection of the errors.

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 did not require management to document their reviews of reports before or after submission. If reviews of the CICT reports were performed, they were not adequate to detect the identified errors.

Effect of Condition

By not establishing adequate internal controls to ensure reports are complete and accurate, the Department reported incorrect data to the CDC.

Recommendation

We recommend the Department establish and follow effective internal controls, including a documented review, to ensure reports are accurate and complete before submitting them to the federal grantor.

Department's Response

We appreciate the State Auditor's Office (SAO) audit of the Epidemiology and Laboratory Capacity (ELC) for Infectious Diseases program. The Department of Health (DOH) is committed to ensuring our programs comply with federal regulations and would like to thank SAO for their work over ELC reporting requirements on the audit.

The Department partially agrees with the finding given the following clarifications.

DOH would like to note that during the timeframe of this audit the Department and ELC program was in full COVID pandemic response mode. DOH was the leading agency charged with implementing a statewide response to an unprecedented pandemic. During this audit period, DOH's ELC Grants, and fiscal teams managed 27 newly awarded ELC grants totaling close to one billion dollars, which included applications, planning, restructuring, and monitoring. There were many emergency declarations that were also in place as well creating new processes that staff were not familiar with, which created an environment where many of the normal day-to-day operations were pushed to their limits as well as the staff performing them. The COVID pandemic has shown us where we may have gaps in our processes, and we are diligently working to not only fill those gaps but to be better prepared for the next emergency response.

DOH does agree that there needs to be evidence of review of the reports documented and saved in a central location. During the audit period there was turnover in key positions involved in the report review process. Documented reviews and approvals were conducted as evidenced in the signed attestations by applicable remaining staff involved, however we were unable to locate the approval emails from staff that had left the agency, thus we will ensure in the future that documentation is saved in a central location accessible by program leadership.

The Department also acknowledges that through effective internal controls a review process of submitted data ensures accurate reporting to the CDC. However, we disagree that evidence of such a review would have changed the SAO findings, as the data entry was correct at the time of submission.

The ELC program did, in fact, catch the errors that were originally submitted and notified the CDC within the reporting period (February 2022). Due to a technical issue, the federal REDCap information system would not allow ELC Grant program staff to directly update the months of July through October (2021). After discussion with our CDC partners initiated by DOH, program staff were advised to email the corrected data which was accepted by the CDC and the issue was resolved. DOH asserts internal controls were in place as stated in multiple attestations by program staff. However, the Department recognizes that controls in place need to detect errors more timely.

In closing DOH would like to thank SAO for their work in this area and the Department will continue to ensure we have adequate controls over reporting for our ELC program in the future.

Auditor's Remarks

The Department asserts that a more thorough review would not have detected that the two reports were inaccurate because the data was correct at the time of submission. While the amounts reported matched the supporting documentation used when filing the report, the data used was not complete. In our judgment, a thorough review by a knowledgeable person should have detected that incomplete data was being used to compile the report.

Additionally, while the Department emailed the CDC with the correct reporting information, the Department did not receive confirmation from the CDC stating the reports had been updated and at the time of testing the reports were still inaccurate in RedCap.

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

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.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-035 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.

Assistance Listing Number and Title:	93.558 Temporary Assistance for Needy Families
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2101WATANF; 2201WATANF
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Known Questioned Cost Amount:	\$67,699,429

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 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 them for allowable child care

services. DSHS determines TANF client eligibility and reimburses the Department for child care payments under an agreement between the two agencies.

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, 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 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. Prior to state fiscal year 2021, 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 2022, DSHS incurred \$67,699,429 in child care service-related expenditures.

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.

In the prior audit, we reported 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. The prior finding number was 2021-028.

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 TANF-funded payments the Department made to child care providers, we requested a population of payments charged to TANF sources from SSPS. However, during the fiscal year 2021 audit, management informed us the Department had 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.

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. Officials from the U.S. Department of Health and Human Services informed the Department that these accounting practices do not comply with federal law, but management said they believe they are compliant.

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.

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 \$67,699,429 in federal program costs for child care payments that DSHS 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 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.

The Department implemented grant-level management of all federal funds, including the TANF grant. The Department allocated the TANF grant to eligible clients and allowable activities in compliance with 45 CFR 98.67.

For the fiscal year 2021 program audit, the State Auditor's Office (SAO) issued a finding with \$32 questioned costs for non-compliance with the CCDF eligibility requirement. No other findings, management letters, or exit items were reported in this compliance area or the cost allocation of funds based on eligibility for the CCDF or TANF grants. Given that eligibility or cost allocation has not been an area of concern, and transfers were processed between TANF and CCDF source of funds with the same eligibility criteria, the Department is assured that TANF funding was spent appropriately within federal regulations.

In the Cause of Condition, the SAO stated, "HHS officials informed the Department that these accounting practices do not comply with federal law, but management said they believe they are compliant." The Department does not agree with this interpretation of the meeting outcome. During this informal meeting, on February 23, 2022, the State Auditor's Office, Office of Financial Management, and the Department met with HHS and they stated they would not offer an opinion until they received the completed finding from the state.

As part of the audit resolution process, HHS Administration for Children and Families', which oversees the TANF and CCDF programs at the federal level, reviews all SAO findings and issues management decision letters. The letters will reflect the grantor's determination of whether an audit finding is sustained, the reasons for the decision, and the required actions by the auditee. When a management decision is issued for the fiscal year 2022 finding, the Department will work with HHS and follow the audit resolution process.

The Department is committed to improving internal controls. The Department does not currently have the resources to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance recommended by SAO. In response to prior year's audit recommendations, the Department has submitted a budget request to the Legislature in the 2023-2025 biennial budget for additional resources to process adjustments to include transaction-level data.

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 U.S. Code of Federal Regulations and the State's grant award.

We appreciate the Department's commitment to resolving these matters and 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 2 CFR Part 200.1, Uniform Guidance establishes definitions for improper payments. Part 200.53 defines improper payments. Part 200.403 establishes factors affecting allowability of costs. Part 200.410 establishes requirements for the collection of unallowable 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-036 The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with client eligibility requirements for child care services paid with the Child Care and Development Fund and Temporary Assistance for Needy Families funds.

Assistance Listing Number and Title:	93.558 Temporary Assistance for Needy Families 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
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2003WACCDF; 2103WACCDF; 2203WACCDF; 2003WACCC3; 2103WACDC6; 2103WACSC6; 2103WACCC5; 2103WACCDD; 2203WACCDD; 2101WATANF; 2201WATANF
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Eligibility
Known Questioned Cost Amount:	Temporary Assistance for Needy Families - \$5,689 Child Care and Development Fund - \$5,078

Background

The Department of Children, Youth, and Families administers the federal Child Care and Development Fund (CCDF) grant to help eligible working families pay for child care. In fiscal year 2022, the Department spent \$668.6 million in CCDF federal funding. The Department of Social and Health Services (DSHS) administers the Temporary Assistance for Needy Families (TANF) grant. To meet one of the program's primary purposes of helping clients obtain employment, TANF grant funds may be used to pay clients' child care costs. If a client obtains employment and is no longer eligible for the program, TANF funds may still be used to pay child care costs to help the client maintain employment.

In fiscal year 2022, the Department spent more than \$260.5 million in CCDF and \$67.7 million in TANF federal grant funds on child care subsidy payments to providers.

Some payments made for child care are paid for 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 Working Connections Child Care program. As of July 1, 2019, the responsibility for making and documenting child care eligibility determinations under the CCDF and TANF grants was transferred from DSHS to the Department.

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 for July, August and September 2021 but in October 2021 changed to 60 percent of the state median income at application or 65 percent of the state median income at reapplication;
- Reside with a parent(s) or guardian who works or attends a job-training or education program, or needs to be receiving protective services.

State rules describe the information clients must provide to the Department to verify their eligibility. The information must be accurate, complete, consistent and from a reliable source. This information includes, but is not limited to, employer and hourly wage information, proof of an approved activity under TANF, and family household size and composition.

Once determined to be eligible for the program, a client is eligible for one year unless a change in income causes the client to exceed 85 percent of the state's median income. The Department requires that clients self-report such income changes. A written notice communicates the recipients' reporting requirement and the specific dollar threshold applicable to the household's annual income. Once the client's income exceeds this cutoff level, the Department terminates services.

The Department has access to systems that contain wage and household benefit and composition data for some, but not all, child care recipients. The Department uses this information in part to determine program eligibility, benefit level, including client copayment, and the amount of child care the family is eligible to receive. If an ineligible client receives assistance, the payment made to the child care provider is not allowable and the client must repay the ineligible amount.

The Department also uses household income to determine the amount families must contribute for their monthly copay to providers. Beginning July 1, 2021, monthly copayments were calculated using an updated schedule described in Washington Administrative Code 110-15-0075.

Federal regulations require the Department 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 10 audits, we reported findings related to eligibility for the Working Connections Child Care program. In these prior audits, we reported the Department did not have adequate internal controls over the eligibility process for child care subsidy recipients. These were reported as finding numbers 2021-035, 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 and did not comply with client eligibility requirements for CCDF and TANF.

During the audit period the Department determined 69,815 children were eligible for child care. We used a statistical sampling method to randomly select and examine 59 of these determinations. In four instances (6.8 percent), we found the Department made eligibility determinations improperly, did not obtain required documentation, incorrectly assessed copayment, or did not verify information before authorizing services. Specifically, we found:

- Two cases (3.4 percent) where the Department had incorrectly determined household composition and did not obtain sufficient data for all parents in the household to make an accurate eligibility determination.
- One case (1.7 percent) where the Department did not follow procedure for verifying employment, which led to an incorrect household income calculation.
- One case (1.7 percent) where the copay was incorrectly assessed, which resulted in an underpayment due to a system error.

Though the Department has established internal controls, they were insufficient for ensuring material compliance with client eligibility requirements.

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

Cause of Condition

Department staff made eligibility determinations without obtaining sufficient supporting documentation to ensure households were eligible to receive assistance. This deviated from the standard policies and procedures the Department has established, and management did not monitor sufficiently to ensure staff made proper eligibility determinations. Further, the incorrect copay calculation was due to system error.

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, three resulted in \$10,767 of federal overpayments to providers. The Department used \$5,078 in CCDF grant funds and \$5,689 in TANF grant funds for these payments.

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 \$6,008,693 for the CCDF grant and \$6,731,953 for the TANF grant.

Although we identified known and likely questioned costs, we do not have reasonable assurance that the payments in question are appropriately represented in the Department's accounting records because of the grant management practice issue reported in findings 2022-035 and 2022-041. Additionally, the payments in question are duplicative of the costs already questioned in the aforementioned provider payment findings.

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 client eligibility to ensure it:

- Reviews eligibility determinations sufficiently to detect improper eligibility determinations
- Reviews sufficient support for clients' 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 appreciate SAO's work with us over the past year to strengthen the auditing process.

Due to recent changes to CCSP directed by the Legislature, the Department anticipates continued reduction in eligibility determination errors. The Fair Start for Kids Act (FSKA) required the Department to make several changes that expanded eligibility during SFY 2022. The FSKA increased the State Median Income (SMI) threshold, allowing more two parent households to be eligible for child care subsidy. The FSKA also capped copayments to \$115 for applicants and \$215 for reapplicants, greatly reducing the copay amounts for typical two parent households. These changes are disincentives for fraud as struggling families receive needed benefits and are more likely to provide accurate and complete information. This is supported by the overall reduction in investigation requests submitted to the Office of Fraud and Accountability. In the federal fiscal year prior to the implementation of the FSKA, the Department submitted 1,405 requests for investigations. The year following FSKA implementation requests for investigations fell to 912. The Department continues to explore ways to remove the possibility for improper use of CCDF funds.

The Department agrees with the SAO that there is a need to review household composition at application and reapplication to improve reliability of eligibility decisions. The Department accesses data across available state systems to confirm information, including household composition provided by clients. Unfortunately, there is no household composition verification system, and information provided to other state agencies is often provided by client self-attestation. The Department continues to balance verification requirements with providing timely benefit decisions to support family access to high quality child care. Eighty-six percent of households receiving child care subsidies are headed by single parents. Supporting these families with child care is essential for their continued participation in work, education, and other social service programs.

The Department provides training for eligibility in the specific areas of household composition and income determination and improvements to training are ongoing. The Department recently made changes to the professional development and training process to improve staff skills and accuracy. Staff training is in a continuous improvement cycle and evolves with staff needs and

changes in rule. The Department will continue to improve processes and internal controls and create and deliver staff training based on current data trends and patterns.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200.1, Uniform Guidance, establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable costs.

Washington Administrative Code (WAC) 110-15-0015 – Determining family size, states in part:

- (1) DCYF determines a consumer's family size as follows:
 - (a) For a single parent, including a minor parent living independently, DCYF counts the consumer and the consumer's children;
 - (b) For unmarried parents who have at least one mutual child, DCYF counts both parents and all of their children living in the household;
 - (c) Unmarried parents who have no mutual children are counted as separate WCCC households, the unmarried parents and their respective children living in the household;
 - (d) For married parents, DCYF counts both parents and all of their children living in the household;
 - (e) For parents who are undocumented aliens as defined in WAC 388-424-0001, DCYF counts the parents and children, documented and undocumented, and all other family rules in this section apply. Children needing care must meet citizenship requirements described in WAC 110-15-0005;

- (f) For a legal guardian verified by a legal or court document, adult sibling or step-sibling, nephew, niece, aunt, uncle, grandparent, any of these relatives with the prefix “great,” such as a “great-nephew,” or an in loco parentis custodian who is not related to the child as described in WAC 110-15-0005, DCYF counts only the children and only the children’s income is counted;
 - (g) For a parent who is out of the household because of employer requirements, such as training or military service, and expected to return to the household, DCYF counts the consumer, the absent parent, and the children;
 - (h) For a parent who is voluntarily out of the household for reasons other than requirements of the employer, such as unapproved schooling and visiting family members, and is expected to return to the household, DCYF counts the consumer, the absent parent, and the children. WAC 110-15-0020 and all other family and household rules in this section apply;
 - (i) For a parent who is out of the country and waiting for legal reentry into the United States, DCYF counts only the consumer and children residing in the United States and all other family and household rules in this section apply;
 - (j) An incarcerated parent is not part of the household count for determining income and eligibility. DCYF counts the remaining household members using all other family rules in this section; and
 - (k) For a parent incarcerated at a Washington state correctional facility whose child lives with them at the facility, DCYF counts the parent and child as their own household.
- (U) When the household consists of the consumer’s own child and another child identified in subsection (1)(f) of this section, the household may be combined into one household or kept as distinct households for the benefit of the consumer.

WAC 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.
- (2) If a consumer receives a lump sum payment (such as money from the sale of property or back child support payment) in the month of application or during the consumer’s WCCC eligibility:
 - (a) DSHS calculates a monthly amount by dividing the lump sum payment by twelve;
 - (b) DSHS adds the monthly amount to the consumer’s expected average monthly income:
 - (i) For the month it was received; and
 - (ii) For the remaining months of the current eligibility period; and

(U)©To remain eligible for WCCC the consumer must meet WCCC income guidelines after the lump sum payment is applied.

WAC 110-15-0075 – Determining income eligibility and copayment amounts, states (effective prior to October 1, 2021):

- (U)DCYF takes the following steps to determine a consumer’s eligibility and copayment, whether care is provided under a WCCC voucher or contract:
 - (U)Determine the consumer’s family size (under WAC 110-15-0015);
 - (U)Determine the consumer’s countable income (under WAC 110-15-0065).
 - (U)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
© 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.

(U)DCYF does not prorate the copayment when a consumer uses care for part of a month.

(U) The FPG is updated every year. The WCCC eligibility level is updated at the same time every year to remain current with the FPG.

WAC 110-15-0075 – Determining income eligibility and copayment amounts, states (effective beginning October 1, 2021):

(1) DCYF takes the following steps to determine consumers' eligibility and copayments, when care is provided under a WCCC voucher or contract:

(a) Determine their family size as described in WAC 110-15-0015; and

(b) Determine their countable income as described in WAC 110-15-0065.

(2) DCYF calculates consumers' copayments as follows:

If the household's income is:	Then the household's maximum monthly copayment is:
At or below 20 percent of the SMI	Waived
Above 20 percent and at or below 36 percent of the SMI	\$65
Above 36 percent and at or below 50 percent of the SMI	\$90
Above 50 percent and at or below 60 percent of the SMI	\$115
At reapplication, above 60 percent and at or below 65 percent of the SMI	\$215

(3) DCYF does not prorate copayments when consumers use care for only part of a month.

(4) For parents age 21 years or younger who attend high school or are working towards completing a high school equivalency certificate, copayments are not required.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-037 The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to ensure staff properly considered the income information obtained from data matching when determining client eligibility and benefits for the Temporary Assistance for Needy Families program.

Assistance Listing Number and Title:	93.558 Temporary Assistance for Needy Families
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2101WATANF; 2201WATANF
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Eligibility Special Tests and Provisions: Income Eligibility Verification System
Known Questioned Cost Amount:	None

Background

The Department of Social and Health Services administers the Temporary Assistance for Needy Families (TANF) grant that provides temporary cash assistance for families in need. To receive TANF benefits, applicants must meet individual eligibility criteria and financial eligibility criteria according to the state's quantified income and resource criteria. The Department spent more than \$372 million in federal grant funds during fiscal year 2022.

Federal regulations require the Department to participate in the Income Eligibility and Verification System (IEVS). The state is required to coordinate data exchanges with other formally assisted benefit programs, and request and use income and benefit information when making eligibility determinations. The Department uses the Automated Client Eligibility System (ACES) in

determining eligibility, issuing benefits, providing management support, and sharing data between agencies.

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 staff properly considered the income information obtained from data matching when determining client eligibility and TANF benefits.

Department management asserted that part of the eligibility determination process included ACES alerting staff when there was a discrepancy between the information that was reported by applicants and the information that was obtained through the IEVS data matching. During our testing, we confirmed that this internal control was not in place. We determined ACES generated an alert when an applicant reported having no income, but the IEVS data match showed income. However, ACES did not return an error if the applicant reported any income other than zero, regardless of how large the discrepancy was with the IEVS data match.

We used a statistical sampling method to randomly select and examine 59 out of a total population of 134,107 clients who were determined eligible during state fiscal year 2022. We found seven instances (12 percent) where we could not determine if the Department properly considered income information when determining eligibility because it did not retain supporting documentation for the client's income.

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 relied on an automated alert system that management did not know was not in place and operating as intended.

The Department's policy required eligibility staff to review information from IEVS cross-matches and document results in the case file. However, the policy did not require eligibility staff to adequately document their review of IEVS data matching in detail or the basis of their conclusion in determining income eligibility.

Effect of Condition

Without sufficiently documenting clients' income, management cannot ensure whether staff are properly considering the information from IEVS data matching when determining client eligibility and the amount of TANF benefits they will receive.

Recommendation

We recommend the Department improve its internal controls to ensure staff properly consider and adequately document the income information from IEVS data matching when determining client eligibility and the amount of TANF benefits they will receive.

Department's Response

The Department does not concur with this audit finding.

The Department does not concur with the SAO's determination that DSHS did not have adequate internal controls over and did not comply with requirements to ensure staff properly considered the income information obtained from data matching when determining client eligibility and benefits for the Temporary Assistance for Needy Families (TANF) Program.

The audit objective was to determine if income information obtained through the various interfaces verifies the accuracy of the information in the case to determine financial eligibility. The key control for ACES is working as designed to sufficiently determine eligibility.

The SAO had preconceptions about when ACES alerts occur and how eligibility staff complete these alerts. The department clarified that:

"ACES generates an alert to be reviewed by Community Service Division (CSD) staff if there is an inconsistency within the information recorded in ACES and the income or benefit information that is obtained through the various interfaces to verify accuracy of the information and eligibility of the TANF program."

During the eligibility determination process at application intake, the eligibility worker:

- 1. Interviews the client to determine income.*
- 2. Compares client reported information against cross matches including IEVS per Code of Federal Regulations (CFR).*
- 3. Resolves discrepancies for all new or previously unverified information received.*
- 4. Uses the information to determine if the client income is below the maximum earned income limits for TANF per WAC 388-478-0035.*

The Department then verifies all circumstances as required in WAC 388-490-0005, which includes when discrepancies exist, and where the agency takes appropriate action if the information is questionable, confusing or outdated.

The Department uses templates to appropriately and comprehensively document the eligibility determination to ensure consistency, accuracy, and lean processes. Income documentation templates address:

- *Income received within 30 days of the application date,*
- *Any discrepancies found between the case record, online verification systems, what was used to project income and income type.*

The income template does not require documentation if there is no income reported, and no discrepancies were found in cross matches. Not requiring this eliminates steps for the worker therefore ensuring a lean process. This is the instance when the final narrative documentation template includes check boxes to select cross matches reviewed during application intake. The final narrative will always have a summary of the transaction that occurred.

Spider is a tool that combines several different data matches including IEVS. The eligibility workers created the referenced documentation in all seven cases using the final narrative template consistent with Department procedures. In all seven exception cases, documentation existed in the final narrative stating: “Reviewed the following system(s): Spider.”

The Department did not use earned income templates in the seven exception cases because there was no income reported and no income found in IEVS and other cross matches, no discrepancies, and no changes within 30 days. This action is in alignment with department procedures.

Department procedures for “Standard Remarks and Narrative Documentation” requires documentation to verify circumstances and states:

1. **Use the Narrative for client interactions and case actions. Use Templates when applicable.*
 - a. *Complete the appropriate template based on the case action, adding relevant information to ensure that there is an accurate, complete summary.*
6. *Include Remarks to reconcile any discrepancies, or important information not otherwise captured, including required questions left blank on the application or eligibility review form.*
7. *When documenting Earned or Unearned income:*
 - d. *Address any discrepancies between information in the case record, online verification systems, and what was used to project income:*

If there was no discrepancy and no income indicated in IEVS, eligibility staff are not required to document anything as there is no discrepancy to address.

Once there is an open case, ACES generates alerts when an applicant is budgeted with zero income, and the IEVS data match shows income. To be clear, this would be new information because any such discrepancies existing in IEVS at the application intake would already be addressed at that time.

As SAO points out in this finding, alerts were not generated for all income fluctuations. The Department agrees, and asserts that the system is working as designed, and alerts are created when staff review is required. Creating alerts for unnecessary and unhelpful reviews arising from the scenarios outlined above would take staff time away from other required and mission-critical actions. Alerts are generated, as appropriate, when a review and potential action is required.

This is evidenced by the fact that the department accurately determined eligibility in 100% of all seven cases the SAO determined to be exceptions.

Auditor's Remarks

The 2022 OMB *Compliance Supplement* instructs auditors to “*Test a sample of TANF cases subject to IEVS to ascertain if the state properly considered the information obtained from the data matching in determining eligibility and the amount of TANF benefits.*” We tested to determine if the Department sufficiently documented that staff properly considered the details of income verification when reviewing a client’s application. While the Department may have followed internal procedures when not fully documenting its eligibility decisions, in our opinion, the documentation was not sufficient to demonstrate compliance with federal law.

We disagree with the Department’s presumption that “*SAO had preconceptions about when ACES alerts occur and how eligibility staff complete these alerts.*” This statement is inaccurate because the Department first provided our Office with information about the internal control in question on July 14, 2022, and later confirmed it during a meeting with staff on July 19, 2022. Department management said that when the IEVS system identifies a discrepancy, ACES will generate an alert notifying the case worker to review the information. On November 23, 2022, we notified the Department of the internal controls we planned to test, which included the key control asserted. We asked Department management on December 13, 2022, if this was the correct key control and if it was accurate. Department staff responded that it was, and we tested the control on January 18, 2023.

In its response to this finding, the Department asserts our Office had preconceptions about the following internal control:

“ACES generates an alert to be reviewed by Community Service Division (CSD) staff if there is an inconsistency within the information recorded in ACES and the income or benefit information that is obtained through the various interfaces to verify accuracy of the information and eligibility of the TANF program.”

This is the same internal control that we tested. It differs slightly in language, but it reiterates the Department's original assertion that an alert was generated if there was an inconsistency identified. We determined, and the Department confirmed, the alert was only generated when the system identified an inconsistency in the cases where an applicant claimed to have zero income and the other verifications reported an income other than zero. If the applicant claimed anything other than zero, the alert did not generate no matter how large or small the discrepancy was between the claimed income and the income identified through various interfaces. Staff who oversee the system confirmed on January 10, 2023, that this internal control was not functioning in the manner that Department management asserted. Once our Office informed program staff that the internal control was not working as intended, the Department made a new assertion that the system was working as designed and that we misunderstood the internal control conveyed to us many times by management over the course of the audit.

We reaffirm our finding, and 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.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 45 CFR Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 361, Retention requirements for records, states in part:

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the HHS awarding agency or pass-through entity in the case of a subrecipient. HHS awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:

- (a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
- (b) When the non-Federal entity is notified in writing by the HHS awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.
- (c) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.
- (d) When records are transferred to or maintained by the HHS awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity.
- (e) Records for program income transactions after the period of performance. In some cases, recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.
- (f) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: Indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).
 - (1) ***If submitted for negotiation.*** If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.
 - (2) ***If not submitted for negotiation.*** If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-038 **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.**

Assistance Listing Number and Title:	93.568 Low-Income Home Energy Assistance Program 93.568 COVID-19 Low-Income Home Energy Assistance Program
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2201WALIEA; 2101WALIEA; 2101WALWC5; 2101WALWC6
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None

Background

The Department of Commerce administers the Low-Income Home Energy Assistance 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 2022, the Department spent more than \$102 million in federal program funds, approximately \$98 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.

In the prior audit, we reported the Department did not have adequate controls over and did not comply with this reporting requirement. The prior finding number was 2021-031.

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.

The Department has two units—energy assistance and weatherization—that administer the two different program funding activities. Each unit is responsible for complying with this reporting requirement. During the audit period, the Department was required to report 127 subawards (103 energy assistance and 24 weatherization) totaling approximately \$123 million of program funds that it awarded to 26 subrecipients. We found the Department did not report 101 of these subawards in FSRS as required, including all 24 of the weatherization subawards, totaling \$77.8 million.

We randomly selected eight of the 26 subawards reported during the audit period. We found the following:

- Eight (100 percent) subawards were submitted after the end of the month following the month in which the obligation was made.
- Eight (100 percent) did not have the correct obligation amount and date.
- One (12.5 percent) had an incorrect DUNS number.

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

Cause of Condition

The energy assistance unit began to report subawards during the audit period, but employees did not know how to correctly submit the reports. In addition, management did not ensure employees in the weatherization unit knew about the reporting requirements. The Department implemented a new reporting procedure in April 2022, but the units did not consistently follow it.

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
- Ensure the energy assistance and weatherization units follow the newly implemented reporting procedure
- 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

LIHEAP

The Department of Commerce received additional pandemic funding for the LIHEAP program beginning in FY20. As a result of the reporting finding issued for FY20, the LIHEAP program implemented recommended procedures to resolve deficiencies identified.

Regarding the correct submission of reports, LIHEAP employees misunderstood the requirements for entering FFATA and are in the process of correcting the misunderstanding and how the information will be reported to FFATA in the future. The Program Manager did not find any instructions in the FFATA guide that disallowed the process used for reporting. Only after SAO reviewed the FFATA reports did LIHEAP receive guidance on how to enter the FFATA reports separately for each award and the corresponding amendments.

Regarding the April 2022 implementation of the reporting procedure, the program consistently followed the procedures that were established which is why all LIHEAP FFATA reporting was not entered correctly. The Program Manager provided FFATA reporting for combined awards, not all awards and amendments were separated. This resulted in the numbers reported not matching the original awards. The Program Manager has updated the FFATA reporting procedure to provide only one award or amendment is reported for the 2023 program year funding.

Weatherization LIHEAP

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 Low Income Weatherization team understands and values this work. In 2018, our team went through a staff transition process at both the position primarily responsible for completing FFATA reporting as well as the position supervising this position. Staff onboarding and transition processes did not adequately train new staff to maintain FFATA reporting requirements. Furthermore, internal contracting processes were not adequately in place to recognize the deficiency.

Solution to Finding:

The Low-income Weatherization team concurs with the finding and has researched FFATA reporting requirements to gain clear understanding of how to fulfill them moving forward. The Program Coordinator is primarily responsible for reporting in the online FFATA system has been trained on how to accurately register relevant sub-grantees in the system, as well as how to input required data within the mandated time period. This task will also be added to the Program Coordinator onboarding checklist to ensure this requirement will continue to be met by new staff after any future position transition. The FFATA reporting requirement has also been added to our internal federal contracting timeline which is referenced at monthly meetings by the relevant Program Supervisor, Program Manager, and Program Coordinator. At the time any future obligation memo is approved for a federal fund source with FFATA reporting requirements, staff will immediately initiate fulfilling this requirement within 30 days.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 170, *Reporting Subaward and Executive Compensation Information*, states in part:

Appendix A to Part 170 – Award Term

II. Reporting Subawards and Executive Compensation

b. Reporting of first-tier subawards.

4. *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).
5. *Where and when to report.*
 - iii. The non-Federal entity or Federal agency must report each obligating action described in paragraph a.1. of this award term to <https://www.fsrs.gov>.
 - iv. 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.)
6. *What to report.* You must report the information about each obligating action that the submission instructions posted at <https://www.fsrs.gov> specify.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-039 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.

Assistance Listing Number and Title: 93.568 Low-Income Home Energy Assistance Program
93.568 COVID-19 Low-Income Home Energy Assistance Program

Federal Grantor Name: U.S. Department of Health and Human Services

Federal Award/Contract Number: 2201WALIEA; 2101WALIEA; 2201WALIEI; 2101WALWC5; 2101WAE5C6; 2102WALWC6

Pass-through Entity Name: None

Pass-through Award/Contract Number: None

Applicable Compliance Component: Reporting

Known Questioned Cost Amount: 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 collect and report program information annually. The LIHEAP Performance Data Form is used to report performance metrics, mostly related to home energy burden targeting and reduction, as well as the continuity of home energy service. The Annual Report on Households Assisted by LIHEAP, which consists of six different sections, outlines assistance given to households and households applying for assistance. Both reports are required

to separate the data by regular LIHEAP funding and additional LIHEAP funding under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan Act (ARPA).

In fiscal year 2022, the Department spent more than \$102 million in federal program funds, approximately \$94 million of which it paid 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.

In the prior audit, we reported the Department did not have adequate controls over and did not comply with reporting requirements for the Annual Report on Households Assisted. The prior finding number was 2021-032.

Description of Condition

The Department did not have adequate internal controls over and did not comply with reporting requirements for the Low-Income Home Energy Assistance Program.

We reviewed the LIHEAP Performance Data Form and the Annual Report on Households Assisted that were due during the audit period. We examined the report the Department submitted for the federal fiscal year ending September 30, 2021, and attempted to recalculate the information reported using data the Department pulled from its LIHEAP database. The Department informed us that for the first five weeks of the reporting period, this data did not contain sufficient information to fully recalculate the values reported for the program year under review.

Based on the data the Department provided, we identified the following:

- LIHEAP Performance Data Form
 - 160 of the 225 fields (71 percent) were inaccurate.
 - The difference between values reported and the data provided varied between less than 1 percent and 200 percent.
 - The “all household” categories had the most significant variance, ranging from (921) to 29,301 in households reported.
- Annual Report on Households Assisted
 - 100 of the 138 fields (72 percent) were inaccurate.
 - The difference between values reported and the data provided varied between 1 percent and 783 percent.
 - The “all household” categories had the most significant variance, ranging from (1,052) to 38,151 in households reported.

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

Cause of Condition

Prior to the audit period, the Department designed an automated system to sort and categorize funds that were traditional LIHEAP and funds that were from CARES and ARPA, and automatically populate those numbers on the report. However, this automated system was not in place for the first five weeks of the reporting period, covering October 1, 2020, to November 11, 2020. Therefore, the data for this period did not contain information necessary to identify the funding source of each household benefit payment. Although management reviewed the report, the staff responsible for preparing and submitting it did not retain the data used to support the amounts listed in the report.

Furthermore, management said that the grantor instructed the Department to include only traditional LIHEAP-related data in the “all households” category, but was not able to provide written documentation of this guidance.

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 the report is accurate and complete
- Strengthen its management reviews to ensure amounts reported are accurate and staff retain adequate documentation to support amounts included in the reports
- Consult with the federal grantor to determine if revision and resubmission of both reports is necessary to correct amounts reported

Department's Response

The Department agrees with this finding. The program was instructed by the United States Department of Health and Human Services (HHS) that with the additional funding we received in response to the COVID pandemic, we were to track and report all funds separately. The program manager assumed incorrectly that this meant program reporting as well as financial reporting and reported Regular LIHEAP-funded households (contract #32606) separately from the CARES Act-funded households (contract #3260C) and ARP-funded households (contract #3260A) when they should have been counted together in module 2A of the report. This caused all other numbers

in the reports to be off when the data was pulled from the LIHEAP data system by SAO data analysts per the compliance supplemental instructions. The program manager has reached out to the LIHEAP liaison at HHS for guidance on updating the reports and will proceed with the corrections once guidance is received from HHS.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 45 CFR Part 75, Subpart 342, *Monitoring and reporting program performance*, states in part:

- (b) *Non-construction performance reports.* The HHS awarding agency must use standard, OMB-approved data elements for collection of performance information (including performance progress reports, Research Performance Progress Report, or such future collections as may be approved by OMB and listed on the OMB Web site).
- (1) The non-Federal entity must submit performance reports at the interval required by the HHS 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. Annual reports must be due 90 calendar days after the reporting period; quarterly or semiannual reports must be due 30 calendar days after the reporting period. Alternatively, the HHS awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards. The final performance report will be due 90 calendar days after the period of performance end date. If a justified request is submitted by a non-Federal entity, the HHS awarding agency may extend the due date for any performance report.

Title 45 CFR Part 96, Subpart 82, *Required report on households assisted*, states in part:

- (a) Each grantee which is a State or an insular area which receives an annual allotment of at least \$200,000 shall submit to the Department, as part of its LIHEAP grant application, the data required by section 2605(c)(1)(G) of Public Law 97-35 (42 U.S.C. 8624(c)(1)(G)) for the 12-month period corresponding to the Federal fiscal year (October 1-September 30) preceding the fiscal year for which funds are requested. The data shall be reported separately for LIHEAP heating, cooling, crisis, and weatherization assistance.

Office Management and Budget, *2022 Compliance Supplement*, Assistance Listing 93.568 Low-Income Home Energy Assistance, 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).

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 FY2021*, states in part:

Introduction:

Federal LIHEAP Funds

The purpose of the *LIHEAP Household Report* is to report on the number of households assisted with **all** available federal LIHEAP funds during FY 2021, including those LIHEAP funds obligated in FY 2020, but not expended until FY 2021.

LIHEAP funding includes **all federal funds** allocated to LIHEAP. To separately identify the impact of supplemental federal LIHEAP funding, HHS requires grantees to report three pieces of information for each item in the Household Report.

- The first line is for grantees to report information for *all 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 2021. Report households assisted with regular LIHEAP funds, LIHEAP CARES funds, LIHEAP ARPA funds, or any combination of these funds.

- The second line is for grantees to report information on the subset of 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. Important Note: This is a subset of the households reported in the first line, meaning that a household that received a benefit that was fully or partially funded with CARES Act funds should be reported in this line and in the first line as well.
- The third line is for grantees to report information on the subset of households that were assisted with American Rescue Plan Act supplemental LIHEAP funding. Include households that received a benefit that was fully or partially funded with ARPA Act funds. Exclude households that did not receive a benefit that was fully or partially funded by ARPA Act funds. Important Note: This is a subset of the households reported in the first line, meaning that a household that received a benefit that was fully or partially funded with ARPA Act funds should be reported in this line and in the first line as well.

To report this information, grantees will need to identify which funding sources were used to provide each household with each type of LIHEAP assistance during FY 2021.

General Requirements:

Reporting Period

Household data are for the reporting period for FY2021 (October 1, 2020 – September 30, 2021). 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 2021.

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 2021* and later with the data reported in each state's *LIHEAP Performance Data Form for FY 2021*. 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, 2021 through June 30, 2022

2022-040 The Department of Commerce did not have adequate internal controls over and did not comply with requirements to issue management decisions for audit findings to subrecipients of the Low-Income Home Energy Assistance Program.

Assistance Listing Number and Title:	93.568 Low-Income Home Energy Assistance Program 93.568 COVID-19 Low-Income Home Energy Assistance Program
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2201WALIEA; 2101WALIEA; 2201WALIEI; 2101WALWC5; 2101WEA5C6; 2102WALWC6
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None

Background

The Department of Commerce administers the Low-Income Home Energy Assistance 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 2022, the Department spent more than \$102 million in federal program funds, approximately \$98 million of which it paid to subrecipients.

Federal regulations require the Department to monitor its subrecipients' activities. 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 30 days after receiving the auditor's report or nine months after the end of the subrecipient's audit period, whichever is earlier.

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 identified through audits, onsite reviews and other means. When a subrecipient receives an audit finding for a Department-funded program, federal law requires the Department to issue a management decision to the subrecipient within six months of acceptance of the audit report by Federal Audit Clearinghouse. The management decision must clearly state whether the audit finding is sustained, the reasons for the decision, and the actions the subrecipient is expected to take, such as repaying unallowable costs or making financial adjustments. These requirements help ensure subrecipients use federal program funds for authorized purposes and within the provisions of contracts or grant agreements.

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 issue management decisions for audit findings to the program's subrecipients.

The Department had a process in place to monitor that program subrecipients received single audits. However, for the first half of the audit period, it did not have a process in place to issue, communicate and follow up on management decisions to its subrecipients when program findings were issued.

During the audit period, the Department had 26 subrecipients that were required to submit a single audit. One subrecipient received a finding for which the Department was required to issue a management decision. We found the Department did not issue a management decision for this subrecipient.

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 establish sufficient internal controls or monitoring procedures to ensure the Department issued the required management decisions. The Department also lacks written policies over issuing management decisions to its federal program subrecipients.

Effect of Condition

Without establishing adequate internal controls, the Department cannot ensure it is following up on subrecipient single audit findings and communicating required management decisions to subrecipients. By failing to ensure subrecipients establish corrective actions and management monitor them for effectiveness, the Department cannot determine whether subrecipients have sufficiently corrected issues identified in audit findings.

Recommendations

We recommend the Department:

- Establish effective internal controls to ensure it issues management decisions by the due date and follows up on all subrecipient audit findings related to the program
- Ensure subrecipients develop and perform acceptable corrective actions to adequately address all audit recommendations

Department's Response

The Department of Commerce concurs with the finding. The Department hired an Internal Control Officer in November 2021 assigned to complete the required verification of Federal Audit Clearinghouse (FAC) submissions. This process was completed for all recipients who expended \$750,000 or more in federal funds passed through the Department. One subrecipients submission selected for testing was verified, however, a formal management decision was not issued. The audit report submitted to the FAC included various errors which included no identification of the pass through entity (the Department of Commerce) as part of the finding and the Schedule of Expenditure of Federal Awards (SEFA) reported the wrong state agency's acronym. The Department of Corrections was listed, not Commerce as required. The accurate reporting of the pass through entity in the audit report is imperative for Commerce to identify who they are required to issue a management decision for. A comprehensive spreadsheet of the Department's management decision was maintained, however, the subrecipient selected for testing was omitted.

The Department currently has a robust and comprehensive process to identify required reporters, verify their submission to the FAC, document late or non-reporters, and document communication requests for information related to submissions. The Department has also created a method to formally communicate the management decision to our subrecipients who have received Commerce funded audit findings. Our prior process included verbally discussing the finding, corrective action plans and Commerce requests with the subrecipient. Internal controls for the monitoring of federal reporting and issuing of management decisions have been in place since March 2022. Commerce management will continue to monitor the process and implement efficiencies to ensure continued compliance with all respects of the code of federal regulations.

We appreciate the State Auditor's Office thorough review of this process and recommendations. We anticipate all future audits will find the Department has employed strong internal controls supporting compliance with all 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200, Uniform Guidance, establishes the following applicable requirements:

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:
 - (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 200.501 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).

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-041 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.

Assistance Listing Number and Title:	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
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2003WACCDF; 2103WACCDF; 2203WACCDF; 2003WACCC3; 2103WACDC6; 2103WACSC6; 2103WACCC5; 2103WACCDD; 2203WACCDD
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Known Questioned Cost Amount:	\$260,552,979

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 2022, the Department spent about \$668.6

million in CCDF federal funding, which was an increase of about \$341.1 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 2022, the Department spent more than \$260.5 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 the Social Service Payment System (SSPS) to process the payments it makes to child care providers. The system allocates payments to various funding sources, 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 SSPS 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 up until fiscal year 2021, 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 2021-033, 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 fiscal year 2021, management informed us that the Department 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 CCDF funds in accordance with federal and state regulations. Further, this meant we could not test the Department's payments to child care providers for compliance with activities allowed and cost principles.

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.

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. HHS officials informed the Department that these accounting practices do not comply with federal law, but management said they believe they are compliant.

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 \$260,552,979. The Department also partially funded these payments with an additional \$37,374,731 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 \$260,552,979 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 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 process consists of making 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 Department's grant adjustments were processed based on eligible clients and allowable activities. However, the adjustments did not include child-level data as required by SAO.

In state fiscal year 2021, the SAO issued a finding in the amount of \$32 in the area of CCDF eligibility, no other findings, management letters, or exit items in the area of eligibility or the cost allocation of funds based on eligibility were determined. Given that eligibility or cost allocation is not an area of concern and transfers were processed between CCDF source of funds with the same eligibility requirements, the Department is confident CCDF funding was spent appropriately within federal regulations.

In the Cause of Condition, the SAO stated, "HHS officials informed the Department that these accounting practices do not comply with federal law, but management said they believe they are compliant." The Department does not agree with this interpretation of the meeting outcome. During this informal meeting, on February 23, 2022, the State Auditor's Office, Office of Financial Management, and the Department met with HHS and they stated they would not offer an opinion until they received the completed finding from the state. The opinion will be part of the Management Decision letter that is expected around February 2023.

The Department is committed to improving 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. In response to the 2021 auditor's recommendations, the Department has submitted a budget request for staffing to the Legislature for the 2023-2025 biennial budget. The staff would process adjustments to include transaction-level data. The Department will continue to review other options available for processing adjustments to include transaction-level data.

Auditor's Remarks

The level of documentation 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. During the meeting with HHS that the Department referenced in their response, the grantor stated the specific federal law the Department's accounting procedures were noncompliant with was 45 CFR 98.67.

While the Department references the eligibility finding as a basis for asserting federal funds were spent properly, the program has received findings related to improper payments for child care since 2005, including over \$21 million in likely questioned costs identified during the 2020 audit. Because we are unable to test the child care payments during the last two audits, we are unable to determine the current status of the conditions previously reported.

We appreciate the Department's commitment to resolving these matters and 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 45 CFR, 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-042 The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with matching, level of effort, and earmarking requirements for the Child Care and Development Fund Cluster.

Assistance Listing Number and Title:	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
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2003WACCDF; 2103WACCDF; 2203WACCDF; 2003WACCC3; 2103WACDC6; 2113WACSC6; 2103WACCC5; 2103WACCDD; 2203WACCDD
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Matching, Level of Effort, Earmarking
Known Questioned Cost Amount:	None

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 2022, the Department spent about \$668.6 million in federal funding, which was an increase of about \$341.1 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 U.S. 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. Department staff run monthly and quarterly expenditure reports from the accounting system 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 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 matching, level of effort, and earmarking requirements for the CCDF Cluster programs. The prior audit finding numbers were 2021-036 and 2020-040.

Description of Condition

The Department did not have adequate internal controls over and did not comply with matching, level of effort, and earmarking requirements for the CCDF programs.

The Department's accounting records should be used to verify it has met matching, level of effort, and earmarking requirements. In fiscal year 2021, management informed us that the Department changed its grant management practices to process expenditure transfers at the grant level. This new process made the original expenditure coding in the payment system inaccurate and unreliable for testing.

Without identifying which expenditures it transferred, the Department's monitoring is insufficient for properly managing matching, level of effort, and earmarking requirements. Our Office could not rely on the data supporting the Department's expenditures or verify that the accounting records were accurate. 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. Further, this meant we could not test the Department's payments for compliance with matching, level of effort, and earmarking requirements.

By processing these adjustments at the fund level, the Department invalidated the transaction-level documentation of the original child care expenditure in the payment system, 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. This condition is also referenced in audit finding 2022-041.

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 in the payment system that supported the adjustments. This affected all populations of child care expenditures for every month of the fiscal year. HHS officials informed the Department that these accounting practices do not comply with federal law, but management said they believe they are compliant.

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 had met matching, level of effort, and earmarking requirements.

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 effective ongoing monitoring procedures

Department's Response

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 process consists of making 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 Department's grant adjustments were processed based on eligible clients and allowable activities. However, the adjustments did not include child-level data as required by SAO.

In state fiscal year 2021, the SAO issued a finding in the amount of \$32 in the area of CCDF eligibility, no other findings, management letters, or exit items in the area of eligibility or the cost allocation of funds based on eligibility were determined. Given that eligibility or cost allocation is not an area of concern and transfers were processed between CCDF source of funds with the same eligibility requirements, the Department is confident CCDF funding was spent appropriately within federal regulations.

In the Cause of Condition, the SAO stated, "HHS officials informed the Department that these accounting practices do not comply with federal law, but management said they believe they are compliant." The Department does not agree with this interpretation of the meeting outcome. During this informal meeting, on February 23, 2022, the State Auditor's Office, Office of Financial Management, and the Department met with HHS and they stated they would not offer an opinion until they received the completed finding from the state. The opinion will be part of the Management Decision letter that is expected around February 2023.

The Department is committed to improving 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. In response to the 2021 auditor's recommendations, the Department has submitted a budget request for staffing to the Legislature for the 2023-2025 biennial budget. The staff would process adjustments to include transaction-level data. The Department will continue to review other options available for processing adjustments to include transaction-level data.

Auditor's Remarks

The level of documentation 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. During the meeting with HHS that the Department referenced in their response, the grantor stated the specific federal law the Department's accounting procedures were noncompliant with was 45 CFR 98.67.

While the Department references the eligibility finding as a basis for asserting federal funds were spent properly, the program has received findings related to improper payments for child care since 2005, including over \$21 million in likely questioned costs identified during the 2020 audit. Because we are unable to test the child care payments during the last two audits, we are unable to determine the current status of the conditions previously reported.

We appreciate the Department's commitment to resolving these matters and 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 45 CFR, 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-043 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.

Assistance Listing Number and Title:	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
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2003WACCDF; 2103WACCDF; 2203WACCDF; 2003WACCC3; 2103WACDC6; 2103WACSC6; 2103WACCC5; 2103WACCDD; 2203WACCDD
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Period of Performance
Known Questioned Cost Amount:	None

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 2022, the Department spent about \$668.6 million in CCDF federal funding, which was an increase of about \$341.1 million compared to the prior fiscal year.

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 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.

During the audit period, the Department also received supplemental funds under the Coronavirus Aid, Relief, and Economic Security (CARES) and the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Acts. These funds are treated as Discretionary Funds, however, they have their own specific obligation and liquidation timeframes.

The U.S. 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 prior audits, we reported the Department did not have adequate internal controls over period of performance requirements for the CCDF program. The prior finding numbers were 2021-037 and 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 program.

Our Office uses the Department's accounting records to verify it has met the period of performance requirements. In fiscal year 2021, management informed us that the Department changed its grant management practices to process expenditure transfers at the grant level. This new process made the original expenditures coded in the payment system 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. Further, this meant we could not test the Department's payments for compliance with period of performance requirements. This condition is also referenced in audit finding 2022-041.

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 in the payment system that supported the adjustments. This affected all populations of child care expenditures for every month of the fiscal year. HHS officials informed the Department that these accounting practices do not comply with federal law, but management said they believe they are compliant.

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. Furthermore, without adequate internal controls in place, the Department is at a higher risk of making improper payments with grant funds.

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 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 process consists of making 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 Department's grant adjustments were processed based on eligible clients and allowable activities. However, the adjustments did not include child-level data as required by SAO.

In state fiscal year 2021, the SAO issued a finding in the amount of \$32 in the area of CCDF eligibility, no other findings, management letters, or exit items in the area of eligibility or the cost allocation of funds based on eligibility were determined. Given that eligibility or cost allocation is not an area of concern and transfers were processed between CCDF source of funds with the same eligibility requirements, the Department is confident CCDF funding was spent appropriately within federal regulations.

In the Cause of Condition, the SAO stated, "HHS officials informed the Department that these accounting practices do not comply with federal law, but management said they believe they are compliant." The Department does not agree with this interpretation of the meeting outcome. During this informal meeting, on February 23, 2022, the State Auditor's Office, Office of Financial Management, and the Department met with HHS and they stated they would not offer an opinion until they received the completed finding from the state. The opinion will be part of the Management Decision letter that is expected around February 2023.

The Department is committed to improving 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. In response to the 2021 auditor's recommendations, the Department has submitted a budget request for staffing to the Legislature for the 2023-2025 biennial budget. The staff would process adjustments to include transaction-level data. The Department will continue to review other options available for processing adjustments to include transaction-level data.

Auditor's Remarks

The level of documentation 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. During the meeting with HHS that the Department referenced in their response, the grantor stated the specific federal law the Department's accounting procedures were noncompliant with was 45 CFR 98.67.

While the Department references the eligibility finding as a basis for asserting federal funds were spent properly, the program has received findings related to improper payments for child care since 2005, including over \$21 million in likely questioned costs identified during the 2020 audit.

Because we are unable to test the child care payments during the last two audits, we are unable to determine the current status of the conditions previously reported.

We appreciate the Department's commitment to resolving these matters and 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), section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

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.

Title 45 CFR, 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 CFR, 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-044 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.

Assistance Listing Number and Title:	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
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2003WACCCDF; 2103WACCCDF; 2203WACCCDF; 2003WACCC3; 2103WACDC6; 2103WACSC6; 2103WACCC5; 2103WACCDD; 2203WACCDD
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None

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 2022, the Department spent about \$668.6 million in federal funding, which was an increase of about \$341.1 million compared to the prior fiscal year.

The Department is required to submit a quarterly ACF-696 financial 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 U.S. Department of Health and Human Services (HHS), which oversees the CCDF program 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 controls over and did not comply with financial reporting requirements for the CCDF Cluster programs. The prior finding number was 2021-038.

Description of Condition

The Department did not have adequate internal controls over and did not comply with financial reporting requirements for the CCDF program.

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 2022-041.

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 in the payment system that supported the adjustments. This affected all populations of child care expenditures for every month of the fiscal

year. HHS officials informed the Department that these accounting practices do not comply with federal law, but management said they believe they are compliant.

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.

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 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 process consists of making 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 Department's grant adjustments were processed based on eligible clients and allowable activities. However, the adjustments did not include child-level data as required by SAO.

In state fiscal year 2021, the SAO issued a finding in the amount of \$32 in the area of CCDF eligibility, no other findings, management letters, or exit items in the area of eligibility or the cost allocation of funds based on eligibility were determined. Given that eligibility or cost allocation is not an area of concern and transfers were processed between CCDF source of funds with the same eligibility requirements, the Department is confident CCDF funding was spent appropriately within federal regulations.

In the Cause of Condition, the SAO stated, "HHS officials informed the Department that these accounting practices do not comply with federal law, but management said they believe they are compliant." The Department does not agree with this interpretation of the meeting outcome. During this informal meeting, on February 23, 2022, the State Auditor's Office, Office of Financial Management, and the Department met with HHS and they stated they would not offer an opinion

until they received the completed finding from the state. The opinion will be part of the Management Decision letter that is expected around February 2023.

During the audit, SAO 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 state fiscal year 2022 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.

Auditor's Remarks

The level of documentation 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. During the meeting with HHS that the Department referenced in their response, the grantor stated the specific federal law the Department's accounting procedures were noncompliant with was 45 CFR 98.67.

While the Department references the eligibility finding as a basis for asserting federal funds were spent properly, the program has received findings related to improper payments for child care since 2005, including over \$21 million in likely questioned costs identified during the 2020 audit. Because we are unable to test the child care payments during the last two audits, we are unable to determine the current status of the conditions previously reported.

We appreciate the Department's commitment to resolving these matters and 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 45 CFR, 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-045 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.

Assistance Listing Number and Title:	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
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2003WACCCDF; 2103WACCCDF; 2203WACCCDF; 2003WACCC3; 2103WACDC6; 2103WACSC6; 2103WACCC5; 2103WACCDD; 2203WACCDD
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions: Health and Safety Requirements
Known Questioned Cost Amount:	\$412

Background

The Department of Children, Youth, and Families administers the federal Child Care and Development Fund (CCDF) grant to help eligible working families pay for child care. In fiscal year 2022, the Department spent about \$668.6 million in CCDF federal funding.

The Department oversees two types of providers: licensed providers and license-exempt Family, Friend, and Neighbor (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 2022-2024 that outlines how it will meet the health and safety requirements for licensed and FFN providers.

Licensed providers

Department licensors conduct annual monitoring visits of licensed providers. During visits, they use a monitoring checklist to verify whether providers 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, 10 or 15 business days to verify the noncompliance has been corrected.

FFN providers

Washington's CCDF State Plan and a state rule (WAC 110-16-0025) require non-relative FFN providers to complete health and safety training within 90 days of their subsidy payment start date. They also must complete ongoing health and safety training. The Department conducts an annual health and safety visit to ensure providers are following health and safety rules.

The Department adopted a rule (WAC 110-16-0030) that states it must conduct annual technical assistance visits for non-relative FFN providers within a year of subsidy approval. During these visits, an FFN specialist reviews health and safety requirements and conducts the ongoing training requirements with the provider.

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 seven 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 2021-039, 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 5,875 licensed providers. We examined this sample of licensed providers to determine if they received an annual monitoring visit and that the Department performed timely, appropriate follow-ups when they found noncompliance issues. We identified 30 instances (50.8 percent) where providers did not receive their required annual monitoring visit. Of the remaining 29 providers that did receive a monitoring visit, we identified two instances (6.9 percent) where the licensor did not conduct the appropriate follow-up visit on noncompliance issues.

Non-relative FFN provider initial training

We were not able to obtain complete populations of FFN providers for the purposes of our initial training testing. We made multiple requests for the list of FFN providers, and the Department first provided a list of 85 providers that it asserted needed initial training. When it was determined this list was incomplete, we received another list from the Department that contained 702 providers. This list was also found to be incomplete due to system limitations. However, we still performed testing based on the data made available to us.

We randomly selected 57 out of 702 FFN providers that the Department asserted were required to complete initial training. Of those reviewed, we determined 34 of the providers did not meet the criteria for testing because they were not subject to initial training for different reasons, such as they were relative providers, had never provided care, or were closed prior to the initial training requirement deadline. Of the remaining 23 providers that were applicable to our testing, we found one instance where the provider did not complete its initial training and was not closed within 90 days of its first subsidy payment.

Non-relative FFN provider ongoing training and annual technical visits

We were not able to obtain complete populations of FFN providers for the purposes of our ongoing training and technical visit testing. We made multiple requests for the list of FFN providers, and the Department first provided a list of 77 providers that it asserted were required to complete ongoing training and have a technical visit during the audit period. When it was determined this list was incomplete due to system limitations, we received another list from the Department that contained 1,443 providers. This list was also found to be incomplete, but we still performed testing based on the data made available to us.

We randomly selected 58 out of 1,443 FFN providers that the Department asserted were required to complete ongoing training and have a technical visit. Of those reviewed, we determined 55 of

the providers did not meet the criteria for testing because they were not subject to ongoing training or annual technical visits for different reasons, such as they were relative providers, had never provided care, or were closed prior to the training requirement and annual technical visit deadlines. Of the remaining three providers that were applicable to our testing, we found two instances where the providers completed their technical visits, but they did not receive ongoing training.

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 30 of the 59 monitoring visits we reviewed because it has been unable to maintain the needed level of staffing. This has made it difficult for management to ensure monitoring visits and follow-up visits on identified noncompliance have occurred, as the CCDF program requires.

Non-relative FFN provider initial training, ongoing training, and annual technical visits

Management did not monitor sufficiently to ensure that staff completed technical visits or monitored FFN providers to ensure they met the training requirements. Further, due to system limitations, the Department did not effectively identify during the audit period which providers were subject to training and technical visit requirements.

Effect of Condition and Questioned Costs

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 initial training, ongoing training, and technical visits

By not monitoring FFN training requirements or conducting technical visits, the Department did not have assurance that providers met health and safety requirements. System limitations and the inability to obtain a complete population for sampling and testing created a condition that prevented our Office from fully auditing the Department's compliance with these requirements.

Because the Department did not timely terminate the FFN provider who did not complete initial training, we identified \$412 of improperly paid program 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.

Although we identified known questioned costs, we do not have reasonable assurance that the payment in question is appropriately represented in the Department's accounting records because of the grant management practice issue reported in finding 2022-041. Additionally, the payments in question are duplicative of the costs already questioned in the aforementioned provider payment finding.

Recommendations

We recommend the Department:

- Strengthen internal controls to ensure it sufficiently monitors all health and safety requirements
- 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
- Ensure management follows established policies and procedures to ensure non-relative FFN providers complete their required initial training, ongoing training, and receive technical visits

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 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 concurs and offers the following detail:

Licensed provider annual monitoring and noncompliance follow-ups

In response to the COVID-19 pandemic and under the Washington State Governor's Stay Home, Stay Healthy Order, the Department received from Administration for Children and Families (ACF) a waiver of CCDF's annual unannounced monitoring requirement and allowing for virtual monitoring, through September 30, 2021. The Department updated its CCDF Plan accordingly with ACF approval, but some providers were unable to participate in the virtual process resulting in monitoring visits not being conducted during SFY22. In addition, due to their COVID-19 safety concerns, some providers denied the licensor access or were not available for recheck within the required recheck time-line.

Due to the COVID-19 pandemic, the Department experienced a high level of child care licensor turnover. The Department focused available resources on assisting new and current providers to ensure access to child care for families, first responders, and health care workers per the Governor's directive. The Department processed 1,080 health and safety waivers during calendar years 2020-2022, and prioritized allocating resources to DOH COVID-19 related requirements. Given the Department's limited staffing resources and high volume of providers, the Department was unable to complete all monitoring visits and was unable to send licensing staff to assist other offices with this work. Starting in fall 2022, the Department began work to recruit new staff and train them on child care licensing rules and regulations to address turnover; however, this effort takes time, due to the extensive training we give our staff.

As part of its quality improvement initiatives, the Department is now implementing data driven decisions to assist providers and their staff to meet health and safety requirements, and prioritizing monitoring visits to come back into compliance with health and safety requirements. In addition, the Department is implementing new recruitment and training plans for child care licensors. In November 2022, the Department added a new position to assist supervisors with onboarding and training of new staff hired during the audit period. The Department concurs that health and safety monitoring visits were not properly completed during the fiscal year and acknowledge that state fiscal year 2023 audit will indicate similar numbers while the Department implements a corrective action plan along aggressive timelines. The Department is focusing resources to strengthening internal controls around all health and safety requirements.

Non-relative FFN provider initial training, ongoing training, and annual technical visits

The Department tracks health and safety requirements for FFN providers using the limited tools and fields currently available in WA Compass. The WA Compass system was implemented for licensed child care providers and has not been fully developed for the FFN provider type. The State Auditor's Office requested data from the WA Compass system for their audit testing in a format the system does not currently support. Due to the fluid nature of the FFN providers, and their payment start dates, the Department was unable to pull data that reflected only providers with open authorizations during the audit period. Further, WA Compass does not currently include all health and safety requirements for FFN providers. The Department has dedicated staff resources to update WA Compass to include all health and safety requirements for FFNs and address data format issues. Staff will continue to track and monitor FFN health and safety requirements with available tools until all system development is completed.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 45 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:

- (a) The prevention and control of infectious diseases (including immunizations); with respect to immunizations, the following provisions apply:

- (1) 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.

- (2) 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.
- (3) 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
- (xi) 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.

Washington Administrative Code (WAC) 110-16-0025 Health and safety training:

- (1) A provider described in WAC 110-16-0015 (4)(b) or (c) must complete the following training within ninety calendar days of the subsidy payment begin date:
 - (a) Infant, child, and adult first aid and cardiopulmonary resuscitation (CPR):
 - (i) This training must be taken in person and the provider must demonstrate learned skills to the instructor.
 - (ii) The instructor must be certified by the American Red Cross, American Heart Association, American Safety and Health Institute, or other nationally recognized certification program.
 - (b) Prevention of sudden infant death syndrome and safe sleep practices when caring for infants; and
 - (c) Department approved health and safety training which includes the following topic areas:
 - (i) Prevention and control of infectious diseases;
 - (ii) Administration of medication;
 - (iii) Prevention of, and response to, emergencies due to food and allergic reactions;
 - (iv) Building and physical premises safety, including identification of and protection from hazards, bodies of water, and vehicular traffic;
 - (v) Prevention of shaken baby syndrome, abuse head trauma, and child maltreatment;

- (vi) Emergency preparedness and response planning for natural disasters and human-caused events;
 - (vii) Handling and storage of hazardous materials and the appropriate disposal of bio contaminants;
 - (viii) Appropriate precautions in transporting children;
 - (ix) Recognition and reporting of child abuse and neglect, including the prevention of child abuse and neglect as defined in RCW 26.44.020 and mandatory reporting requirements under RCW 26.44.030; and
 - (x) Other topic areas as determined by the department.
- (2) A provider described in WAC 110-16-0015 (4)(b) or (c) can meet the health and safety training in subsection (1)(c) of this section if the department verifies that the provider has completed any of the following either prior to or within ninety calendar days of the subsidy payment begin date:
- (a) Child care basics, a department approved thirty-hour health and safety training.
 - (b) Washington state early childhood education initial certificate (twelve credits) that includes early childhood education and development 105 health, safety, and nutrition.
- (3) A provider described in WAC 110-16-0015 (4)(b) or (c) must complete a minimum of two hours of health and safety training annually, using the subsidy payment begin date. The training must include, but is not limited to, one or more of the following:
- (a) Prevention and control of infectious diseases;
 - (b) Emergency preparedness and response planning for natural disasters and human-caused events;
 - (c) Recognizing and prevention of shaken baby syndrome, head trauma abuse, neglect, and child maltreatment; and
 - (d) Prevention of sudden infant death syndrome and safe sleep practices, if caring for an infant or toddler.

WAC 110-16-0030 Health and safety activities:

- (1) A provider described in WAC 110-16-0015 (4)(b) or (c), must participate in an annual, scheduled visit conducted by department staff in the home where care is provided.
- (2) The purpose of the visit 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.
- (3) A provider will be considered out of compliance with the requirements of this chapter if, after three attempts, the department is not able to complete an annual, scheduled visit in the home where care is provided.
- (4) At the annual, scheduled visit, the provider must show, unless previously provided to the department:
- (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 (DOH) certificate of immunization status (CIS) or certificate of exemption (COE) or other DOH 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 emergency preparedness and response plan required in WAC 110-16-0035 (8)(c).

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-046 The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to ensure potential fraud was correctly identified and reported for the Child Care and Development Fund Cluster.

Assistance Listing Number and Title: 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

Federal Grantor Name: U.S. Department of Health and Human Services

Federal Award/Contract Number: 2003WACCDF; 2103WACCDF; 2203WACCDF; 2003WACCC3; 2103WACDC6; 2103WACSC6; 2103WACCDD

Pass-through Entity Name: None

Pass-through Award/Contract Number: None

Applicable Compliance Component: Special Tests and Provisions: Fraud Detection and Repayment

Known Questioned Cost Amount: None

Background

The Department of Children, Youth, and Families (DCYF) 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 2022, the Department spent about \$668.6 million in CCDF federal funding, which was an increase of about \$341.1 million compared to the prior fiscal year. The Department spent more than \$260.5 million of this CCDF federal funding on monthly child care subsidy payments to child care providers.

Although DCYF is the lead agency for the CCDF program, the Department of Social and Health Services' (Department) Office of Fraud and Accountability (OFA) has the statutory authority to conduct investigations related to allegations of fraud in the program. State law requires DCYF to refer suspected incidents of child care subsidy fraud to OFA for appropriate investigation and action. Both DCYF and the Department accept reports of suspected fraud online, by mail, phone or fax. Staff from either agency can report suspected fraud through internal systems or to a hotline.

When the Department receives a report of suspected client fraud in a program it oversees, it runs the report through an automated process in its Barcode system to assess the level of potential fraud risk. The process considers which programs the client receives benefits from, the total benefits (dollars) the client receives, whether the client has come up on prior reports, the client's overpayment history, and how the suspected fraud was referred. These factors are all assigned point values that vary based on the client's particular case, including adding four points if the case was referred through the OFA hotline. These point values are summed and, based on this total, the priority level of the suspected fraud is rated from 1 to 5, with 1 being the highest risk level. Each priority level is separated by five points. Once OFA receives the priority rating, the case is assigned to an investigator for review.

OFA supervisors attempt to assign all reports rated as 1 or 2 and then work their way down to lower-rated reports. In 2018, the OFA Director issued a directive to managers that all Fraud Early Detection (FRED) reports rated as 1 or 2 should be assigned within 90 days of the case being referred. OFA management explained that some reports are not assigned to investigators because of workload capacity. No matter what priority level is assessed, if a FRED report is not assigned to an investigator within 90 days, it is "aged out" and sent back to Department program staff. Program staff review the original reported information and decide whether to send the case back through the automated process to be reassessed or dismiss the fraud report.

In fiscal year 2022, OFA received 2,324 child care fraud reports. Of those, 294 (13 percent) reports aged out of the system.

If an OFA Intentional Overpayment Investigation (IOI) concludes that potential fraud occurred, the results are sent to a local prosecuting attorney's office or United States attorney's office. If a court responds with the legal determination of fraud, the case is forwarded to the Department's Office of Financial Recovery to seek repayment from the client.

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 potential child care fraud was correctly identified and reported for the program.

During our review of CCDF fraud cases, we found that the Department's Barcode system did not add the required four-point value to 143 child care fraud cases that originated from the OFA hotline. This resulted in cases receiving a lower priority level than they should have.

Additionally, the Department did not retain documentation supporting the priority level of cases received. Therefore, we were unable to accurately recalculate the assigned priority level to determine how many were improperly assigned a lower priority level.

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 establish sufficient internal controls to ensure the Barcode algorithm was properly assigning point values to child care fraud cases received from the OFA hotline, and that data supporting the priority level assigned to potential fraud cases was retained and reviewed for accuracy.

Effect of Condition

By not establishing adequate internal controls, the Department cannot ensure it is properly prioritizing and reviewing potential child care fraud cases originating from the fraud hotline.

Because the Department did not retain support for its original calculations, we could not recalculate the priority levels that should have been originally assigned to child care fraud cases and therefore cannot determine the overall effect of this internal control weakness.

By failing to ensure that all fraud hotline referrals for child care fraud cases are being correctly identified and reviewed, the Department cannot ensure it is recovering fraudulent child care payments.

Recommendation

We recommend the Department:

- Establish effective internal controls to ensure the Barcode algorithm properly scores potential fraud cases
- Establish effective internal controls to ensure the original data supporting case priority levels is retained for managerial monitoring and review

Department's Response

The Department concurs with the finding.

The barcode algorithm was updated to fix the improper scoring of the Fraud Early Detection referrals (FRED) when the deficiency was identified. Referrals are being scored as per the details of the algorithm to include the additional four points for FRED referral received from hotline calls.

A request to store the information for the prioritization tool was made to the Economic Services Administration (ESA). ESA maintains the Barcode system and server space that it is hosted on. This request must go through all appropriate review and considerations to be worked on by the Barcode team. ESA will decide if it is feasible to store this information on all processed referrals.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 45 CFR Part 98, *Child Care and Development Fund*, section 60, Availability of funds, states in part:

- (i) Lead agencies shall recover child care payments that are the result of fraud. These payments shall be recovered from the party responsible for committing the fraud.

Directive / Prioritizing FRED Cases – dated January 31, 2018, states in part:

As is current practice, all Regional Managers are directed to assign FRED cases using the prioritization scoring system. Cases should be assigned based on priority level starting with Priority level 1 cases and working down to priority level 5 as workloads permit.

A manager's focus should be on getting all the priority 1 and 2 cases assigned within 90 days of the referral from CSD based on available staffing in each region. After priority level 1 and 2 cases are assigned, the balance of the priority levels should be assigned based on the scoring, geography of the region and worker availability.

This has been the practice of OFA since the FREDS were given scores but a recent state audit recommended it become written policy.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-047 The Department of Children, Youth, and Families did not have adequate controls over and did not comply with certain requirements of its Public Assistance Cost Allocation Plan.

Assistance Listing Number and Title:	93.658 Foster Care Title IV-E 93.658 COVID-19 Foster Care Title IV-E
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award Number:	2102WAFOST; 2202WAFOST
Pass-through Entity:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed
Known Questioned Cost Amount:	None

Background

As a condition of receiving federal grant funds, the Department of Children, Youth, and Families must submit a Public Assistance Cost Allocation Plan (PACAP) to the U.S. Department of Health and Human Services each state fiscal year. The PACAP describes how the Department is authorized to allocate indirect costs like overhead and general administrative expenses to all funding sources, including federal grants.

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 and updates cost allocation base input tables that contain cost objectives, which automatically distribute the cost of payments to either state, local or federal funding sources. The tables in CAS can be added, deleted, changed, or inactivated each calendar month.

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. For example, a base could be made up of three elements that allocate 35 percent, 25 percent, and 40 percent, respectively, that will total 100 percent. Records of these bases are kept in workbooks that management review and approve before they are uploaded or keyed into AFRS for use.

In fiscal year 2022, the Department allocated about \$17 million in indirect costs to the Foster Care grant.

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 controls over and did not comply with certain requirements of its PACAP. According to the Department's PACAP, Base 100, which are charges for administrative costs, should be updated monthly with full-time equivalents disbursed to reflect the work that agency staff have performed. This method allows the Department to allocate administrative charges proportionately to the staffing level required to meet the program's needs.

We examined nine monthly workbooks completed during the audit period. While the Department was supposed to complete 12 workbooks, we found it did not complete them for the first three months of the audit period (July, August and September of 2021).

We determined this internal control deficiency is a material weakness that led to material noncompliance.

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

Cause of Condition

Management did not assign sufficient staffing resources to ensure all monthly workbooks were completed in accordance with the Department's approved PACAP.

Effect of Condition

The Department's inadequate internal controls affected the accuracy of the indirect costs charged to the Foster Care grant for the first three months of the audit period. Specifically, we found the Department undercharged the Foster Care program by \$154,113. When workbooks are not updated, the Department increases its risk of undercharging or improperly allocating indirect costs to the Foster Care program.

Recommendation

We recommend the Department strengthen internal controls to ensure that monthly workbooks are properly updated in accordance with the approved PACAP.

Department's Response

The Department concurs with the finding.

During July through September, the first three months of the audit period, the Department did not have adequate staffing levels to maintain the business processes for Base 100 entries. Available staff were focused on grant reconciliations and closing out the prior fiscal year financial transactions. The Department is committed to improving our internal controls and has reviewed the base edit form written procedures with staff and added monthly reminders for the Cost Allocation and Grants Management Unit.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 45 CFR Part 95, *Subpart E – Cost Allocation Plans*, section 95.501, Purpose, states:

- (a) Preparation, submission, and approval of State agency cost allocation plans for public assistance programs; and
- (b) Adherence to approved cost allocation plans in computing claims for Federal financial participation.

Public Assistance Cost Allocation Plan – Appendix 3 Administrative Costs, Base 100, states in part: FTEs are based on actual months and are reported by funding source. This information is obtained on a monthly basis from the Enterprise Reporting system at DCYF and is used on a rolling period with a one-month lag. For example, the FTEs for July would be used in the September plan.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-048 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.

Assistance Listing Number and Title:	93.658 Foster Care Title IV-E 93.658 COVID-19 – Foster Care Title IV-E
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2102WAFOST; 2202WAFOST
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Known Questioned Cost Amount:	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 2022, the Department spent about \$123 million in federal grant funds, including approximately \$7.3 million 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 dependency court order visit requirements and other information to ensure the child’s safety. This visit plan is created and saved in FamLink. When the Department needs contracted family time services, the Department sends a visit plan/referral through a Famlink-Sprout interface. Visit coordinators send

this referral to the most appropriate contracted service provider through the Sprout system. These referrals authorize the contracted provider to provide the needed services. After the visit is completed, contracted service providers complete visit reports, which include travel mileage and travel time. Based on these reports and information the contractor enters into the Sprout system, the Department will determine reimbursement on the invoice. These reports and invoices are to be reviewed and approved by the contracted provider administrator or manager, to catch errors and ensure quality assurance. The Department pays the provider solely based on the summary-level information it enters into Sprout.

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 to ensure payments to providers for travel and family visits were allowable and adequately supported for the Foster Care program. The prior finding number was 2021-040.

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.

Cause of Condition

Management did not perform fiscal monitoring of the Department's providers because it thought Sprout had fiscal monitoring features and did not verify they were in place and operating effectively.

Effect of Condition

By not performing adequate 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-049 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.

Assistance Listing Number and Title:	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
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2102WAFOST; 2202WAFOST; 2102WAADPT; 2202WAADPT
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Known Questioned Cost Amount:	None

Background

The Department of Children, Youth, and Families 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.

During fiscal year 2022, the Department used the RMTS to allocate about \$34.8 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 three 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 2021-042, 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.

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 all five of the sampled months that we examined, the Department was unable to demonstrate the RMTS sampling universe was completed due to a lack of documentation.

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

Cause of Condition

The Department did not retain documentation detailing which workers were added and removed from the sampling universe each month. Because of this, it was not possible to verify the completeness of the RMTS population.

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.

Recommendation

We recommend the Department ensure staff follow its own established procedures to ensure RMTS sampling populations are accurate and complete.

Department's Response

The Department maintains that the sampling universe is accurate and complete. There is not a deficiency with the integrity of the RMTS sample and the Department complies with federal requirements. The Department's RMTS instructions included in the federally approved Public Assistance Cost Allocation Plan (PACAP) are more restrictive than federal requirements.

Communication with the Regional RMTS Coordinators occurs regularly and cost pools are updated within the parameters identified within the RMTS instructions. The HQ RMTS Coordinator pulls three monthly reports from FamLink, the Child Welfare case management system, which the RMTS is a component of, and the Human Resource Management System to verify

worker eligibility and proper classification to strengthen the internal controls around RMTS samples pulled. For these reasons, the Department maintains the position that the sampling universe complies with federal regulations.

The Department contracted with the University of Massachusetts, effective October 2022, for the design and implementation of the RMTS mechanism. The Department has updated the RMTS instructions in the PACAP based on the new quarterly process implemented under the University of Massachusetts contract. The new process remains in compliance with federal law while alleviating the department-imposed restrictions and addresses the auditor's concerns regarding the internal controls applicable to the RMTS worker types included in the sampling universe.

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 following:

- The sampling universe must include all employees whose salaries and wages are to be allocated based on sample results.
- The entire time period involved must be covered by the sample.
- The results must be statistically valid and applied to the period being sampled.

During the audit period, the Department was unable to provide sufficient documentation showing the sampling universe was complete.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

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, 2021 through June 30, 2022

2022-050 The Department of Children, Youth, and Families did not have adequate internal controls to ensure group care facility employees had cleared background checks before having unsupervised access to children.

Assistance Listing Number and Title:	93.658 Foster Care Title IV-E 93.658 COVID-19 Foster Care Title IV-E
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2102WAFOST; 2202WAFOST
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Eligibility
Known Questioned Cost Amount:	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 they 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 administers the Foster Care program. During fiscal year 2022, the Department spent about \$123 million in federal grant funds, including approximately \$28.5 million dollars for payments to providers for direct client services with \$1.2 million being payments to licensed group care facilities.

Licensed group care facilities are maintained and operated for groups of children on a 24-hour basis to provide safe, healthy living environments that meet the developmental needs of the children in care. These facilities are not permanent homes for foster children, but they provide a higher level of care for the children who are in them. Before a facility becomes licensed, it must

complete an application that the Department reviews to ensure the facility is compliant with licensing requirements. This includes ensuring all people working in the facility have cleared background checks, which is a requirement in state and federal law.

After the initial application, the Department requests the group care facility provide quarterly reports of new and existing employees to ensure all have cleared background checks before they are allowed unsupervised access to children. To track this, the Department enters employees' information and the facility they work at into the FamLink system. FamLink is a service delivery and support system the Department uses to track clients statewide, and management uses it to track service performance and outcomes.

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 group care facility employees had cleared background checks before having unsupervised access to children.

The Department has established monitoring procedures to ensure group care facility employees have cleared background checks before beginning work. To determine if these procedures were effective for ensuring employees had cleared the required background checks before beginning work, we used a statistical sampling method to randomly select and examine 59 group care facility employees out of a total population of 4,900. We reviewed the 59 employees' background checks and compared them to their employment start dates. We found the Department did not document employees' start dates, and it could not verify that 28 employees we selected had cleared background checks before beginning work in a group care facility.

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

FamLink does not have a function that allows the Department to effectively monitor when an employee first starts working in a facility. The Department attempted to use quarterly rosters to assist with tracking start dates, but this process did not work as intended.

Effect of Condition

Without documenting employees' start dates, the Department cannot ensure they have cleared background checks before beginning work. By not adequately monitoring group care facility

employee start dates, ineligible employees could have unsupervised access to children before they have cleared the required background checks.

To ensure the 28 employees had cleared background checks before beginning work, we independently reviewed additional information the Department requested from the group care facilities during our audit. Our review confirmed all 28 employees had cleared background checks before beginning work.

Recommendation

We recommend the Department strengthen its internal controls and ensure all group care facility employees have cleared backgrounds check before beginning work.

Department's Response

The Department partially concurs with the finding.

As stated in the audit finding section, Effect of Condition, all group care facility staff sampled during the audit had a cleared background check prior to working in the facility. While we agree the use of definitions such as "effective date" and "start date" could be misleading, we do not concur the Department did not have adequate internal controls to ensure group care facility employees had cleared background checks before having unsupervised access to children. The Department is committed to ensuring the health, safety and well-being of all children in our care. We are confident that staff who work with children and youth have a cleared background check.

The Department concurs we do not document staff members' start dates in FamLink. FamLink is used to document background clearance information, but it only allows for one date to be entered as the "effective date." This "effective date" is imported to the Background Check System as the "start date." The Department's Licensing Division enters the "effective date" as the date that the background check paperwork on an applicant/staff member is received from the facility, this is to verify the correct applicant/staff member whose background check is being processed. The data pulled as part of the audit referenced the "start date" from the Background Check System, which the auditor's office interpreted as hire date or first date they began work in the facility, which was not accurate.

To strengthen internal controls and documentation, effective April 1, 2023, the Department implemented a new process for processing background checks for group care facilities. Applicant/staff member background check request forms are submitted directly to the Background Check Unit by the facility. The Background Check Unit processes a fingerprint background check, a child abuse/neglect history check, and if applicable, a suitability assessment. The results are then provided to the Licensing Division and the group care facility. If the applicant is cleared, the Licensing Division staff adds the staff member to the group care facility in FamLink. The new

“effective date” in FamLink is the final approval from the Background Check Unit. In addition, Regional licensors continue to conduct yearly health and safety monitoring visits, which includes a random sample review of personnel files containing background check information.

Auditor’s Remarks

The purpose of our testing was to ensure employees had a clear background check prior to them working at the group home facility. During our review, the Department was unable to demonstrate whether some employees had clear background checks before working because they did not have the start date of their employment. For these employees, the Department had to go to each facility to determine the start date of employees to verify the employee we selected for our testing had a clear background check before working.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 45 CFR Part 1356.30, Safety requirements for foster care and adoptive home providers, states in part:

- (f) In order for a child care institution to be eligible for title IV-E funding, the licensing file for the institution must contain documentation which verifies that safety considerations with respect to the staff of the institution have been addressed.

RCW 43.43.837, Fingerprint-based background checks—Requirements for applicants and service providers—Shared background checks—Fees—Rules to establish financial responsibility, states in part:

- (1) Except as provided in subsection (2) of this section, in order to determine the character, competence, and suitability of any applicant or service provider to have unsupervised access, the secretary of the department of social and health services and the secretary of

the department of children, youth, and families may require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation at any time, but shall require a fingerprint-based background check when the applicant or service provider has resided in the state less than three consecutive years before application, and:

- (a) Is an applicant or service provider providing services to children or people with developmental disabilities under RCW 74.15.030;
 - (b) Is an individual sixteen years of age or older who: (i) Is not under the placement and care authority of the department of children, youth, and families; and (ii) resides in an applicant or service provider's home, facility, entity, agency, or business or who is authorized by the department of children, youth, and families to provide services to children under RCW 74.15.030;
 - (c) Is an individual who is authorized by the department of social and health services to provide services to people with developmental disabilities under RCW 74.15.030; or
 - (d) Is an applicant or service provider providing in-home services funded by:
 - (i) Medicaid personal care under RCW 74.09.520;
 - (ii) Community options program entry system waiver services under RCW 74.39A.030;
 - (iii) Chore services under RCW 74.39A.110; or
 - (iv) Other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A RCW, administered by the department of social and health services.
- (2) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January 7, 2012, are subject to background checks under RCW 74.39A.056.
- (3) To satisfy the shared background check requirements provided for in RCW 43.216.270 and 43.20A.710, the department of children, youth, and families and the department of social and health services shall share federal fingerprint-based background check results as permitted under the law. The purpose of this provision is to allow both departments to fulfill their joint background check responsibility of checking any individual who may have unsupervised access to vulnerable adults, children, or juveniles. Neither department may share the federal background check results with any other state agency or person.

- (4) The secretary of the department of children, youth, and families shall require a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation when the department seeks to approve an applicant or service provider for a foster or adoptive placement of children in accordance with federal and state law. Fees charged by the Washington state patrol and the federal bureau of investigation for fingerprint-based background checks shall be paid by the department of children, youth, and families for applicant and service providers providing foster care as required in RCW 74.15.030.
- (5) Any secure facility operated by the department of social and health services or the department of children, youth, and families under chapter 71.09 RCW shall require applicants and service providers to undergo a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation.
- (6) Service providers and service provider applicants, except for those long-term care workers exempted in subsection (2) of this section, who are required to complete a fingerprint-based background check may be hired for a one hundred twenty-day provisional period as allowed under law or program rules when:
 - (a) A fingerprint-based background check is pending; and
 - (b) The applicant or service provider is not disqualified based on the immediate result of the background check.

Department of Children, Youth, and Families, Policies and Procedures 6800 – Background Checks, states in part:

- 3(c) Requestors must, prior to authorizing unsupervised access to children or youth, review background check decisions on the completed Background Check Request/Decision DCYF 09-131 form received from the BCU.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-051 The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with reporting requirements for the Foster Care program.

Assistance Listing Number and Title:	93.658 Foster Care Title IV-E 93.658 COVID-19 – Foster Care Title IV - E
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2102WAFOST; 2202WAFOST
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None

Background

The purpose of the Foster Care program is to provide safe and stable out-of-home care for children under placement and care authority of state welfare agencies. To accomplish this, the Administration for Children and Families (ACF) in the U.S. Department of Health and Human Services (HHS) offers financial support to states to offset the cost of foster care maintenance for eligible children, administrative costs to manage the program, and training for state agency staff, foster parents and qualified private agency staff. As of June 2022, approximately 8,000 children were in Washington’s foster care system. In fiscal year 2022, the Department spent almost \$126 million in federal program funds.

Within 30 days after each fiscal quarter, the Department of Children, Youth, and Families (Department) is required to file the CB-496: Title IV-E Programs Quarterly Financial Report with HHS to report its Foster Care program expenditures and the number of children it has served. The ACF relies on the information reported to award funds, determine the allowability of the reported expenditures, and to provide reports to Congress.

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 reporting requirements for the Foster Care program.

We reviewed all four reports the Department submitted during the audit period, and we found that three were inaccurate. In the three reports with errors, the Department misstated its program expenditures by a total of \$10,097,303, including approximately \$9.6 million in understatements and \$500,000 in overstatements. The Department also overstated the total number of children receiving foster care benefits by 10,115.

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

When completing the quarterly reports, the Department did not follow HHS's published instructions. In addition, while the Department has an established review process, the reviews that staff performed were insufficient for detecting errors in the reports. Management said that due to competing priorities and staffing shortages, the Department did not thoroughly review the reports before submitting them to HHS.

Effect of Condition

Because HHS uses these reports to determine award amounts and whether reported expenditures are allowable, it may have relied on inaccurate data to make these determinations for the Department. The grant agreement also allows HHS to take action for the Department's noncompliance, which can include temporarily withholding funds, wholly or partly suspending or terminating the award, and withholding further program awards.

Recommendation

We recommend the Department:

- Follow HHS's published instructions when completing the quarterly CB-496 reports
- Strengthen its review processes to ensure the reports are accurate and supported before submitting them to HHS

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.

During the audit period, the Department acknowledges errors were made in the quarterly reports. While the Department understands accuracy is vital, the error understating expenditures by \$9.0 million in the first report was identified and corrected in the FFY 2022, second quarter report. We will review and strengthen our internal processes in order to complete the quarterly reports accurately.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 45 CFR Part 201, *Grants to States for Public Assistance Programs*, establishes the following applicable requirements:

Section 201.5 Grants, states in part:

(a) Form and manner of submittal.

- (1) Time and place: The estimates for public assistance grants for each quarterly period must be forwarded to the regional office 45 days prior to the period of the estimate. They include a certification of State funds available and a justification statement in support of the estimates. A statement of quarterly expenditures and any necessary supporting schedules must be forwarded to the

Department of Health and Human Services, Family Support Administration, not later than 30 days after the end of the quarter.

- (2) Description of forms: “State Agency Expenditure Projection – Quarterly Projection by Program” represents the State agency’s estimate of the total amount and the Federal share of expenditures for assistance, services, training, and administration to be made during the quarter for each of the public assistance programs under the Act. From these estimates the State and Federal shares of the total expenditures are computed. The State’s computed share of total estimated expenditures is the amount of State and local funds necessary for the quarter. The Federal share is the basis for the funds to be advanced for the quarter. The State agency must also certify, on this form or otherwise, the amount of State funds (exclusive of any balance of advances received from the Federal Government) actually on hand and available for expenditure; this certification must be signed by the executive officer of the State agency submitting the estimate or a person officially designated by him, or by a fiscal officer of the State if required by State law or regulation. (A form “Certificate of Availability of State Funds for Assistance and Administration during Quarter” is available for submitting this information, but its use is optional.) If the amount of State funds (or State and local funds if localities participate in the program), shown as available for expenditures is not sufficient to cover the State’s proportionate share of the amount estimated to be expended, the certification must contain a statement showing the source from which the amount of the deficiency is expected to be derived and the time when this amount is expected to be made available.
- (3) The State agency must also submit a quarterly statement of expenditures for each of the public assistance programs under the Act. This is an accounting statement of the disposition of the Federal funds granted for past periods and provides the basis for making the adjustments necessary when the State’s estimate for any prior quarter was greater or less than the amount the State actually expended in that quarter. The statement of expenditures also shows the share of the Federal Government in any recoupment, from whatever source, including for title IV-A the appropriate share of child support collections made by the State, of expenditures claimed in a prior period, and also in expenditures not properly subject to Federal financial participation which are acknowledged by the State agency, including the share of the Federal Government for uncashed and cancelled checks as described at 45 CFR 201.67 and replacement checks as described at 45 CFR 201.70 in this part, or which have been revealed in the course of an audit.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-052 The Department of Children, Youth, and Families did not have adequate internal controls over level of effort requirements for the Adoption Assistance program.

Assistance Listing Number and Title:	93.659 Adoption Assistance 93.659 COVID-19 Adoption Assistance
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2102WAADPT; 2202WAADPT
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Level of Effort
Known Questioned Cost Amount:	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, which 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 17,000 children and 11,000 families. In fiscal year 2022, the Department spent about \$58.6 million in federal funding, and had \$1.9 million in state funding for Adoption Savings.

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 level of effort requirements for the Adoption Assistance program. The prior finding number was 2021-045.

Description of Condition

The Department did not have adequate internal controls over level of effort requirements for the Adoption Assistance program.

In the prior audit, we determined the Department split the responsibility for tracking and managing adoption savings expenditures between staff for the Child Welfare Program and Cost Allocation and Grant Management Unit, and that coordination between these areas was insufficient for ensuring that staff maintained accounting records to verify adoption savings expenditures. We also determined the Department did not have policies or procedures to monitor its compliance with the program's level of effort requirements.

During this audit period, the Department created a new position to manage and track its adoption savings spending, but the position was not filled until February 2022. The Department has also not implemented policies or procedures to monitor its compliance with the program's level of effort requirements.

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

Cause of Condition

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 did not fully implement the action plan during the current audit period.

Effect of Condition

If the Department does not have adequate internal controls and is noncompliant with program requirements, the grant agreement allows the grantor to take action, including temporarily withholding funds, wholly or partly suspending or terminating the award, and withholding further awards from the program.

Recommendation

We recommend the Department implement written policies and procedures to properly track its adoption savings spending.

Department's Response

As stated in the Cause of Condition, the Department did not fully implement the corrective action plan during the audit period. Due to the timing and frequency of the statewide single audits, the Department is not made aware of a finding until months after the state fiscal year (SFY) concludes. It is not always feasible to correct audit issues before a new audit cycle begins. Thereby, the previous year's audit issues will remain outstanding up to nine months of the current audit period. For this reason, the Department anticipates receiving repeat findings for consecutive years.

The Department created a new position to manage the adoption support program and to oversee the adoption saving expenditures through FamLink in February 2022. In May 2022, the Department established reoccurring monthly meetings between Child Welfare Program and Cost Allocation and Grant Management Unit to review expenditures and level of effort requirements for the calculated adoption savings dollars. Written procedures for federal adoption savings expenditure requirements and tracking were reviewed and adoption savings reports were accurate during the audit period.

While this is a repeat finding, the Department received the SFY 2021 finding from the State Auditor's Office in May 2022, eleven months after SFY 2022 started. Therefore, the Department was unable to revise its internal controls prior to the SFY 2022 audit. The Department and the State Auditor's Office will not see the full benefit of these corrective actions until the SFY 2023 audit.

As to the auditor's recommendation, the Department maintains that there are no federal regulations that require an agency to have a written policy for level of effort reporting. The Department has written procedures for federal adoption savings expenditure requirements and tracking of adoption savings. In addition, we have written procedures for the use of adoption savings paid through FamLink using assigned service codes. These service codes include evidence-based practices, parental counseling, catastrophic circumstances, and the Promoting and Support Permanency Committee for both adoption and guardianship families. The Department assigns specific FamLink service codes for payment and tracking purposes.

The Department has reviewed and incorporated the guidance published by the U.S. Government Accountability Office report on Better Data and Guidance Could Help States Reinvest Adoption Savings and Improve Federal Oversight into our processes and procedures. The Department also follows the ACF reporting guidelines and uses tools they provide to track expenditures in compliance with the grant and no exceptions were noted for the audit period.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-053 The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure clients were eligible for the Children’s Health Insurance Program.

Assistance Listing Number and Title: 93.767 Children’s Health Insurance Program
93.767 COVID-19 Children’s Health Insurance Program

Federal Grantor Name: U.S. Department of Health and Human Services

Federal Award/Contract Number: 2005WA5021; 1905WA5021; 2105WA5021; 2205WA5021;

Pass-through Entity Name: None

Pass-through Award/Contract Number: None

Applicable Compliance Component: Eligibility

Known Questioned Cost Amount: \$3,036,657

Background

The Health Care Authority administers the Children’s Health Insurance Program (CHIP). CHIP is a jointly funded state and federal partnership providing insurance coverage for almost 90,000 children and pregnant people 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 2022, the Authority spent more than \$229 million in state and federal funds to administer CHIP.

To determine initial eligibility for CHIP, families must complete an application in the Washington Health Benefit Exchange, known as Washington Healthplanfinder, 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 prenatal period of some low-income pregnant people under the state CHIP plan.

CHIP clients must be either U.S. citizens or lawfully present 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 percent and 312 percent 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 for more than 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 postpartum period ends for pregnant people
- When a client requests to be removed from the program

In response to the COVID-19 pandemic, the Centers 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.

In the prior audit we reported the Authority did not have adequate internal controls to ensure clients were eligible for CHIP. The prior finding number was 2021-046.

Description of Condition

The Authority did not have adequate internal controls over and did not comply with requirements to ensure clients were eligible for CHIP.

We used a statistically valid sampling method to randomly select and examine 59 out of a total population of 93,793 clients who had a federally verified SSN.

We also used a statistically valid sampling method to randomly select and examine 59 out of a total population of 10,933 clients who did not have a federally verified SSN.

For the sample of clients who had a verified SSN, we identified:

- One instance where the client aged out of services and was not referred to Washington Healthplanfinder to be redetermined eligible for Medicaid during the COVID-19 pandemic, as required.
- One instance where the Authority continued CHIP coverage for a client after the allowable postpartum period.

For the sample of clients who did not have a federally verified SSN, we identified:

- Seventeen instances where the Authority continued CHIP coverage for clients after the allowable postpartum period.

We also used computer-assisted audit techniques to analyze the entire client population. We found 3,416 clients who were over the age of 19 that were still receiving CHIP services during fiscal year 2022.

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

Cause of Condition

The Authority chose not to remove clients from CHIP even when they aged out of coverage or their postpartum period ended.

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:

Audit Area	Known Questions Costs (state and federal)	Known questioned costs – Federal portion only	Likely improper payments (state and federal)	Likely improper payments – federal portion only
Verified SSNs	\$ 2,117	\$ 1,468	\$ 3,365,166	\$ 2,333,411
Non-Verified SSNs	\$14,760	\$ 10,236	\$ 2,735,142	\$ 1,896,870
Over 19 years old	\$ 4,353,425	\$ 3,024,953	\$ 0	\$ 0
Totals	\$ 4,370,302	\$ 3,036,657	\$ 6,100,308	\$ 4,230,281

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 reflect 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 does not concur with any of the results cited by the auditor related to CHIP program eligibility.

The agency has worked with the Governor's Office and the Office of Financial Management to continue equity of state funded coverage for all individuals during the public health emergency, including CHIPRA pregnancy coverage. The postpartum period in CHIPRA coverage is state-funded. The State Auditor's Office did not allow the Authority enough time to obtain the journal vouchers from our accounting partners that show the use of state funds for these expenditures.

Regarding the clients receiving CHIP benefits who were aged 19 and over, the agency has pursued, and been notified of approval for, an 1115 disaster waiver from the Centers for Medicare & Medicaid Services. The waiver approves funding for CHIP clients aged 19 and over during the public health emergency and is retroactive to March 18, 2020. Once the approval letter is received by the Authority, the associated federal expenditures identified by the auditor will be valid.

The agency was provided very little time and flexibility to respond to the audit results during a time when the agency and its federal counterparts are inundated and backlogged with unwinding the public health emergency.

Auditor's Remarks

We provided the Authority with preliminary exceptions on February 27, 2023 and on March 15th, the Authority provided additional information that cleared some of the exceptions. The draft finding was provided to the Authority on April 17, 2023. It was not until April 18th, after audit work was concluded, that the Authority asserted the postpartum exceptions we identified were transferred from federal funding to state funding with journal vouchers. Despite not conveying this information to us timely, we requested copies of the journal vouchers to attempt to confirm the Authority's assertion. On April 25, 2023, the Authority informed us that staff were not able to pull the journal vouchers and we therefore could not determine whether any of the federally funded payments were subsequently transferred to state funding.

For the clients aged 19 and over, there was no formal approval from CMS in place during the audit period or currently. Therefore, we conducted our audit in accordance with codified eligibility rules.

We reaffirm our finding and 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 42 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 CFR, *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.

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, 2021 through June 30, 2022

2022-054 The Health Care Authority did not have adequate internal controls over and did not comply with managed care financial audit requirements.

Assistance Listing 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 93.777 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/Contract Number:	2005WA5021; 2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM; 1905WA5021; 2105WA5021; 2205WA5021; 2205WA5MAP; 2205WA5ADM;
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions: Managed Care Financial Audit
Known Questioned Cost Amount:	None

Background

The Health Care Authority (Authority) administers both the Medicaid and the Children's Health Insurance Program (CHIP). Medicaid is a jointly funded state and federal partnership providing coverage for about 2.3 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 almost 90,000 children and pregnant people in families with incomes too high to qualify for Medicaid. During fiscal year 2022, the Medicaid program spent more than \$17.6 billion in federal and state funds, and CHIP spent more than \$229 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 2022, the Authority contracted with five MCOs and paid them more than \$9.2 billion for Medicaid and CHIP services.

Under federal regulations, contracts between states and MCOs must 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 each MCO submits. The Authority must also post these audit results on its website. These requirements went into effect for contract years starting after July 1, 2017.

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 audit, we reported the Authority did not have adequate internal controls over and did not comply with managed care financial audit requirements. The prior finding number was 2021-048.

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. During the audit period, the Authority took steps toward updating the MCO contract language to include the

audited financial report requirements; however, the changes were not implemented until after the audit period. As a result, the Authority did not obtain any audited financial reports from the MCOs. The Authority expects to receive its first MCO financial reports in June 2023.

Periodic audits

The Authority did not establish internal controls to ensure it complied with the periodic audit requirements 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 within the last three years. Though the Authority completed encounter data audits in July 2021, it did not complete any financial data audits.

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

Cause of Condition

The audited financial reports and periodic audits are newer 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 and CHIP requirements.

Recommendations

We recommend the Authority:

- Implement policies and procedures over obtaining audited financial reports
- Implement policies and procedures over conducting required periodic audits
- 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 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.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 42 CFR Part 438, *Managed Care*, establishes the following applicable requirements:

Section 438.3 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 438.600 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.

- (2) States must comply with §438.602(b) and § 438.608(b) no later than the rating period for contracts beginning on or after July 1, 2018.

Section 438.602 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-055 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.

Assistance Listing 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 93.777 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/Contract Number:	2005WA5021; 2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM; 1905WA5021; 2105WA5021; 2205WA5021; 2205WA5MAP; 2205WA5ADM
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:	\$612,277

Background

The Health Care 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 2.3 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 almost 90,000 children and pregnant people in families with incomes too high to qualify for Medicaid. During fiscal year 2022, the Medicaid program spent more than \$17.6 billion in federal and state funds, and CHIP spent more than \$229 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 to receive payments under the programs. Washington had more than 127,000 participating providers in fiscal year 2022. During that time, the Authority paid more than \$6.6 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. To meet this requirement, the Authority has implemented an automated revalidation notification process that is supposed to send a letter to providers in time for them to be revalidated before 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 provider enrollment and revalidation processes are 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 them 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, List of Excluded Individuals/Entities, Excluded Parties List System, 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 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 that 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.

Also in response to the COVID-19 pandemic, the Authority's Chief Medical Officer approved a blanket waiver for the backdating of all providers effective dates, as allowed by CMS and Washington Administrative Code. This waiver allows providers to submit claims for services provided before their enrollment and revalidation applications are approved.

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 2021-047, 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 10,959 new provider enrollments and was required to perform ongoing eligibility determinations for 114,427 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 seven instances for six providers (5 percent) when the Authority did not take the appropriate actions to ensure providers met eligibility requirements. Specifically, we found:

- Staff enrolled three providers without a valid CPA on file. Because the providers were not covered by a CPA, they were improperly enrolled.
- Staff did not conduct a proper license check for three providers. A proper license check for these providers would have led staff to identify that their license was either expired or did not cover the enrollment period, and, therefore, were ineligible.
- Staff did not properly screen one provider based on a moderate risk level. The improper screening checklist was used and the risk level was not properly addressed.

To determine if the Authority had revalidated providers every five years or had taken actions to deactivate providers, we used computer-assisted audit techniques to analyze the entire population of 2,049 providers that should have been revalidated or deactivated during the fiscal year. We found the Authority's internal controls were insufficient and resulted in none of the 2,049 providers (100 percent) being revalidated before the due date. We determined 648 providers were subsequently revalidated, and the Authority backdated them. We also determined 1,242 providers were deactivated, but the Authority did not process the deactivation until at least 30 days after the eligibility end date. There were an additional 159 providers that should have been deactivated, but the Authority did not take actions to deactivate or revalidate them.

Federal law requires the Authority to check federal databases at least monthly to confirm the identity and exclusion status of providers. However, the automated system that performs these checks and notifies the Authority of possible problems with providers was not operating correctly, and it frequently provided incorrect information. Management decided to ignore this information and stopped performing the monthly database checks. The Authority did review the results of the check once during the fiscal year, in July of 2021.

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, all provider revalidations were completed after their due dates.

Although management directed staff to stop performing the monthly database checks because of issues with the automated system, they did not reinstate the procedures used before the system was implemented so staff could continue verifying providers’ identity and exclusion status.

Effect of Condition and Questioned Costs

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. We identified the following payments made to ineligible providers:

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)
New Providers	\$7,092	\$3,985	\$1,317,224	\$740,280
Deactivated Providers	\$302,372	\$292,051	\$399,999	\$351,698
Not Revalidated or Deactivated	\$509,702	\$316,241	n/a	n/a
Total	\$819,166	\$612,277	\$1,717,223	\$1,091,978

In addition to the questioned costs in the table above, we also identified \$26,148,599 in costs at risk for those providers whose revalidations were backdated. If the providers had not been revalidated, these costs would also be considered 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).

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:

- 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 partially concurs with the finding.

The Authority agrees that ProviderOne sends revalidation notifications one day after the due date rather than before the due date to allow time for the revalidation process. A system revision is in process, and we expect this issue to be resolved by the beginning of 2024.

The Authority does not concur with the remainder of the auditor's findings.

The auditor provided the final exceptions and this finding at the close of the audit. The document with the final exceptions did not contain enough information for the Authority to adequately review the results of the auditor's testing or the methodology used to calculate questioned costs. The time allotted to the Authority to review the testing results, seek clarification, and provide an agency response was not sufficient to analyze the results and provide an informed response.

Due to the lack of complete information and time provided, the Authority is unable to agree or disagree with the results of the audit.

Finally, on March 19, 2020, the Centers for Medicare & Medicaid Services (CMS) approved Washington's request for an 1135 COVID-19 Emergency Declaration Blanket Waiver for Health Care Providers, effective through the end of the federal Public Health Emergency. This waiver temporarily suspended provider enrollment and revalidation requirements. Should the Authority agree with any or all of the results from the audit, it would not concur that questioned costs be returned because provider enrollment and revalidations requirements were temporarily suspended by CMS.

Auditor's Remarks

We provided the Authority with preliminary exceptions on December 20, 2022 for “Not Revalidated or Deactivated Providers” and on December 30, 2022 for “New Providers”, “Active Providers”, and “Deactivated Providers”. The Authority provided additional information on January 31, 2023 that cleared some of the exceptions. We provided final exceptions on March 3, 2023 which included the unique transaction identifier for each exception. The Authority requested that we perform additional testing for the “Deactivated Providers” on March 15th. The draft finding was provided to the Authority on April 14, 2023 and the Authority provided their response on May 3rd.

Despite several years of the known system weaknesses, the Authority has not updated the system or implemented compensating processes to ensure providers are eligible to provide Medicaid and CHIP services.

Regarding the 1135 COVID-19 Emergency Declaration Blanket Waiver, the Authority informed us that beginning October 1, 2020, Authority management had reinstated the majority of provider eligibility requirements that had been waived.

We reaffirm our finding with questioned costs and 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 2 CFR Part 200.1, Uniform Guidance establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable 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.

Title 42 CFR Part 433, *State Fiscal Administration, Subpart F – Refunding of Federal Share of Medicaid Overpayments to Providers*, describes the requirements for identifying, reporting, collecting, and remitting Medicaid overpayments.

Title 42 CFR 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 CFR 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 CFR 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.

Medicaid Provider Enrollment Compendium (MPEC)

B. Enrolled Provider’s Payment Eligibility for Retroactive Dates of Service

The practice of “backdating” enrollment involves approving an enrollment with a retroactive billing date. This practice allows a provider, once enrolled, to submit claims for services dated prior to the date upon which the SMA approved the enrollment. As discussed earlier, provider screening enables states to identify ineligible parties before they are able to enroll and start billing. Components of provider screening include database and licensure

checks, and may also include site visits and FCBCs. To the extent a SMA approves the enrollment of a new provider and permits the provider to bill for services dated prior to applicable screening(s), this practice creates risk. For example, if a newly enrolling provider is subject to a site visit, and the SMA completes a site visit for the provider but nonetheless permits the provider to bill for services dated prior to the date on which the site visit occurred, there is risk the provider was not present at the site on the date of service for which the provider is subsequently approved to bill.

It is incumbent upon the SMA to mitigate risk of improper payments as it determines a provider's eligibility for enrollment, including the date upon which a provider is deemed eligible to service Medicaid beneficiaries. The SMA should have a process to determine whether and when it is appropriate to approve an enrollment with a retroactive billing date, as doing so represents the SMA's determination of prior compliance. This process should be designed to mitigate risk.

Factors the SMA must take into consideration when approving a retrospective billing date include, but may not be limited to:

- Survey or certification requirements that supersede a state's ability to determine prior compliance

Factors the SMA might take into consideration when approving a retrospective billing date may include, but are not limited to:

- Emergency access
- Pre-authorization
- Whether a provider is enrolled in Medicare or another state's Medicaid Program

CMS recommends documenting the basis for establishing an enrollment with a retroactive billing eligibility date. Medicaid payment issued to a provider prior to the SMA's screening and enrollment of the provider is an improper payment, unless an exception applies as described under Section 1.5.1.

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, 2021 through June 30, 2022

2022-056 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.

Assistance Listing 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/Contract Number:	2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM; 2205WA5MAP; 2205WA5ADM
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Known Questioned Cost Amount:	\$237,404,150

Background

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.3 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. During fiscal year 2022, the program spent about \$17.6 billion in federal and state funds.

The Department of Social and Health Services' 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 2022, the state Medicaid program paid about \$638.8 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 by March 31st for the prior 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 the prior ten 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 2021-049, 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, 2021

Cost reports and settlements – completed during audit period

The Department reconciled and settled all of the 140 cost reports it received during this period. Of these reports, 74 were completed during the audit period, but they did not receive a payroll verification. For calendar year 2021, 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 66 providers for calendar year 2021. We randomly selected 12 of these providers to examine and identified the following issues in the cost report review process that Department staff had performed:

- The cost report payroll verifications only cover 7.9 to 11.8 percent of all months of payments in calendar year 2021. This is insufficient coverage in our judgment.
- Eleven of the providers examined (92 percent) included overtime and nine of the providers (75 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, 2022

Because cost reports and payroll verifications are prepared on a calendar year basis, the Department had not collected the reports and verified payroll for 2022 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 the federal compliance requirements of activities allowed/unallowed and allowable costs/cost principles 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.

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, 2021, through December 31, 2021

Cost reports and settlements

- \$136,400,692 in ISS payments made to 74 providers for which the Department did not verify payroll. The federal share of these questioned costs is \$76,657,188.

Payments made from January 1, 2022, through June 30, 2022

We are questioning all \$286,026,617 in supported living payments during this period. The federal share of these questioned costs is \$160,746,962.

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)
Costs reports reconciled, but no payroll verification performed	\$136,400,692	\$76,657,188
Expenditures with no cost reports	\$286,026,617	\$160,746,962
Totals	\$422,427,309	\$237,404,150

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
- Consult with its grantor about whether the questioned costs identified in the audit should be repaid

Department’s Response

The Department respectfully does not concur with 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 2022, and all costs from the first half of the fiscal year that are associated with the seventy-four providers who did not undergo a payroll verification review. The Department strongly disagrees that all 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 paid services were provided.

It is noteworthy that the SAO did not have any questioned costs from the first half of the fiscal year (July 1, 2021, through December 31, 2021) that were associated with the sixty-six 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 second half of the fiscal year (January 1, 2022, through June 30, 2022) the Department had the same internal control in place. That is, the Department’s verifications were performed based upon provider payroll received from the second half of the year in the same way that they were performed on payroll from the first half of the fiscal year. While we disagree with how the auditor arrived at known questioned costs, as the Department had the same internal control in place in both halves of the fiscal year one would expect to see similar, while incorrect, questioned costs (relating to providers who received a payroll verification). Instead, the SAO questioned all the costs from the second half of the fiscal year. The SAO appears to have errantly concluded that this internal control was non-existent for the second half of the year, which is neither true nor accurate. As stated above, the same internal control was in place, a control that the SAO otherwise considers to be sufficient.

The stated reason that the SAO did not consider this control for the second half of the year is based solely on the timing of the SAO’s audit cycle, rather upon reasonable doubt regarding the sufficiency of the control. In fact, the Department reconciles payments on a calendar year basis which is set forth in policy and is approved by the federal government as part of its waiver approval process. The SAO audits on a fiscal year basis and counter-intuitively, does not consider control activities when they fall outside of their audit period. As the SAO does not consider 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:

Audit Area	Known Questioned Costs (Federal Portion Only)
7/1/21-12/31/21 74 Costs reports reconciled, but no payroll verification performed.	\$76,657,188
1/1/22-6/30/22 140 Providers with expenditures but no cost reports submitted. (Cost Reports are not submitted until 12/31/22)	\$156,784,641
Totals	\$237,404,150

We would also like to speak to SAO's opinion on overtime and bonuses. The fact that overtime and bonuses are actually paid for client support is evidence of, and an accurate reflection that, the services and supports were being provided to clients. Additionally, it is clear evidence of trends that CMS and every State Medicaid agency are aware of: the health care service sector has been hit with unprecedented staff shortages. Overtime is a necessary expense needed to cover these shortages and assure that clients are receiving their Medicaid services. Bonuses are also increasingly a necessary retention tool in the tight labor pool to help agencies compete for staff to reduce the shortages. Bonuses increase retention and reduce turnover. Bonuses also reward quality services and supports to clients.

The Department does not control how a provider operates their business. The Department does follow the federal directive of necessary an ordinary when reviewing expenditures. The Department considers overtime and bonuses as ordinary and necessary costs for supportive living businesses. Federal cost reporting equally considers overtime and bonuses as normal expenses/costs of doing business. The Department conducted ISS payroll audits of all eleven providers in the SAO test. Overtime and bonuses were reviewed and determined to be supported by the documentation in the ISS payroll reviews that the Cost Analysts conducted.

Overtime is a necessary cost of doing business inside and outside of state government. Providers who pay overtime are demonstrating that they are willing to pay their employees the amount necessary to cover every shift for client support and safety, even if it means they end up spending more than they were reimbursed by DDA. Average turnover at the direct service provider level is approximately 50% each year in the residential provider industry. Rather than the current posture, the SAO should be concerned about providers with high turnover who don't report any overtime. The Department would question whether such a provider truly honored their contracted financial obligations to their clients in such scenarios. Just because a provider pays out overtime does not mean they provided any less of a service. It simply means that they spent more money out of their own pockets for the cost of client care than they were contracted to spend for that contracted care.

The SAO would be challenged to find many companies operating today that do not pay any overtime. Overtime is a necessary cost of any business, particularly when employees are granted paid time off, sick, and holiday pay. Even companies who are fully staffed must occasionally pay out overtime to ensure that necessary work gets completed when employees are out sick, take holidays, and vacations. When individuals work with intellectually disabled children and adults, often someone must be available 24/7 to support these clients. This means that someone must work on holidays and weekends. Someone must be there when a co-worker is on vacation, or sick. Without overtime pay, critically needed work would be left unattended. In the Department's work, work left unattended could result in clients left unattended. It is difficult to understand why the SAO would support the potential that DDA clients would be left without support and at risk of being unattended.

The SAO interpretation of overtime and bonuses is another example of some continuing and fundamental misunderstandings as to how supported living in the context of State Medicaid service delivery works. The SAO's unique interpretation of the allowability of overtime and bonuses makes no sense in relation to the clients that the Department is empowered and directed by the Legislature to serve.

The Department continues to assert that payment reconciliations, cost reports, and settlement are all primary internal controls. As an additional measure, ISS payroll reviews are selected annually to further validate the primary internal controls.

The SAO also did not consider supported living daily rates/payments as adequate internal controls. As an example, the Department completed internal control for all of the January 1, 2022 rate/payment increases, a total of some 3,800 plus payments, all mandated by the Legislature. The SAO's audit did not review this payment change or even factor it in for internal controls in their finding.

The Department remains concerned that the SAO appears to place 100% of the weight towards ISS payroll reviews as DDA's only measure of internal control. Cost reporting and ISS payroll reviews are only one piece of many other processes that DDA employs to provide internal controls over their residential programs.

The Department has many significant oversight and monitoring strategies for internal controls. They 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 the 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 Payment and Increases**

For calendar year 2022, over 3,800 individual supported living daily rates and payments were reviewed because of a legislative mandate for the rates and payments to increase.

- **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 policies 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 RRDD approval process for rates is a 3-step approval process that must pass the inspection of an RMA, Program Manager, and Cost Analyst for each rate to be approved and paid to a provider. The reconciliation process ensures that each client rate is paid exactly as it was contracted to be paid. For setting a rate, a case manager must approve the time allotted to each client and a resource manager must create each rate based on each case manager's assessment.

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. Over the past three years, these verifications have increased from 25%, to 33% and for FY22 47% of providers were included in the sample. Samples are selected in mid-March, and the review process begins in mid-April after 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 had one employee who provides technical assistance for certified community residential settings during FY22. 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, which resulted in 24 reviews. These reviews included a sample of clients across multiple homes and different service levels. During calendar year 2023, the Residential Quality Assurance unit hired three additional staff. With four staff, the goal will be 96 reviews per calendar year.

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 needs 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.

- **Plan Review**

A Plan Review is a mandatory screen in CARE Web that must be completed to open an Annual Assessment. Plan Reviews give case managers the opportunity to directly ask the individual or their legal representative if the services they received over the year were provided to their satisfaction. DDA completes the Plan Review at the Annual Assessment and more often if

warranted. DDA considers this an important screen for all clients as it gives them a voice to adjust their support if needed. In addition, DDA believes that asking the individual directly if their services were provided satisfactorily is a metric we can use to hear directly from the individual, in their own words, rather than receiving a form with a checkbox filled out by someone who may or may not be the individual receiving the services. This method of data gathering is critical to ensuring individuals are not only receiving but are satisfied with the services authorized.

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 support. 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 through the Management Decision Letter process, asking that the questioned costs recommended by the SAO be rescinded.

Based on the information provided above, the Department asserts that the questioned costs for this audit should be revised to zero. The Department considers it unfortunate that the SAO did not choose a more collaborative approach aimed at supporting the Department in its continuing quality improvement efforts. The Department continues to adjust its processes openly and appropriately as needed and remains interested in partnering with SAO to resolve disagreements in this regard and to find common ground together.

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 ten 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, \$252 million, and \$285 million of federal funds over the last three 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 2022, the Department completed audits for 66 out of 140 providers and, for the samples we tested, the Department requested and reviewed detailed level payroll expenditures. 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 (CFR) Part 433, *State Fiscal Administration, Subpart F – Refunding of Federal Share of Medicaid Overpayments to Providers*, describes the requirements for identifying, reporting, collecting, and remitting Medicaid overpayments.

Title 2 CFR Part 200.1, Uniform Guidance establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable costs.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 2 CFR Part 200, Uniform Guidance, section 516, Audit findings, establishes reporting requirements for 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.

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;

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-057 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.

Assistance Listing 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 Services

Federal Award/Contract Number: 2105WAINCT; 2105WAIMPL;
2105WA5MAP; 2105WA5ADM;
2205WA5MAP; 2205WA5ADM

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 serving 2.3 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 more than \$17.6 billion in federal and state funds during fiscal year 2022.

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' 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. Until October 2021, the Department used the Tracking Incidents of Vulnerable Adults (TIVA) case management system to input, prioritize and track complaints. The Unit then began using the Secure Tracking and Reporting System (STARS) case management system for the rest of the audit period.

Unit intake staff perform an initial review of complaints before entering them into STARS. Clinical triage nurses determine the final priority assignment of all nursing home and intermediate care facility complaints. According to state law (RCW 74.34.063), a complaint of suspected abandonment, abuse, financial exploitation, neglect, or self-neglect of a vulnerable adult must be responded to no later than 24 hours after knowledge of the report.

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 2022, the Department received 50,626 complaints. Of these, 15,408 were related to nursing homes and 958 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 provider types:

Provider Type	Immediate Jeopardy Complaints Received	Nonimmediate Jeopardy-High Complaints Received
Nursing Home	212	2,525
Intermediate Care Facility for the Intellectually Disabled	5	59
Combined Total	217	2,584

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 timely investigation of complaints of client abuse and neglect at Medicaid residential facilities. The prior finding number was 2021-054.

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 complaints that occurred during fiscal year 2022 to ensure they met the required timelines for initiating an investigation. We found the Department did not initiate investigations timely for one of the Immediate Jeopardy complaints (0.5 percent) and 99 of the Nonimmediate Jeopardy-High Priority complaints (3.8 percent). For the Immediate Jeopardy complaint, the Department initiated an investigation four days after receipt. For the Nonimmediate Jeopardy-High Priority complaints, the Department initiated investigations between 11 to 83 days after receipt.

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

Cause of Condition

The Department had limited staffing resources and received a large increase of COVID-19 related complaints. As a result, staff were unable to follow up on all complaints by the required response times. In addition, management did not effectively allocate sufficient resources to ensure all complaints were followed up on timely.

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 responds to and investigates complaints timely, as federal and state 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 an increase in 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, staff resignation due to vaccination mandates, and continued staff vacancy rate of 24% impacted our ability to complete complaint investigations in the required timeframes.

The 2021-054 Audit Corrective Action Plan (CAP) stated that we would be in compliance with Immediate Jeopardy intakes by 12/31/22, which is after the FY2022 audit period. In FY22 there was one late Immediate Jeopardy intake, which is a 97% improvement from the prior audit period. The CAP stated we would be in compliance with Non-Immediate Jeopardy intakes by 6/30/23. In FY22 there was a 48% improvement, proving that we are on pace to meet the 2021-054 CAP action item target date.

Residential Care Services will continue to use our current internal controls, in addition to condensing and streamlining surveyor training, and extending the contract with Health Care Management Solutions to assist with surveys. This will allow staff to focus on the complaint investigations and complaint investigation backlog and compliance with required investigation timeframes.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 42 CFR Part 488 Subpart E, *Survey and Certification of Long-Term Care Facilities*, section 335, Action on complaints of resident neglect and abuse, and misappropriation of resident property, states in part:

(a) ***Investigation.***

- (1) The State must review all allegations of resident neglect and abuse, and misappropriation of resident property and follow procedures specified in § 488.332.
- (2) If there is reason to believe, either through oral or written evidence that an individual used by a facility to provide services to residents could have abused or neglected a resident or misappropriated a resident's property, the State must investigate the allegation.
- (3) The State must have written procedures for the timely review and investigation of allegations of resident abuse and neglect, and misappropriation of resident property.

(b) ***Source of complaints.*** The State must review all allegations regardless of the source.

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 all allegations and is consistent with Federal requirements as well as with procedures in the State Operations Manual. This structure needs to include response timelines and a process to document actions taken by the SA in response to allegations. 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 time frames. The SA is expected to be able to share the logic and rationale that was utilized in prioritizing the complaint/incident 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.

For non-long term care providers/suppliers, 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 Operation 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, 2021 through June 30, 2022

2022-058 The Department of Social and Health Services did not have adequate internal controls over False Claims Act requirements.

Assistance Listing 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/Contract Number:	2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM; 2205WA5MAP; 2205WA5ADM
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 2.3 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. During fiscal year 2022, the program spent more than \$17.6 billion in federal and state funds.

Federal law requires states to ensure providers and contractors receiving or making payments totaling at least \$5 million annually under their Medicaid program have:

- Established written policies for all employees (including management) about the federal False Claims Act, whistleblower protections, administrative remedies, and any pertinent state laws and rules
- Detailed provisions in their policies about detecting and preventing fraud, waste and abuse
- Included in any employee handbook a discussion of the False Claims Act, whistleblower protections, administrative remedies, and pertinent state laws and rules

The Department of Social and Health Services, Aging and Long-Term Support Administration (AL TSA), uses an SQL Server Reporting Services (SSRS) report to review prior federal fiscal year expenditures for both AL TSA and Development Disability Administration (DDA) providers and contractors. For the applicable providers and contractors identified as meeting or exceeding the \$5 million threshold, the administrations send requests around March or April of each year to obtain support to ensure False Claims Act requirements are met. Providers and contractors appearing on the SSRS report for the first time are sent a letter requesting their policies and procedures, including information on the False Claims Act, whistleblower protections, detecting and preventing fraud, waste and abuse, and any existing employee handbook/policy manual if available. If a provider or contractor has sent this information in prior years, the templated letter requests that they send this information only if there have been significant changes to their policies or employee handbook. However, the Department requests that all providers and contractors in the report complete an Attestation of Compliance form detailing that they have complied with the False Claims Act requirements. The letters typically ask for documents to be returned within 45 days, and the status of each request is logged and monitored in tracking spreadsheets individually maintained by AL TSA and DDA.

In fiscal year 2022, the state Medicaid program paid more than \$1 billion to 67 providers and contractors exceeding the False Claims Act threshold.

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 False Claims Act requirements.

While independently confirming the completeness and accuracy of the SSRS report populations, we identified two providers paid nearly \$30 million that were not included in the Department's SSRS report. The report did not show newer providers because it used and referenced an old provider table that had not been updated since 2015. Therefore, newer providers would not populate on the report. After the audit period ended, the Department identified and corrected the

issue. However, during the audit period, it did not request, obtain, or review these two providers for False Claims Act requirements.

Additionally, we found the Department had not established internal controls to ensure documentation from providers and contractors was obtained timely. The Department's request letters set a 45-day deadline for required items to be provided, however, it has not implemented procedures to enforce remedial actions for late submissions, such as payment suspension or contract termination. In our review of the tracking logs, we found that of the applicable 67 entities, 14 providers and contractors attributed to DDA returned their False Claims Act documents after our audit period—several as late as December 2022—which is 15 months after the end of the period the records pertain to.

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

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

Cause of Condition

Department management and staff did not know the SSRS report query was not capturing new providers and contractors. In addition, management did not think it necessary to enforce the deadline for providers and contractors to return False Claims Act documents, because their associated services are crucial to the Department's objectives.

Effect of Condition

By not establishing sufficient internal controls over False Claim Act requirements, the Department is unable to identify all providers and contractors that require monitoring. Furthermore, the Department did not meet federal requirements for the two entities that were not captured or monitored during our audit period.

Recommendations

We recommend the Department:

- Improve internal controls to ensure all providers and contractors exceeding the \$5 million threshold are appropriately identified
- Monitor the two omitted providers to ensure their compliance with False Claims Act requirements
- Implement internal controls to ensure all provider and contractor responses are received timely, and define possible consequences and outcomes if timelines are not met

Department's Response

The Department agrees with the finding.

As of February 2023, a new report generated and tested through the Data Mart is being used that will include all Aging and Long-Term Support Administration/Developmental Disabilities Administration (AL TSA/DDA) Medicaid providers.

On April 1, 2023 the AL TSA Provider was mailed a letter requesting the False Claims Act attestation and policy/procedures. AL TSA will ensure that the FCA attestation and policy/procedures are returned to ensure compliance with the FCA requirement by 5/31/2023.

DDA provider's attestations were mailed in a timely manner and were received, although some were received after the due date. DDA will add to its process to follow up with their providers every month until the attestations are received.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

42 U.S. Code Section 1396a – *State plans for medical assistance*, states in part:

A State plan for medical assistance must –

(68) provide that any entity that receives or makes annual payments under the State plan of at least \$5,000,000, as a condition of receiving such payments, shall—

(A) establish written policies for all employees of the entity (including management), and of any contractor or agent of the entity, that provide detailed information about the False Claims Act established under sections 3729 through

3733 of title 31, administrative remedies for false claims and statements established under chapter 38 of title 31, any State laws pertaining to civil or criminal penalties for false claims and statements, and whistleblower protections under such laws, with respect to the role of such laws in preventing and detecting fraud, waste, and abuse in Federal health care programs (as defined in section 1320a-7b(f) of this title);

(B) include as part of such written policies, detailed provisions regarding the entity's policies and procedures for detecting and preventing fraud, waste, and abuse; and

(C) include in any employee handbook for the entity, a specific discussion of the laws described in subparagraph (A), the rights of employees to be protected as whistleblowers, and the entity's policies and procedures for detecting and preventing fraud, waste, and abuse;

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-059 The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal provider eligibility requirements for the Medicaid Program.

Assistance Listing 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/Contract Number: 2105WAINCT; 2105WAIMPL;
2105WA5MAP; 2105WA5ADM;
2205WA5MAP; 2205WA5ADM

Pass-through Entity Name: None

Pass-through Award/Contract Number: None

Applicable Compliance Component: Special Tests and Provisions: Provider Eligibility

Known Questioned Cost Amount: None

Background

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.3 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. During fiscal year 2022, the program spent about \$17.6 billion in federal and state funds.

The Department of Social and Health Services (Department) is responsible for ensuring Medicaid social service providers are eligible to render services to recipients of the program. Providers are to remain in good standing with eligibility requirements in order to continue receiving payments under the program. The Department is responsible for performing measures appropriate for the provider type at application and initial enrollment. Federal regulations require state Medicaid agencies to revalidate the enrollment of all Medicaid providers at least every five years. Washington had over 81,000 active providers during fiscal year 2022. During that time, the Department paid nearly \$4.6 billion to providers for direct client services.

The Department initiates and revalidates the enrollment of Medicaid providers through its contracting process. Individual providers contract terms are four years, and contracting requirements are screened by a contract specialist within the Department's Aging and Long-Term Support and Developmental Disabilities Administrations. Contracts are also screened by Area Agencies on Aging offices. A valid Washington state driver's license or other valid picture identification and either a Social Security card or proof of authorization to work in the United States must be checked during the initial contract or revalidation for individual providers (IPs). Nursing facility contract expiration dates are open ended, but the contract unit revalidates nursing facility enrollment every five years. Contracting requirements are screened by the Department's contract unit.

When a new provider is enrolled or a provider's contract is revalidated, contract staff review the application packet, including picture identification and proof of authorization to work in the United States for IPs, and a contract file is created in the Department's Agency Contracts Database (ACD). Once the application is marked approved in ACD, the Automated Provider Screening system automatically screens the provider through the following federal databases the following day:

- List of Excluded Individuals/Entities (LEIE)
- Excluded Parties List System (EPLS), now called System for Awards Management (SAM)
- SSA Limited Access Death Master File

Contract unit staff are notified by email if the screening resulted in a match and staff then manually verify if the match was legitimate. Federal law also requires that in between revalidation periods, state Medicaid agencies are to determine the exclusion status of providers, including any person with ownership, controlling interest, or acting as an agent or managing employee of the provider, no less frequently than monthly by performing checks of LEIE and SAM.

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 provider eligibility requirements for the Medicaid Program.

During the audit period, the Department processed nine nursing facility revalidations and 13,352 new and revalidated individual provider enrollments. During this same period, the Department was required to perform ongoing eligibility determinations for 73,368 existing individual providers and 195 existing nursing facilities.

Federal law requires the Authority to check federal databases at least monthly to confirm the identity and exclusion status of providers. However, the automated system that performs these checks and notifies the Department of possible problems with providers was not operating correctly, and it frequently provided incorrect information. A management decision was made to instead only screen all providers on an annual basis. In September 2021, the Department manually screened all providers against the federal systems. For all other months, only newly populated providers from the automated systems check would receive screening for the month.

Additionally, we used a statistical sampling method to randomly select and examine 59 new and revalidated individual providers and five revalidated nursing facilities to determine if the Department had properly screened and enrolled providers in accordance with federal requirements. We found one individual provider in our sample for which the Department could not locate the enrollment documentation. Therefore, we could not confirm the Department's determination of the provider's eligibility status.

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

Because of issues with the automated system, the Department said they did not have the time or resources to manually perform database checks of all providers each month.

The Department could not locate the enrollment documentation for the one individual provider, because the provider never provided services to clients, and therefore was not associated with a region where the provider packets are typically filed and stored.

Effect of Condition

By not reviewing the exclusion status all providers in a timely and routine manner, the Department was non-compliant with federal requirements to check the LEIE and EPLS no less frequently than

monthly. As a result, the Department is at risk of not properly identifying any newly excluded or sanctioned providers.

By not retaining documentation for all enrollments, the Department could not demonstrate the individual provider was eligible to provide services to Medicaid beneficiaries.

Recommendations

We recommend the Department:

- Implement internal controls designed to bring it into compliance with monthly provider screening requirements
- Ensure provider documentation is retained to support the Department's screening and enrollment determinations

Department's Response

The Department agrees with the finding.

As of March 2023, DSHS is reviewing all providers on the monthly exclusion report.

On 6/1/2022 with the change to Consumer Direct of Washington (CDWA), Individual Providers are no longer contracted with DSHS. As a result, this type of error will not occur for this provider type moving forward.

It was verified that the AL TSA Provider that was missing enrollment documentation was never employed and did not receive any payments.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 42 CFR 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 455.414 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-060 The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it periodically audited cost report data for rate setting, hospital billings, and other financial and statistical records for inpatient hospital services.

Assistance Listing 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/Contract Number:	2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM; 2205WA5MAP; 2205WA5ADM
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions: Inpatient Hospital and Long-Term Care Facility Audits
Known Questioned Cost Amount:	None

Background

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.3 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. During fiscal year 2022, the program spent more than

\$17.6 billion in federal and state funds, including over \$360 million paid 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 periodically audit 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. Prior to October 1, 2021, the plan stated that cost report data used for rate setting, hospital billings, and other financial and statistical records will be periodically audited. Beginning October 1, 2021, the plan was amended and now states that cost report data used for rate setting may be periodically audited and hospital billings and other financial and statistical records will be periodically audited. Washington Administrative Code also states that the agency will periodically audit cost report data used for rate setting, hospital billings, and other financial and statistical records.

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 audits, 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 rate setting, hospital billings, and other financial and statistical records for inpatient hospital services. The prior finding numbers were 2021-051 and 2020-049.

Description of Condition

The Authority did not have adequate internal controls over and did not comply with requirements to ensure it periodically audited cost report data for rate setting, hospital billings, and other financial and statistical records for inpatient hospital services.

Although the Authority did reconcile amounts paid to hospitals for inpatient services based on the amounts facilities reported, it did not periodically audit cost report data used for rate setting, hospital billings, or other financial and statistical records, which both state regulations and the state plan require.

Additionally, the Authority does not have documented methodology, policies or procedures for when and how the audits would be performed.

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

Cause of Condition

The Authority did not establish policies and procedures to ensure it periodically audited cost report data, hospital billings, and other financial and statistical records for inpatient hospital services.

Effect of Condition

By not ensuring that it periodically audits cost report data, hospital billings, and other financial and statistical records, the Authority increases its risk of improperly paying 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 State of Washington uses a prospective payment system that no longer uses cost reports for the reimbursement of almost all hospital providers, other than outlier payments, transplants, Critical Access Hospitals and Certified Public Expenditure Hospitals for inpatient fee for service.

The Authority is not aware of federal intention or directive for states to continue auditing cost reports if they are not used to establish reimbursement rates. In addition, a strict interpretation of this CFR is not consistent with the fact that CMS allows for states to rely on the Medicare audited cost reports even in cost-based reimbursement systems. 42 CFR 447.253(g) states "the Medicaid agency must provide for periodic audits of the financial and statistical records of participating providers."

Washington does ensure there are reviews of hospital financial and statistical records, including the review of hospital Disproportionate Share Hospital (DSH) reimbursement through the DSH audit. The Agency will explore ways to review or audit the financial and statistical records of the components used in the ratio of cost to charges calculation.

Auditor's Remarks

The cost report requirement the Authority asserts was not relevant, was required for the first three months of the audit period by the state plan and for the entire audit period by Washington Administrative Code 182-550-5700. Additionally, the Authority may not use the audits of the Medicare cost reports to meet this requirement since those reports are for a different federal program.

The Medicaid state plan, Washington Administrative Code 182-550-5700, and 42 CFR 447.253(g) all require the Authority to periodically audit inpatient hospital billings and other financial and statistical records. The Authority asserted it performs reviews of hospital financial and statistical records. However, during the audit, we confirmed these reviews are informal, have no policies and procedures related to them, and do not meet this audit requirement. In addition, the DSH reimbursement audit referenced is a separate program requirement mandated by federal law (42 CFR 455.304).

We reaffirm our finding and 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 42 CFR Part 447, *Payments for Services*, section 447.253, Other requirements, states in part:

- (a) State assurances. In order to receive CMS approval of a State plan change in payment methods and standards, the Medicaid agency must make assurances satisfactory to CMS that the requirements set forth in paragraphs (b) through (i) of this section are being met, must submit the related information required by § 447.255 of this subpart, and must comply with all other requirements of this subpart.
- (f) Uniform cost reporting. The Medicaid agency must provide for the filing of uniform cost reports by each participating provider.
- (g) Audit requirements. The Medicaid agency must provide for periodic audits of the financial and statistical records of participating providers.
- (i) Rates paid. The Medicaid agency must pay for inpatient hospital and long term care services using rates determined in accordance with methods and standards specified in an approved State plan.

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 may be periodically audited.

Hospital billings and other financial and statistical records will be periodically audited by the agency.

Washington Administrative Code (WAC) 182-550 – Hospital services specifies requirements for the Authority regarding hospitals providing Medicaid services.

WAC 182-550-5410 – CPE Medicaid cost report and settlements, states in part:

- (4) The medicaid cost report schedules and supporting documentation are subject to audit by the agency or its designee to verify that claimed costs qualify under federal and state rules governing the CPE payment program. The documentation required includes, but is not limited to:
 - (a) The revenue codes assigned to specific cost centers on the medicaid cost report schedules.
 - (b) The inpatient charges by revenue codes for uninsured patients and medicaid clients enrolled in an MCO plan.
 - (c) The outpatient charges by revenue codes for uninsured patients and medicaid clients enrolled in an MCO plan.
 - (d) All payments received for the inpatient and outpatient charges in (b) and (c) of this subsection including, but not limited to, payments for third party liability, uninsured patients, and medicaid clients enrolled in an MCO plan.

WAC 182-550-5700 Hospital reports and audits, states in part:

- (4) The agency will periodically audit:
 - (a) Cost report data used for rate setting;
 - (b) Hospital billings; and
 - (c) Other financial and statistical records.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-061 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.

Assistance Listing 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/Contract Number:	2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM; 2205WA5MAP; 2205WA5ADM
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 2.3 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. During fiscal year 2022, the program spent about \$17.6 billion in federal and state funds.

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. These reviews must occur on a post-payment basis so that the State can review beneficiary utilization and provider service profiles, as well as identify exceptions so that the Authority can correct misutilization practices of beneficiaries and providers.

Furthermore, federal statute requires States to ensure providers and contractors receiving or making payments totaling at least \$5 million annually under a state's Medicaid program have:

- Established written policies for all employees (including management) about the Federal False Claims Act, whistleblower protections, administrative remedies, and any pertinent state laws and rules
- Included as part of these policies detailed provisions regarding detecting and preventing fraud, waste, and abuse
- Included in any employee handbook a discussion of the False Claims Act, whistleblower protections, administrative remedies, and pertinent state laws and rules.

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 four 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 2021-050, 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 all 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.

We found that the Authority performs various types of program integrity and control utilization reviews, but in our judgment these efforts did not meet requirements of evaluating the appropriateness and quality of Medicaid services on a post-payment basis.

Additionally, our review of False Claims Act requirements for 130 applicable providers and contractors which exceeded the \$5 million threshold found that the Authority did not appropriately monitor two contractors who were paid over \$108 million.

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

Cause of Condition

The Authority has a Program Integrity unit that is responsible for safeguarding against unnecessary utilization of care and services for the Medicaid program. However, they do not have policies and procedures to adequately ensure they met all compliance requirements that the Authority was responsible for. These requirements include implementing and monitoring the statewide utilization control program, which includes overseeing and monitoring the activities of other state agencies.

Program Integrity's scope of reviews do not include the topic of Medicaid service quality, and though other units at the Authority perform reviews to address quality, they are usually not performed on a post-payment basis.

The Authority and the Department of Social and Health Services (DSHS) are both responsible for ensuring the False Claims Act requirements are met. The noncompliance for the two contractors was due to confusion over whose responsibility it was to monitor them as these were DSHS contracts that were paid by the Authority and therefore each agency assumed it was the others' responsibility and no monitoring was performed.

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.

Additionally, the current False Claims Act process in place for contractors outside of Managed Care Organizations (MCO) is not sufficient to prevent future noncompliance.

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 to include all 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
- Improve internal controls for contractors subject to False Claims Act requirements to ensure all entities are properly monitored
- Perform monitoring of the two omitted contractors to ensure their compliance with False Claims Act requirements

Authority's Response

The Authority partially concurs with the finding.

The Authority has received guidance from CMS and will adjust the state plan based on CMS requirements. This will not include separately listing the methods and procedures it uses to safeguard against unnecessary utilization of care and services, per CMS guidance.

The Authority does not concur with the auditor's conclusion regarding its statewide surveillance and utilization control program. The program meets CMS standards and requirements and provides reasonable oversight.

The Authority concurs that two PACE providers were not monitored for their compliance with the FCA during the fiscal year. Our sister agency, DSHS, manages the contracts for the PACE program but payments to these providers are routed through ProviderOne. The process for PACE

provider monitoring has been clarified with DSHS and they will provide FCA oversight for these contracts going forward.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 42 CFR Subchapter C *Medical Assistance Programs* Part 456, Utilization Control, Subpart B, Utilization Control: All Medicaid Services 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.

42 U.S. Code Section 1396a – *State plans for medical assistance*, states in part:

A State plan for medical assistance must –

(68) provide that any entity that receives or makes annual payments under the State plan of at least \$5,000,000, as a condition of receiving such payments, shall—

(A) establish written policies for all employees of the entity (including management), and of any contractor or agent of the entity, that provide detailed

information about the False Claims Act established under sections 3729 through 3733 of title 31, administrative remedies for false claims and statements established under chapter 38 of title 31, any State laws pertaining to civil or criminal penalties for false claims and statements, and whistleblower protections under such laws, with respect to the role of such laws in preventing and detecting fraud, waste, and abuse in Federal health care programs (as defined in section 1320a–7b(f) of this title);

(B) include as part of such written policies, detailed provisions regarding the entity’s policies and procedures for detecting and preventing fraud, waste, and abuse; and

(C) include in any employee handbook for the entity, a specific discussion of the laws described in subparagraph (A), the rights of employees to be protected as whistleblowers, and the entity’s policies and procedures for detecting and preventing fraud, waste, and abuse;

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-062 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.

Assistance Listing 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/Contract Number:	2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM; 2205WA5MAP; 2205WA5ADM
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions: Medicaid Fraud Control Unit (MFCU)
Known Questioned Cost Amount:	\$977,613

Background

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.3 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. During fiscal year 2022, the program spent about \$17.6 billion in federal and state funds.

The Health Care Authority is required to refer suspected fraud or other criminal violations to the Medicaid Fraud Control Division (MFCDD) for investigation and prosecution. The Authority reports any overpayment recoveries resulting from MFCDD 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 for the state's Medicaid Program costs.

When MFCDD completes an investigation, it sends the final results over to the Authority for management review and signature. After a final judgment is made on an overpayment resulting from fraud, the State has 30 days to refund the entire federal share. Once the Authority receives the outcome, a Journal Voucher (JV) is created to move the federal portion of the overpayment 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 prior audits, we reported the Authority did not have adequate internal controls over and did not comply with requirements to report MFCDD overpayment recoveries on the CMS-64 report. The prior finding numbers were 2021-052 and 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 JVs to move the entire federal portion of the two final judgments resulting from fraud 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 MFCDD 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.

Additionally, the MFCDD inadvertently did not notify the Authority at the time of final filing for one judgment resolution.

Effect of Condition and Questioned Costs

For fiscal year 2022, two final judgments were made totaling \$2,792,013 in overpayments resulting from fraud. The Authority created JVs and reported \$139,718 on the CMS-64 report dated June 30, 2022. JVs for the entire federal portion should have been processed and reported on the June 30, 2022 CMS-64 report. We are questioning the costs of \$977,613 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 partially concurs with the finding. It has documented the processes and procedures staff will follow to acknowledge and comply with the applicable federal rules and regulations concerning the timely return of federal revenue associated with fraudulent overpayments.

The authority does not concur with repayment of \$976,580 questioned costs related to one of the fraud referrals. The provider in this case was out of business and its business license expired May 2017, and then became inactive October 2017. The State pursued assets through available means and through the court. Final court rulings were made in June 2022, and in April 2023, within one year of the final rulings, the Attorney General's Office certified that the defaulted corporation had no identifiable assets. In accordance with 42 CFR 433.318 (d) the provider is out of business and the Authority is not required to refund overpayment to CMS.

The Authority will work with the Centers for Medicaid & Medicare Services to coordinate the return of the remaining \$1,032 in identified questioned costs.

Auditor's Remarks

The Authority states that the \$976,580 in questioned costs is not required to be returned due to the corporation having no identifiable assets. While this may be the case since the Attorney General's Office certified the corporation had no assets on April 13th, 2023, which was outside of our audit

scope, the summary judgement order for this case was issued on May 2, 2022, and the overpayments were required to be returned within 30 days of that ruling.

We reaffirm our finding and 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), section 516, Audit findings, establishes reporting requirements for audit findings.

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*, describes the requirements for identifying, reporting, collecting, and remitting Medicaid overpayments.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 2 CFR Part 200.1, Uniform Guidance, establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable 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.

Title 42 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.

(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, nonrefunded 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-063 The Health Care Authority did not have adequate controls over and did not comply with requirements to ensure payments to providers for the Block Grants for Community Mental Health Services were allowable and met period of performance requirements.

Assistance Listing Number and Title: 93.958 Block Grants for Community Mental Health Services
93.958 COVID-19 Block Grants for Community Mental Health Services

Federal Grantor Name: U.S. Department of Health and Human Services

Federal Award/Contract Number: 1B09SM082638-01; 6B09SM082638-01M001; 6N09SM082638-01M004; 6B09SM082638-01M002; 6B09SM082638-01M003; 6N09SM083829-01M001; 1B09SM083829-01; 1B09SM086035-01; 6B09SM086035-01M001; 6B09SM086035-01M002; 6B09SM086035-01M003; 1B09SM085384-01; 1B09SM085912-01; 1B09SM083998-01

Pass-through Entity Name: None

Pass-through Award/Contract Number: None

Applicable Compliance Component: Activities Allowed or Unallowed
Allowable Costs / Cost Principles
Period of Performance

Known Questioned Cost Amount: \$8,668,982

Background

The Health Care Authority, Division of Behavioral Health and Recovery, administers the Block Grant for Community Mental Health Service (MHBG). The Authority subawards federal funds to counties, tribes, and nonprofit organizations to provide mental health treatment and crisis service to adults diagnosed with serious mental illness and children diagnosed with serious emotional disturbances. In fiscal year 2022, the Authority spent about \$31.7 million in federal program funds, \$20.5 million of which it paid to subrecipients.

The Authority can use grant funds only for costs that are allowable and incurred during the period of performance, as specified in the grant's terms and conditions. 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 period.

The Authority follows the accrual basis of accounting and uses the Agency Financial Reporting System (AFRS), which is the state's central accounting system, to record federal expenditures. At the end of the fiscal year, the Authority's federal financial reporting (FFR) unit estimates the amount of outstanding obligations to providers. These amounts are recorded in AFRS as an accrued expenditure for MHBG and subsequently reported to OFM for the compilation of the Schedule of Expenditures of Federal Awards.

FFR has written procedures for calculating its estimated accruals. The calculation begins by using a spreadsheet that tracks contractual obligations to MHBG subrecipients and vendors to determine the total state obligation amount through the end of the subaward or contract, which usually extend past the end of the current state fiscal year. This total is then reduced by the amount of actual payments made to the subrecipients and vendors, and is also reduced an additional 2 percent to account for anticipated underspending. The remaining total is then recorded as an estimated accrual for the fiscal year.

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 payments to providers for the MHBG program were allowable and met period of performance requirements.

During the audit period, the FFR unit recorded two state fiscal year-end estimated accruals totaling \$8,668,982. The Authority did not retain the obligation workbook used at the time of calculating these estimated accruals. Without this documentation, we were unable to assess the accuracy of the obligated amount. However, the Authority confirmed that the obligation amount used in the calculation included expenditures that were incurred after the state fiscal year. Any expenditures incurred after the state fiscal year has ended are not allowed to be included in an accrual.

Furthermore, provider payments liquidated after the state fiscal year are not assigned to the estimated accrual in the accounting system. Therefore, we could not determine if the estimated accrual amount was reasonable and accurately reflected expenditures that occurred within the state 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

While the Authority has written procedures for the year-end estimated accruals, management did not ensure that only obligations within the state fiscal year were included. Furthermore, the Authority does not have a process in place to review estimated year-end accruals to verify the reasonableness of the accrual calculation.

Effect of Condition and Questioned Costs

Without retaining adequate support for the estimated year-end accruals and having a process to verify the reasonableness of the estimated calculation, the Authority cannot reasonably ensure that its MHBG expenditures are for allowable activities and within the period of performance. We identified \$8,668,982 in known questioned costs related to the estimated year-end accruals.

Without establishing adequate internal controls, the Authority cannot reasonably ensure it is using federal funds for allowable purposes and that spending occurs within the allowed 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 estimated accruals are reasonable and supported

- Improve its internal controls to ensure payments are within the award's period of performance
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

Authority's Response

HCA concurs in part. HCA acknowledges that the version of the document used to determine year-end accruals was not retained as a supporting document. We also acknowledge that some portion of the accrued amount could have included obligations beyond state fiscal year 2022.

HCA does not agree that we cannot reasonably ensure that MHBG expenditures are for allowable activities and within the period of performance. Expenditures reported on MHBG are prepared based on cash and liquidations and all costs are reviewed to ensure they meet the period of performance. While the year-end accruals may include some amounts beyond the state fiscal year, the amounts accrued were based on four quarters of activity. This would not result in errors in federal reporting or federal cash draws. To question the year-end accruals in their entirety is an overstatement of any potential error that was made. The year-end accruals were solely recorded as estimate, and were not used to make any program payments or draw funds from the grantor. HCA only makes program payments to subrecipients and contractors after receiving invoices which are reviewed by staff, including review that the expenditures are within the grant period of performance. HCA does not agree with repayment of the \$8,668,982 questioned costs associated with year-end accruals.

HCA notes that the \$8,668,982 questioned costs, do not meet the definition of Improper Payments as defined in Uniform Guidance 2 CFR 200.1. Based on preliminary discussions with the grantor, HCA should expect that repayment of questioned costs related to the accruals will not be requested as no funds were drawn. This information was shared with the auditor.

Auditor's Remarks

In its response, the Authority acknowledged it did not retain supporting documentation to verify the year-end estimated accrual expenditures were incurred during the state fiscal year. Furthermore, the Authority acknowledged that the year-end estimated accruals likely included expenditures incurred after the state fiscal year.

The Authority reports cash and accrued expenditures on the Schedule of Expenditures of Federal Awards and, as such, the accruals are required to be audited. In our judgment, the Authority does not have sufficient processes in place to verify the reasonableness of the year-end estimated accrual calculations.

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

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.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200.1, Uniform Guidance establishes definitions for improper payments, which states impart: (2) Where the costs, at the time of the audit are not supported by adequate documentation. Part 200.410 establishes requirements for the collection of unallowable costs.

Title 2 CFR Part 200, Uniform Guidance, section 502, Basis for determining Federal awards expended, states in part:

- (a) *Determining Federal awards expended.* The determination of when a Federal award is expended must be based on when the activity related to the Federal award occurs. Generally, the activity pertains to events that require the non-Federal entity to comply with Federal statutes, regulations, and the terms and conditions of Federal awards, such as: expenditure/expense transactions associated with awards including grants, cost-reimbursement contracts under FAR, compacts with Indian Tribes, cooperative agreements, and direct appropriations; the disbursement of funds to subrecipients, the use of loan proceeds under loan and loan guarantee programs; the receipt of property; the receipt of surplus property; the receipt or use of program income; the distribution or use of food commodities; the disbursement of amounts entitling the non-Federal entity to an interest subsidy; and the period when insurance is in force.

Title 2 CFR Part 200, Uniform Guidance, section 510, Financial statements, states in part:

- (b) *Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with 200.52.

Behavioral Health Grant Unit Procedures, state in part:

WHAT IS ACCRUAL: Fiscal year end and end of biennium contract subsequent payments.

PURPOSE: To prepare contract accruals for the end of the fiscal year or biennium and the subsequent payment of those invoices by the Behavioral Health Grant Unit.

BACKGROUND: Accruals and liquidations are looked at a high-level by program, fund, and fund sources (GF-S/GF-F), to see if the agency has over liquidated our authority. Some accruals are based on actual billings/claims, but a good chunk is based on estimates, because of the lag in billings, as well as the amount of contracts per grant; mainly block and SOR.

BLOCK GRANT AND SOR PROCESS

1. Create a SFYXX Accrual workbook using a JV workbook template.
2. Pull grant direct expenditure data to date including GL 0159 (liquidations), cash expenditures (6510), and accruals (6505), using your grant Webi criteria.
 - a. We pull in accruals (GL6505), because we want to see accruals that have already been booked by AP, so we don't double book them.
 - b. Expenditures paid in the new SFY will automatically need to be accrued since they weren't paid in by the end of the SFY.
 - c. Filter out/do not accrue on any interagency transactions including state universities. Those are processed outside of our unit.
3. Take total SFY of year processing obligation from grant spreadsheet.
 - **NOTE:** For auditing purposes, if one was to reproduce the obligation amount it could change if you refer to the original document later than the date that we established the original obligation amount. Please always refer to the accrual spreadsheet for the obligation amount pulled at the time for the purpose of accruals.
4. Reduce the obligation amount by 2% so that we don't over accrue (The percentage was recommended...due to not spending everything that is obligated.).
5. First pivot to run is to identify total expenditures and accruals for SFY being processed. Use the expenditure amount for the second pivot table.
6. Second pivot to run is to figure out the split out the expenditure between ER and NB, because they are the most common. Calculate the left to accrue amount by taking the

obligations with 2% reduction subtracting the expenditures as well as the previous accrual amount. To see what you need to accrue.

7. Third and Fourth pivot tables find the most common PI for each of the subobjects.
8. Fifth pivot table identifies most common org index.
9. Calculate percentages to spread the accrual across ER and /or NB in allocations, per grant.
10. Complete the rest of the workbook following our JV process with obtaining the JV log number, filling out the JV log, adding the explanation and backup data for the upload and release tab. On the JV tab complete the TC to be 736 and include GL 5111. If we need to complete a reversal the TC would be 736R.
11. Upload and email the JV to Supervisor and Lead.
12. Supervisor and Lead review, approve, and release the JV.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-064 The Health Care Authority did not have adequate internal controls over level of effort requirements for the Block Grants for Community Mental Health Services program.

Assistance Listing Number and Title:	93.958 Block Grants for Community Mental Health Services 93.958 COVID-19 Block Grants for Community Mental Health Services
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	1B09SM082638-01; 6B09SM082638-01M001; 6B09SM082638-01M004; 6B09SM082638-01M002; 6B09SM082638-01M003; 6B09SM083829-01M001; 1B09SM083829-01; 1B09SM086035-01; 6B09SM086035-01M001; 6B09SM086035-01M002; 6B09SM086035-01M003; 1B09SM085384-01; 1B09SM085912-01; 1B09SM083998-01
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Level of Effort
Known Questioned Cost Amount:	None

Background

The Health Care Authority, Division of Behavioral Health and Recovery, administers the Block Grants for Community Mental Health Services. The Authority subawards federal funds to counties, tribes and nonprofit organizations to provide mental health treatment and crisis services to adults diagnosed with serious mental illness and children diagnosed with serious emotional

disturbances. In fiscal year 2022, the Authority spent approximately \$31.7 million in federal program funds, \$20.5 million of which it paid to subrecipients.

Federal regulations require the Authority to maintain state spending at certain levels to meet federal grant requirements. Specifically, the Authority must maintain state spending at a level that is no less than the average of the previous two years of spending for 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.

Description of Condition

The Authority did not have adequate internal controls over level of effort requirements for the Block Grants for Community Mental Health Services program.

To monitor state funding levels, the Authority generates reports from its accounting system each quarter to determine if current expenditures are on track to meet level of effort requirements for all open grant awards. Upon closing each grant, the Authority also generates a final report to ensure the requirements were met. Throughout the year, fiscal staff generated the reports using incorrect expenditure criteria and, therefore, tracked the wrong expenditure amounts.

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

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

Cause of Condition

The written procedures Authority staff used to prepare the reports contained wrong instructions with incorrect expenditure criteria for generating the report. Furthermore, the Authority did not require documented management review of the quarterly tracking workbooks to ensure they were accurate.

Effect of Condition

As a result of the Authority using incorrect expenditure criteria during the audit period, tracking workbooks for three of the four quarters contained incorrect expenditures amounts that were used to calculate the two-year average. Therefore, the Authority calculated the two-year average incorrectly.

Furthermore, the Authority was required to maintain state expenditures at no less than the average of the prior two fiscal year spending levels, or \$472,042,275. The Authority reported \$527,952,071 in state expenditures for state fiscal year 2022. However, due to the incorrect expenditure criteria being used, it was determined the Authority actually spent \$557,351,803, resulting in an

underreporting of \$29,399,732. While the Authority met the level of effort requirement, three of the four quarterly tracking workbooks contained incorrect state expenditure totals, and this internal control weakness could lead to noncompliance if not corrected.

By not establishing adequate internal controls, the Authority cannot ensure it meets the level of effort requirement.

Recommendations

We recommend the Authority:

- Ensure the written procedures for completing the quarterly level of effort tracking workbooks are accurate and complete
- Ensure correct information is used to monitor spending levels
- Improve internal controls to ensure sufficient monitoring of level of effort requirements

Authority's Response

We concur with the finding and recommendations. HCA has updated its procedures to include a greater level of review and approval to ensure information prepared is complete and accurate.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 42 U.S. Code 300x-4, *Additional provisions*, states in part:

- (b) Maintenance of effort regarding State expenditures for mental health

(2) In general

A funding agreement for a grant under section 300x of this title is that the State involved will maintain State expenditures for community mental health services at a level that is not less than the average level of such expenditures maintained by the State for the 2-year period preceding the fiscal year for which the State is applying for the grant.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-065 The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it filed accurate and timely reports required by the Federal Funding Accountability and Transparency Act for the Block Grants for Community Mental Health Services.

Assistance Listing Number and Title:	93.958 Block Grants for Community Mental Health Services 93.958 COVID-19 Block Grants for Community Mental Health Services
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	1B09SM082638-01; 6B09SM082638-01M001; 6B09SM082638-01M004; 6B09SM082638-01M002; 6B09SM082638-01M003; 6B09SM083829-01M001; 1B09SM083829-01; 1B09SM086035-01; 6B09SM086035-01M001; 6B09SM086035-01M002; 6B09SM086035-01M003; 1B09SM085384-01; 1B09SM085912-01; 1B09SM083998-01
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None

Background

The Health Care Authority, Division of Behavioral Health and Recovery, administers the Block Grants for Community Mental Health Services. The Authority subawards federal funds to

counties, tribes and nonprofit organizations to provide mental health treatment and crisis services to adults diagnosed with serious mental illness and children diagnosed with serious emotional disturbances. In fiscal year 2022, the Authority spent approximately \$31.7 million in federal program funds, \$20.5 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 accurate and timely reports required by the Act.

During the audit period, the Authority was required to report approximately \$10.3 million of program funds that it awarded to 12 subrecipients through 21 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 has multiple divisions that subaward program funds, and it did not have a process in place to gather subaward information from each division so it could submit these required reports to the federal government.

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 has developed a procedure coordinating between responsible divisions to ensure FFATA reports are submitted. This procedure was in place for SFY 2023.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 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

1. 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 <https://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, 2020.)
3. *What to report.* You must report the information about each obligating action that the submission instructions posted at <https://www.fsrs.gov> specify.

Notice of Block Grants for Community Mental Health Federal Grant Award, Grant Number 1B09SM082638-01, states in part:

MHBG 2020 Standard Terms and Conditions

9) 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, 2021 through June 30, 2022

2022-066 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 Community Mental Health Services program and the Block Grants for Prevention and Treatment of Substance Abuse program received required single audits, and that it appropriately followed up on findings and issued management decisions.

Assistance Listing Number and Title: 93.958 Block Grants for Community Mental Health Services

93.958 COVID-19 Block Grants for Community Mental Health Services

93.959 Block Grants for Prevention and Treatment of Substance Abuse

93.959 COVID-19 Block Grants for Prevention and Treatment of Substance Abuse

Federal Grantor Name: U.S. Department of Health and Human Services

Federal Award Number: 1B09SM082638-01; 6B09SM082638-01M001; 6N09SM082638-01M004; 6B09SM082638-01M002; 6B09SM082638-01M003; 6N09SM083829-01M001; 1B09SM083829-01; 1B09SM086035-01; 6B09SM086035-01M001; 6B09SM086035-01M002; 6B09SM086035-01M003; 1B09SM085384-01; 1B09SM085912-01; 1B09SM083998-01; 1B08TI083138-01; 6B08TI083138-01M003; 6B08TI083138-01M004; 6B08TI083486-01M001; 6B08TI083486-01M002; 6B08TI083486-01M004; 1B08TI83519-01; 1B08TI084681-01; 1B08TI083977-01

Pass-through Entity: None

Pass-through Award/Contract Number: None
Applicable Compliance Component: Subrecipient Monitoring
Known Questioned Cost Amount: None

Background

The Health Care Authority, Division of Behavioral Health and Recovery, administers the Block Grants for Community Mental Health Services (MHBG) and the Block Grants for Prevention and Treatment of Substance Abuse (SABG) programs. The Authority subawards federal funds to counties, tribes, and nonprofit organizations to provide mental health treatment and crisis services to adults diagnosed with serious mental illness and children diagnosed with serious emotional disturbances, as well as develop substance abuse prevention programs and provide treatment and support services. In fiscal year 2022, the Authority spent about \$31.7 million in federal program funds for MHBG and about \$67.3 million in federal program funds for SABG. Of these amounts, the Authority passed about \$20.5 million to MHBG subrecipients and \$52 million to SABG subrecipients.

Federal regulations require the Authority to monitor its subrecipients' activities. This includes verifying that its 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 30 days after receiving the auditor's report or nine months after the end of the subrecipient's audit period, whichever is earlier.

Additionally, for the awards it passes onto its subrecipients, the Authority must follow up and ensure the subrecipients take timely and appropriate corrective action on all deficiencies identified through audits. When a subrecipient receives an audit finding for an Authority-funded program, federal law requires the Authority to issue a management decision to the subrecipient within six months of the audit report's acceptance by the Federal Audit Clearinghouse. The management decision must clearly state whether the audit finding is sustained, the reason for the decision, and the actions the subrecipient is expected to take, such as repaying unallowable costs or making financial adjustments. These requirements help ensure subrecipients use federal program funds for authorized purposes and within the provisions of contracts or grant agreements.

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 subrecipients of the MHBG and SABG programs received required single audits, and that it appropriately followed up on findings and issued management decisions.

We found the Authority did not have adequate internal controls in place to verify whether:

- Subrecipients received required audits, if necessary, and appropriate remedies were taken if audits were not filed
- Follow up occurred on findings and management decisions were issued when due

We used a nonstatistical sampling method to randomly select and examine 17 out of a total population of 129 subrecipients. We found the Authority did not monitor one subrecipient (6 percent) to ensure it received a single audit when required.

Additionally, we identified one subrecipient that received a single audit finding for which the Authority was required to issue a management decision. We found the Authority did not issue a management decision for this subrecipient.

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 Authority did not have written policies or procedures to ensure all subrecipients received an audit when required and management decisions were issued. In addition, staff used a tracking sheet to monitor the subrecipient audit requirements but did not detect the identified noncompliance.

Effect of Condition

Without establishing adequate internal controls, the Authority cannot ensure all subrecipients that required a single audit received one. Furthermore, the Authority cannot ensure it is following up on subrecipient single audit findings and communicating required management decisions to subrecipients. By failing to ensure subrecipients establish corrective actions and management monitors them for effectiveness, the Authority cannot determine whether subrecipients have sufficiently corrected issues identified in audit findings.

Recommendations

We recommend the Authority:

- Establish and follow policies and procedures to ensure subrecipients obtain required single audits
- Establish and follow effective internal controls to ensure it issues management decisions by the due date and follows up on all subrecipient audit findings related to the programs
- Ensure subrecipients develop and perform acceptable corrective actions to adequately address all audit recommendations

Authority's Response

HCA concurs with the finding.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200, Uniform Guidance, establishes the following applicable requirements:

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:
 - (5) 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.
 - (6) 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.

(7) 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.

(g) Verify that every subrecipient is audited as required by Subpart F of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set for the in §200.501 Audit requirements.

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:

- (g) 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.
- (h) 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.
- (i) Wholly or partly suspend or terminate the Federal award.
- (j) 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).
- (k) Withhold further Federal awards for the project or program.
- (l) Take other remedies that may be legally available.

Section 200.501 Audit requirements, states in part:

- (c) 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.
- (d) 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:

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

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-067 The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure payments to providers for the Block Grants for Prevention and Treatment of Substance Abuse program were allowable and met period of performance requirements.

Assistance Listing Number and Title:	93.959 Block Grants for Prevention and Treatment of Substance Abuse 93.959 COVID-19 Block Grants for Prevention and Substance Abuse
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	1B08TI083138-01; 6B08TI083138-01M003; 6B08TI083138-01M004; 6B08TI083486-01M001; 6B08TI083486-01M002; 6B08TI083486-01M004; 1B08TI83519-01; 1B08TI084681-01; 1B08TI083977-01
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs/Cost Principles Period of Performance
Known Questioned Cost Amount:	\$19,959,714

Background

The Health Care 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. In fiscal year 2022, the Authority spent about \$67.3 million in federal program funds, \$52 million of which it paid to subrecipients.

The Authority can use grant funds only for costs that are allowable and incurred during the period of performance, as specified in the grant's terms and conditions. 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 period.

The Authority follows the accrual basis of accounting and uses the Agency Financial Reporting System (AFRS), which is the state's central accounting system, to record federal expenditures. At the end of the fiscal year, the Authority's federal financial reporting (FFR) unit estimates the amount of outstanding obligations to providers. These amounts are recorded in AFRS as an accrued expenditure for SABG and subsequently reported to OFM for the compilation of the Schedule of Expenditures of Federal Awards.

FFR has written procedures for calculating its estimated accruals. The calculation begins by using a spreadsheet that tracks contractual obligations to SABG subrecipients and vendors to determine the total state obligation amount through the end of the subaward or contract, which usually extend past the end of the current state fiscal year. This total is then reduced by the number of actual payments made to the subrecipients and vendors and is also reduced an additional 2 percent to account for anticipated underspending. The remaining total is then recorded as an estimated accrual for the fiscal year.

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 two audits, we reported the Authority did not have adequate internal controls to ensure payments made under the SABG program met the period of performance requirements. The prior finding numbers were 2020-059 and 2021-057.

Description of Condition

The Authority did not have adequate internal controls over and did not comply with requirements to ensure payments to providers for the SABG program were allowable and met period of performance requirements.

Year-end Estimated Accruals

During the audit period, the FFR unit recorded two state fiscal year-end estimated accruals totaling \$19,870,537. The Authority did not retain the obligation workbook used at the time of calculating these estimated accruals. Without this documentation, we were unable to assess the accuracy of

the obligated amount. However, the Authority confirmed that the obligation amount used in the calculation included expenditures that were incurred after the state fiscal year. Any expenditures incurred after the state fiscal year has ended are not allowed to be included in an accrual.

Furthermore, provider payments liquidated after the state fiscal year are not assigned to the estimated accrual in the accounting system. Therefore, we could not determine if the estimated accrual amount was reasonable and accurately reflected expenditures that occurred within the state fiscal year.

Transaction Testing

We judgmentally selected and examined two expenditures that were recorded in the accounting system with service months prior to the allowed period of performance for the SABG federal fiscal year 2022 award. We found one of the expenditures (50 percent) was an accrual made at the end of the year with no subsequent liquidation payment.

We also judgmentally selected and examined five out of a total population of 24 expenditures made during the SABG federal fiscal year 2020 award liquidation period. We found three expenditures (60 percent) were for indirect charges automatically applied to the award through the Authority's cost allocation system for activities that occurred after the allowed period of performance.

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

Cause of Condition

While the Authority had written procedures for the year-end estimated accrual, management did not ensure that only obligations incurred within the state fiscal year were included. Furthermore, the Authority did not have a process in place to review estimated year-end accruals to verify the reasonableness of the accrual calculation.

Additionally, management did not ensure that the cost allocation system only allowed indirect payments occurring within an award's period of performance to be charged to the grant, and did not monitor sufficiently to detect the improper charges.

Effect of Condition and Questioned Costs

Without retaining adequate support for the estimated year-end accruals and having a process to verify the reasonableness of the estimated calculation, the Authority cannot reasonably ensure its SABG expenditures are for allowable activities and within the period of performance. We identified \$19,870,537 in known questioned costs related to the estimated year-end accruals.

For the federal fiscal year 2022 award that opened during the audit period, we identified questioned costs totaling \$85,492 for services performed outside the period of performance.

For the federal fiscal year 2020 award that closed during the audit period, we identified questioned costs totaling \$3,685 for indirect expenditures that were unallowable.

In total, we identified \$19,959,714 in known federal questioned costs.

Without establishing adequate internal controls, the Authority cannot reasonably ensure it is using federal funds for allowable purposes and that spending occurs within the allowed 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 estimated accruals are reasonable and supported
- Improve its internal controls to ensure the cost allocation system only charges eligible costs to the grant
- Improve its internal controls to ensure payments are within the award's period of performance
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

Authority's Response

HCA concurs in part. HCA acknowledges that the version of the document used to determine year-end accruals was not retained as a supporting document. We also acknowledge that some portion of the accrued amount could have included obligations beyond state fiscal year 2022.

HCA does not agree that we cannot reasonably ensure that SABG expenditures are for allowable activities and within the period of performance. Expenditures reported on SABG are prepared based on cash and liquidations and all costs are reviewed to ensure they meet the period of performance. While the year-end accruals may include some amounts beyond the state fiscal year, the amounts accrued were based on four quarters of activity. This would not result in errors in federal reporting or federal cash draws. To question the year-end accruals in their entirety is an overstatement of any potential error that was made. The year-end accruals were solely recorded as estimates, and were not used to make any program payments or draw funds from the grantor. HCA only makes program payments to subrecipients and contractors after receiving invoices which are reviewed by staff, including review that the expenditures are within the grant

period of performance. HCA does not agree with repayment of the \$19,870,537 questioned costs associated with year-end accruals.

HCA also does not concur with repayment of the \$85,492 questioned costs associated with an accrual transaction. An accrual was entered in the accounting system based on expected billing. No invoice for the transaction was received for FY 22 grant activity, and as noted in the finding no payment was made. HCA does not draw funds from the grantor until a payment is made, and as a result no funds were drawn for this accrual.

HCA concurs with the \$3,685 for indirect expenditures that were unallowable for the grant award. An accounting cost center was not correctly updated at the end of the grant period, and as a result some termination leave indirect expenditures were charged to the grant after the period of performance ended. HCA will review processes to ensure cost centers are appropriately closed to prevent unallowable expenditures from being charged to grant awards and discuss repayment with the grantor.

HCA notes that of the total \$19,959,714 questioned costs, only \$3,685 meet the definition of Improper Payments as defined in Uniform Guidance 2 CFR 200.1. Based on preliminary discussions with the grantor, HCA should expect that repayment of questioned costs related to the accruals will not be requested as no funds were drawn. This information was shared with the auditor.

Auditor's Remarks

In its response, the Authority acknowledged it did not retain supporting documentation to verify the year-end estimated accrual expenditures were incurred during the state fiscal year. Furthermore, the Authority acknowledged that the year-end estimated accruals likely included expenditures incurred after the state fiscal year.

The Authority reports cash and accrued expenditures on the Schedule of Expenditures of Federal Awards and, as such, the accruals are required to be audited. In our judgment, the Authority does not have sufficient processes in place to verify the reasonableness of the year-end estimated accrual calculations.

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

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.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200.1, Uniform Guidance, establishes definitions for improper payments, which states in part: (2) Where the costs, at the time of the audit, are not supported by adequate documentation. Part 200.410 establishes requirements for the collection of unallowable costs.

Title 2 CFR Part 200, Uniform Guidance, section 502, Basis for determining Federal awards expended, states in part:

- (a) *Determining Federal awards expended.* The determination of when a Federal award is expended must be based on when the activity related to the Federal award occurs. Generally, the activity pertains to events that require the non-Federal entity to comply with Federal statutes, regulations, and the terms and conditions of Federal awards, such as: expenditure/expense transactions associated with awards including grants, cost-reimbursement contracts under FAR, compacts with Indian Tribes, cooperative agreements, and direct appropriations; the disbursement of funds to subrecipients, the use of loan proceeds under loan and loan guarantee programs; the receipt of property; the receipt of surplus property; the receipt or use of program income; the distribution or use of food commodities; the disbursement of amounts entitling the non-Federal entity to an interest subsidy; and the period when insurance is in force.

Title 2 CFR Part 200, Uniform Guidance, section 510, Financial statements, states in part:

- (b) *Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with 200.502.

Behavioral Health Grant Unit Procedures, state in part:

WHAT IS ACCRUAL: Fiscal year end and end of biennium contract subsequent payments.

PURPOSE: To prepare contact accruals for the end of the fiscal year or biennium and the subsequent payment of those invoices by the Behavioral Health Grant Unit.

BACKGROUND: Accruals and liquidations are looked at a high-level by program, fund, and fund sources (GF-S/GF-F), to see if the agency has over liquidated our authority. Some accruals are based on actual billings/claims, but a good chunk is based on estimates, because of the lag in billings, as well as the amount of contracts per grant; mainly block and SOR.

BLOCK GRANT AND SOR PROCESS

13. Create a SFYXX Accrual workbook using a JV workbook template.
14. Pull grant direct expenditure data to date including GL 0159 (liquidations), cash expenditures (6510), and accruals (6505), using your grant Webi criteria.
 - a. We pull in accruals (GL6505), because we want to see accruals that have already been booked by AP, so we don't double book them.
 - b. Expenditures paid in the new SFY will automatically need to be accrued since they weren't paid in by the end of the SFY.
 - c. Filter out/do not accrue on any interagency transactions including state universities. Those are processed outside of our unit.
15. Take total SFY of year processing obligation from grant spreadsheet.
 - **NOTE:** For auditing purposes, if one was to reproduce the obligation amount it could change if you refer to the original document later than the date that we established the original obligation amount. Please always refer to the accrual spreadsheet for the obligation amount pulled at the time for the purpose of accruals.
16. Reduce the obligation amount by 2% so that we don't over accrue (The percentage was recommended...due to not spending everything that is obligated.).
17. First pivot to run is to identify total expenditures and accruals for SFY being processed. Use the expenditure amount for the second pivot table.
18. Second pivot to run is to figure out the split out the expenditure between ER and NB, because they are the most common. Calculate the left to accrue amount by taking the obligations with 2% reduction subtracting the expenditures as well as the previous accrual amount. To see what you need to accrue.
19. Third and Fourth pivot tables find the most common PI for each of the subobjects.
20. Fifth pivot table identifies most common org index.
21. Calculate percentages to spread the accrual across ER and /or NB in allocations, per grant.
22. Complete the rest of the workbook following our JV process with obtaining the JV log number, filling out the JV log, adding the explanation and backup data for the upload and release tab. On the JV tab complete the TC to be 736 and include GL 5111. If we need to complete a reversal the TC would be 736R.
23. Upload and email the JV to Supervisor and Lead.
24. Supervisor and Lead review, approve, and release the JV.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-068 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.

Assistance Listing Number and Title:	93.959 Block Grants for Prevention and Treatment of Substance Abuse 93.959 COVID-19 Block Grants for Prevention and Treatment of Substance Abuse
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	1B08TI083138-01; 6B08TI083138-01M003; 6B08TI083138-01M004; 6B08TI083486-01M001; 6B08TI083486-01M002; 6B08TI083486-01M004; 1B08TI83519-01; 1B08TI084681-01; 1B08TI083977-01
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Earmarking
Known Questioned Cost Amount:	\$661

Background

The Health Care 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 2022, the Authority spent approximately \$67.3 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.

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 requirement at the time the grant closes. Upon closing a grant, the Authority also runs a final report to ensure it met the requirement.

In prior audits, we reported the Authority did not have adequate internal controls and did not comply with earmarking requirements for the program. The prior finding number was 2021-056.

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.

During the audit period, the monthly tracking workbooks used to track the earmark requirement contained an erroneous calculation for determining the percentage of administrative costs. A \$13,212 supplement to the technical assistance award was incorrectly added to the base grant award amount instead of the technical assistance amount in the tracking workbook. We found the Authority closed the federal fiscal year 2020 grant while having exceeded the 5 percent administrative maximum.

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

Cause of Condition

Throughout the year, staff ran the required monthly reports using the expenditures to date to track the percentage of administrative costs to meet compliance. However, management did not review these workbooks to ensure they correctly calculated and monitored this requirement.

Effect of Condition and Questioned Costs

The Authority was awarded \$37,786,705 for the federal fiscal year 2020 grant. Therefore, it was allowed to spend \$1,889,335 on administrative expenditures. However, it spent \$1,889,996, which exceeded the administrative cost maximum by \$661. As a result, we are questioning the \$661 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

HCA concurs with the incorrect calculation of the administrative expenditure limit in the tracking workbooks and will implement formal review procedures for the tracking workbooks. However, HCA does not concur with the identified questioned costs. HCA processed subsequent adjustments reducing the final administrative expenditures charged to the grant award to \$1,840,664, less than the allowed amount of \$1,889,335. The auditor did not consider the adjustments during the audit.

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 \$661. In addition, the expenditures in question were still charged to the grant in the accounting system at the time the final report was submitted to the grantor and were not reversed until four months later. 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 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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 CFR Part 200.1, Uniform Guidance establishes definitions for improper payments. Part 200.410 establishes requirements for the collection of unallowable costs.

Title 2 CFR Part 200, Uniform Guidance, section 403, defines factors affecting Allowability of costs.

Title 45 CFR Part 96, Block Grants, section 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

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2021 through June 30, 2022

2022-069 **The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it filed accurate and timely reports required by the Federal Funding Accountability and Transparency Act for the Block Grants for Prevention and Treatment of Substance Abuse.**

Assistance Listing Number and Title:	93.959 Block Grants for Prevention and Treatment of Substance Abuse 93.959 COVID-19 Block Grants for Prevention and Treatment of Substance Abuse
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	1B08TI083138-01; 6B08TI083138-01M003; 6B08TI083138-01M004; 6B08TI083486-01M001; 6B08TI083486-01M002; 6B08TI083486-01M004; 1B08TI83519-01; 1B08TI084681-01; 1B08TI083977-01
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None

Background

The Health Care 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. In fiscal year 2022, the Authority spent about \$67.3 million in federal program funds, \$52 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.

In prior audits, we reported the Authority did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Act. The prior finding number was 2021-058.

Description of Condition

The Authority did not have adequate internal controls over and did not comply with requirements to ensure it filed accurate and timely reports required by the Act.

During the audit period, the Authority was required to report about \$34.3 million of program funds that it awarded to 63 subrecipients through 84 new and amended subawards for the primary SABG awards. We found the Authority only reported one subaward amendment totaling \$864,000 in FSRS as required.

Additionally, the Authority was required to report program funds that it subawarded to subrecipients for the SABG COVID-19 Emergency Funding and SABG American Rescue Plan Act awards. However, the Authority was unable to provide subaward details for these two awards. The Authority received about \$66 million for the two COVID-19-related awards. During the audit period, the Authority passed through about \$16.6 million of COVID-19 SABG funds to subrecipients. We found the Authority did not report any subawards for these additional COVID-19-related awards.

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

Cause of Condition

The Authority has multiple divisions that subaward programs funds, and it did not have a process in place to gather subaward information from each division so it could submit these required reports to the federal government.

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 has developed a procedure coordinating between responsible divisions to ensure FFATA reports are submitted. This procedure was in place for SFY 2023.

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), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 2 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

2. Reporting of first-tier subawards.

4. *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).
5. *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 <https://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, 2020.
6. *What to report.* You must report the information about each obligating action that the submission instructions posted at <https://www.fsrs.gov> specify.

Notice of Substance Abuse Prevention and Treatment Block Grant Federal Award, Grant Number 1B08TI083138-01, states in part:

SABG 2020 Standard Terms and Conditions

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, 2021 through June 30, 2022

2022-070 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.

Assistance Listing Number and Title: 93.959 Block Grants for Prevention and Treatment of Substance Abuse
93.959 COVID-19 Block Grants for Prevention and Treatment of Substance Abuse

Federal Grantor Name: U.S. Department of Health and Human Services

Federal Award Number: 1B08TI083138-01; 6B08TI083138-01M003; 6B08TI083138-01M004; 6B08TI083486-01M001; 6B08TI083486-01M002; 6B08TI083486-01M004; 1B08TI83519-01; 1B08TI084681-01; 1B08TI083977-01

Pass-through Entity: None

Pass-through Award/Contract Number: None

Applicable Compliance Component: Subrecipient Monitoring

Known Questioned Cost Amount: None

Background

The Health Care 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. In fiscal year 2022, the Authority spent about \$67.3 million in federal program funds, \$52 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 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 prior audits 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 numbers were 2021-060 and 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.

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 Tribal Affairs unit did not complete a risk assessment for the one new subaward it issued during the audit period. In addition, we used a non-statistical sampling method to randomly select and examine 11 out of a total population of 51 new subawards issued by the other units during the state fiscal year. We found one of 11 (9 percent) did not receive a risk assessment during the audit period.

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

Cause of Condition

During the audit period, the Authority implemented a new risk assessment process, but it was not in place for all of the audit period. Prior to this new process, each unit was responsible for performing risk assessments for the subawards it monitors, but management did not provide sufficient oversight to ensure the Authority met this requirement. In addition, the Tribal Affairs unit did not have a risk assessment process in place.

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 risk the risk assessments to determine how much and what type of subrecipient monitoring to perform, as required by federal law

Authority's Response

HCA concurs with the findings, but with remarks. We concur that the Tribal Affairs unit did not complete risk assessments during the audit period, however, implementing a new process that will impact our Tribal partners appropriately requires more robust collaboration than with other partners. HCA is currently in active collaboration with the Tribes to incorporate a Tribal-specific risk assessment process to be implemented by July 1, 2023.

*Relating to the **one** finding outside of Tribal Affairs, it should be noted that the SAO is well-aware that HCA had not finalized incorporating risk assessments into the contracting process until FY 2022. The contract in question was provided a risk assessment as soon as practicable after the process had been incorporated. It should also be noted that HCA is not out of compliance with the law. 2 CFR 200 requires only that a risk assessment be done at some point. HCA has chosen to establish a process wherein we conduct risk assessments prior to contract execution. We understand that a risk assessment may not have been done during the audit period, but HCA disagrees with an implication that we are not in compliance with the law, as that is not accurate.*

Auditor's Remarks

While the Authority is correct that 2 CFR 200 does not explicitly require a risk assessment to be done prior to a contract being awarded, it does require the risk assessment be used to determine the level of monitoring for the subrecipient. In order to meet this requirement, the risk assessments must be completed timely to ensure the Authority implements required monitoring procedures to prevent noncompliance by the subrecipient.

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

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.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

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.

Title 45 CFR Part 75, Uniform Guidance 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 the 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).

State of Washington
Single Audit Report
For Fiscal Year Ended
June 30, 2022

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

June 7, 2023

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 2022 Single Audit report.

Finding Number	State Agency	Corrective Action Status	Page Number
2021-001	State of Washington	In progress	H - 15
2021-002	The Office of Superintendent of Public Instruction	Complete	H - 17
2021-003	The Office of Superintendent of Public Instruction	In progress	H - 18
2021-004	Department of Health	In progress	H - 19
2021-005	Employment Security Department	In progress	H - 20
2021-006	Employment Security Department	Complete	H - 21
2021-007	Employment Security Department	In progress	H - 22
2021-008	Department of Transportation	In progress	H - 23
2021-009	Department of Transportation	Complete	H - 25
2021-010	Department of Transportation	In progress	H - 27
2021-011	Department of Transportation	In progress	H - 28

Finding Number	State Agency	Corrective Action Status	Page Number
2021-012	Department of Social and Health Services	In progress	H - 29
2021-013	Department of Commerce	In progress	H - 31
2021-014	Office of Financial Management	In progress	H -32
2021-015	Department of Social and Health Services	In progress	H - 33
2021-016	Department of Commerce	In progress	H - 35
2021-017	Department of Corrections	In progress	H - 37
2021-018	Department of Agriculture	In progress	H - 39
2021-019	Department of Agriculture	In progress	H - 40
2021-020	Washington State University	Complete	H - 42
2021-021	The Office of Superintendent of Public Instruction	In progress	H - 43
2021-022	The Office of Superintendent of Public Instruction	Complete	H - 45
2021-023	The Office of Superintendent of Public Instruction	In progress	H - 46
2021-024	Washington State University	Complete	H - 47
2021-025	The Office of Superintendent of Public Instruction	Complete	H - 48
2021-026	The Office of Superintendent of Public Instruction	Complete	H - 49
2021-027	Department of Social and Health Services	Complete	H - 50
2021-028	Department of Children, Youth, and Families	In progress	H - 51
2021-029	Department of Social and Health Services	Complete	H - 52
2021-030	Department of Social and Health Services	In progress	H - 54
2021-031	Department of Commerce	In progress	H - 55
2021-032	Department of Commerce	In progress	H - 57
2021-033	Department of Children, Youth, and Families	In progress	H - 59
2021-034	Department of Children, Youth, and Families	Complete	H - 60

Finding Number	State Agency	Corrective Action Status	Page Number
2021-035	Department of Children, Youth, and Families	In progress	H - 61
2021-036	Department of Children, Youth, and Families	In progress	H - 63
2021-037	Department of Children, Youth, and Families	In progress	H - 64
2021-038	Department of Children, Youth, and Families	In progress	H - 65
2021-039	Department of Children, Youth, and Families	In progress	H - 66
2021-040	Department of Children, Youth, and Families	In progress	H - 67
2021-041	Department of Children, Youth, and Families	Complete	H - 68
2021-042	Department of Children, Youth, and Families	Corrective action not taken	H - 69
2021-043	Department of Children, Youth, and Families	Complete	H - 70
2021-044	Department of Children, Youth, and Families	Complete	H - 71
2021-045	Department of Children, Youth, and Families	In progress	H - 72
2021-046	Health Care Authority	In progress	H - 73
2021-047	Health Care Authority	In progress	H - 74
2021-048	Health Care Authority	In progress	H - 75
2021-049	Department of Social and Health Services	In progress	H - 76
2021-050	Health Care Authority	In progress	H - 78
2021-051	Health Care Authority	In progress	H - 79
2021-052	Health Care Authority	In progress	H - 80
2021-053	Department of Social and Health Services	In progress	H - 81
2021-054	Department of Social and Health Services	In progress	H - 83
2021-055	Health Care Authority	Complete	H - 85
2021-056	Health Care Authority	In progress	H - 86
2021-057	Health Care Authority	In progress	H - 87
2021-058	Health Care Authority	In progress	H - 88
2021-059	Health Care Authority	Complete	H - 89

Finding Number	State Agency	Corrective Action Status	Page Number
2021-060	Health Care Authority	In progress	H - 90
2021-061	Health Care Authority	Complete	H - 91
2021-062	Employment Security Department	Complete	H - 92
2020-002	State of Washington	Repeat finding	Refer to finding 2021-001 at H - 15
2020-003	Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2021-002 at H - 17
2020-004	Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2021-003 at H - 18
2020-006	Department of Social and Health Services	Repeat finding	Refer to finding 2021-027 at H - 50
2020-011	Employment Security Department	Repeat finding	Refer to finding 2021-005 at H - 20
2020-012	Employment Security Department	Repeat finding	Refer to finding 2021-007 at H - 22
2020-013	Employment Security Department	Repeat finding	Refer to finding 2021-006 at H - 21
2020-014	Department of Transportation	Repeat finding	Refer to finding 2021-009 at H - 25
2020-015	Department of Transportation	Repeat finding	Refer to finding 2021-010 at H - 27
2020-016	Department of Transportation	Repeat finding	Refer to finding 2021-008 at H - 23
2020-017	Department of Transportation	Repeat finding	Refer to finding 2021-011 at H - 28
2020-018	Department of Children, Youth, and Families	Complete	H - 93
2020-019	Department of Health	Complete	H - 94
2020-020	Department of Social and Health Services	Corrective action not taken	H - 95
2020-021	Washington State University	Repeat finding	Refer to finding 2021-020 at H - 42
2020-026	Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2021-021 at H - 43
2020-028	Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2021-022 at H - 45

Finding Number	State Agency	Corrective Action Status	Page Number
2020-032	Department of Social and Health Services	In progress	H - 97
2020-037	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-034 at H - 60
2020-038	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-033 at H - 59
2020-039	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-035 at H - 61
2020-040	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-036 at H - 63
2020-041	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-037 at H - 64
2020-042	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-039 at H - 66
2020-044	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-042 at H - 69
2020-045	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-044 at H - 71
2020-046	Health Care Authority	Repeat finding	Refer to finding 2021-047 at H - 74
2020-047	Health Care Authority	Repeat finding	Refer to finding 2021-050 at H - 78
2020-048	Health Care Authority	Repeat finding	Refer to finding 2021-050 at H - 78
2020-049	Health Care Authority	Repeat finding	Refer to finding 2021-051 at H - 79
2020-050	Health Care Authority	Repeat finding	Refer to finding 2021-052 at H - 80
2020-051	Department of Social and Health Services	Repeat finding	Refer to finding 2021-049 at H - 76
2020-053	Department of Social and Health Services	In progress	H - 98
2020-054	Department of Social and Health Services	Repeat finding	Refer to finding 2021-053 at H - 81
2020-057	Health Care Authority	In progress	H - 99
2020-059	Health Care Authority	Repeat finding	Refer to finding 2021-057 at H - 87
2020-062	Health Care Authority	Repeat finding	Refer to finding 2021-059 at H - 89
2020-064	Health Care Authority	Repeat finding	Refer to finding 2021-060 at H - 90

Finding Number	State Agency	Corrective Action Status	Page Number
2020-065	Health Care Authority	Repeat finding	Refer to finding 2021-061 at H - 91
2019-001	State of Washington	Repeat finding	Refer to finding 2021-001 at H - 15
2019-004	The Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2021-002 at H - 17
2019-005	The Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2021-003 at H - 18
2019-008	Department of Social and Health Services	Repeat finding	Refer to finding 2021-027 at H - 50
2019-012	Employment Security Department	Repeat finding	Refer to finding 2021-006 at H - 21
2019-015	Department of Transportation	Repeat finding	Refer to finding 2021-008 at H - 23
2019-016	Department of Transportation	Repeat finding	Refer to finding 2021-009 at H - 25
2019-017	Department of Transportation	Repeat finding	Refer to finding 2021-010 at H - 27
2019-019	Department of Transportation	Repeat finding	Refer to finding 2021-011 at H - 28
2019-023	Department of Social and Health Services	Repeat finding	Refer to finding 2020-032 at H - 97
2019-032	Department of Social and Health Services	Repeat finding	Refer to finding 2021-035 at H - 61
2019-035	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-033 at H - 59
2019-036	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-034 at H - 60
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 2021-039 at H - 66
2019-044	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-042 at H - 69
2019-047	Health Care Authority	In progress	H - 102
2019-048	Health Care Authority	Repeat finding	Refer to finding 2021-047 at H - 74
2019-049	Health Care Authority	Corrective action not taken	H - 103

Finding Number	State Agency	Corrective Action Status	Page Number
2019-050	Health Care Authority	Complete	H - 104
2019-051	Health Care Authority	In progress	H - 105
2019-052	Health Care Authority	Repeat finding	Refer to finding 2021-050 at H - 78
2019-053	Health Care Authority	Repeat finding	Refer to finding 2021-050 at H - 78
2019-054	Department of Social and Health Services	Repeat finding	Refer to finding 2021-049 at H - 76
2019-055	Department of Social and Health Services	Complete	H - 106
2019-057	Department of Social and Health Services	In progress	H - 108
2019-058	Department of Social and Health Services	In progress	H - 111
2019-060	Department of Social and Health Services	Corrective action not taken	H - 113
2019-061	Department of Social and Health Services	Repeat finding	Refer to finding 2020-053 at H - 98
2019-066	Health Care Authority	Repeat finding	Refer to finding 2020-057 at H - 99
2018-001	State of Washington	Repeat finding	Refer to finding 2021-001 at H - 15
2018-012	Department of Transportation	Repeat finding	Refer to finding 2021-009 at H - 25
2018-023	Department of Social and Health Services	Repeat finding	Refer to finding 2020-032 at H - 97
2018-030	Department of Social and Health Services	Repeat finding	Refer to finding 2021-035 at H - 61
2018-033	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-034 at H - 60
2018-034	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-033 at H - 59
2018-035	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2021-039 at H - 66
2018-041	Health Care Authority	Repeat Finding	Refer to finding 2019-047 at H - 102
2018-042	Health Care Authority	Repeat finding	Refer to finding 2021-047 at H - 74
2018-046	Health Care Authority	Repeat Finding	Refer to finding 2019-051 at H - 105

Finding Number	State Agency	Corrective Action Status	Page Number
2018-047	Health Care Authority	Repeat finding	Refer to finding 2021-050 at H - 78
2018-048	Health Care Authority	Repeat Finding	Refer to finding 2019-049 at H - 103
2018-049	Health Care Authority	In progress	H - 114
2018-052	Department of Social and Health Services	Repeat finding	Refer to finding 2020-053 at H - 98
2018-054	Department of Social and Health Services	Repeat Finding	Refer to finding 2019-060 at H - 113
2018-058	Department of Social and Health Services	Repeat Finding	Refer to finding 2021-049 at H - 76
2018-059	Department of Social and Health Services	Repeat Finding	Refer to finding 2019-057 at H - 108
2018-060	Department of Social and Health Services	Repeat Finding	Refer to finding 2019-058 at H - 111
2017-001	State of Washington	Repeat Finding	Refer to finding 2021-001 at H - 15
2017-014	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-032 at H - 97
2017-024	Department of Early Learning	Repeat finding	Refer to finding 2021-033 at H - 59
2017-025	Department of Early Learning	Repeat finding	Refer to finding 2021-039 at H - 66
2017-026	Department of Social and Health Services	Repeat Finding	Refer to finding 2021-035 at H - 61
2017-031	State Health Care Authority	Repeat Finding	Refer to finding 2019-047 at H - 102
2017-032	Health Care Authority	In progress	H - 115
2017-033	Health Care Authority	Repeat finding	Refer to finding 2021-047 at H - 74
2017-036	Health Care Authority	In progress	H - 117
2017-037	Health Care Authority	Repeat Finding	Refer to finding 2019-051 at H - 105
2017-038	Health Care Authority	Repeat Finding	Refer to finding 2019-049 at H - 103
2017-039	Health Care Authority	Repeat Finding	Refer to finding 2018-049 at H - 114

Finding Number	State Agency	Corrective Action Status	Page Number
2017-040	Health Care Authority	Corrective Action Not Taken	H - 118
2017-042	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-053 at H - 98
2017-044	Department of Social and Health Services	Repeat Finding	Refer to finding 2021-049 at H - 76
2017-045	Department of Social and Health Services	Repeat Finding	Refer to finding 2019-057 at H - 108
2017-046	Department of Social and Health Services	Repeat Finding	Refer to finding 2019-058 at H - 111
2017-048	Department of Social and Health Services	Complete	H - 119
2017-050	Department of Social and Health Services	In progress	H - 121
2016-013	Department of Social and Health Services	Repeat finding	Refer to finding 2020-032 at H - 97
2016-021	Department of Early Learning	Repeat finding	Refer to finding 2021-033 at H - 59
2016-022	Department of Early Learning	Repeat finding	Refer to finding 2021-039 at H - 66
2016-023	Department of Social and Health Services	Repeat finding	Refer to finding 2021-035 at H - 61
2016-028	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 102
2016-032	Health Care Authority	In progress	H - 123
2016-034	Health Care Authority	Repeat finding	Refer to finding 2019-049 at H - 103
2016-037	Department of Social and Health Services	Repeat finding	Refer to finding 2020-053 at H - 98
2016-043	Department of Social and Health Services	Repeat finding	Refer to finding 2019-058 at H - 111
2016-044	Department of Social and Health Services	Repeat finding	Refer to finding 2017-048 at H - 119
2016-045	Department of Social and Health Services	Repeat Finding	Refer to finding 2021-049 at H - 76
2016-047	Department of Social and Health Services	In progress	H - 124
2015-023	Department of Early Learning	Repeat finding	Refer to finding 2021-033 at H - 59
2015-024	Department of Early Learning	Repeat finding	Refer to finding 2021-039 at H - 66

Finding Number	State Agency	Corrective Action Status	Page Number
2015-026	Department of Social and Health Services	Repeat finding	Refer to finding 2021-035 at H - 61
2015-030	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 102
2015-037	Health Care Authority	Complete	H - 125
2015-039	Health Care Authority	Repeat finding	Refer to finding 2019-049 at H - 103
2015-040	Department of Social and Health Services	Complete	H - 126
2015-045	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-053 at H - 98
2015-049	Department of Social and Health Services	Repeat Finding	Refer to finding 2021-049 at H - 76
2015-051	Department of Social and Health Services	Repeat finding	Refer to finding 2017-048 at H - 119
2014-023	Department of Early Learning	Repeat finding	Refer to finding 2021-033 at H - 59
2014-026	Department of Social and Health Services	Repeat finding	Refer to finding 2021-035 at H - 61
2014-034	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 102
2014-042	Department of Social and Health Services	Repeat Finding	Refer to finding 2021-049 at H - 76
2014-046	Department of Social and Health Services	Repeat finding	Refer to finding 2020-053 at H -98
2014-048	Department of Social and Health Services	Complete	H - 128
2013-016	Department of Early Learning	Repeat finding	Refer to finding 2021-033 at H - 59
2013-017	Department of Social and Health Services	Repeat finding	Refer to finding 2021-035 at H - 61
2013-020	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 102
2013-036	Department of Social and Health Services	Repeat Finding	Refer to finding 2021-049 at H - 76
12-28	Department of Early Learning	Repeat finding	Refer to finding 2021-033 at H - 59
12-30	Department of Social and Health Services	Repeat finding	Refer to finding 2021-035 at H - 61
12-39	Department of Social and Health Services	Repeat Finding	Refer to finding 2021-049 at H - 76

Finding Number	State Agency	Corrective Action Status	Page Number
12-49	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 102
11-23	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2021-033 at H - 59
11-38	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 102
10-31	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2021-033 at H - 59
10-40	Department of Social and Health Services	Repeat finding	Refer to finding 2019-047 at H - 102
09-12	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2021-033 at H - 59
09-19	Department of Social and Health Services	Repeat finding	Refer to finding 2019-047 at H - 102
08-13	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2021-033 at H - 59
08-25	Department of Social and Health Services	Repeat finding	Refer to finding 2019-047 at H - 102

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 2022 Single Audit.

We appreciate the efforts of the Washington State Auditor's Office in completing the Single Audit for the state for fiscal year 2022. If you have any questions regarding the Summary Schedule of Prior Audit Findings, please do not hesitate to contact our office.

Sincerely,

Brian Tinney
Statewide Accounting Director

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State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Status
2021	001	<p>Finding: The State lacked adequate internal controls over financial reporting for ensuring accurate recording and monitoring of financial activity in its financial statements.</p> <p>Questioned Costs: <u>CFDA #</u> N/A <u>Questioned Costs:</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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><i>State Board for Community and Technical Colleges (State Board)</i></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"> • 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. • Streamlined configuration for the automatic data upload process. • Finished converting all schools to the new ERP system. • Maintained monthly automated data uploads of State Board and all 36 colleges from the ERP system to AFRS. • 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. <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 Status
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 brian.tinney@ofm.wa.gov</p>

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status																				
2021	002	<p>Finding: 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> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="683 583 769 611"><u>CFDA #</u></th> <th data-bbox="987 583 1073 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="683 611 753 638">10.553</td> <td data-bbox="987 611 1016 638">\$0</td> </tr> <tr> <td data-bbox="683 638 867 665">10.553 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="683 665 753 693">10.555</td> <td></td> </tr> <tr> <td data-bbox="683 693 867 720">10.555 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="683 720 753 747">10.556</td> <td></td> </tr> <tr> <td data-bbox="683 747 867 774">10.556 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="683 774 753 802">10.559</td> <td></td> </tr> <tr> <td data-bbox="683 802 867 829">10.559 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="683 829 753 856">10.579</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: In response to prior year’s audit finding, the Office:</p> <ul style="list-style-type: none"> • Developed and implemented a new Child Nutrition Programs Agreement template in December 2019. The template includes information and attestation to suspension and debarment requirements. • Updated the internal process for review and approval of program applications. <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>Completion Date: June 2022</p> <p>Agency Contact: Leanne Eko Director, Child Nutrition Services PO Box 47200 Olympia, WA 98504 (360) 725-0410 Leanne.eko@k12.wa.us</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 Status																					
2021	003	<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 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"> • Implemented the internal policies and procedures established in August 2020 for the USDA-donated foods reconciliation process. • 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. <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 Leanne.eko@k12.wa.us</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 Status						
2021	004	<p>Finding: 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> <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>10.557</td> <td style="text-align: right;">\$6,711,342</td> </tr> <tr> <td>10.557 COVID-19</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>Completion Date: Estimated December 2022</p> <p>Agency Contact: Jeff Arbuckle External Audit Manager PO Box 47890 Olympia, WA 98504-7890 (360) 701-0798 Jeff.Arbuckle@doh.wa.gov</p>	<u>CFDA #</u>	<u>Amount</u>	10.557	\$6,711,342	10.557 COVID-19	
<u>CFDA #</u>	<u>Amount</u>							
10.557	\$6,711,342							
10.557 COVID-19								

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status
2021	005	<p>Finding: 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> <p>Questioned Costs: <u>CFDA #</u> <u>Amount</u> 17.225 \$0 17.225 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>Completion Date: In progress</p> <p>Agency Contact: Jay Summers External Audit Manager PO Box 9046 Olympia, WA 98507 (360) 529-6718 Joshua.Summers@esd.wa.gov</p>

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2021	006	<p>Finding: 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" data-bbox="509 615 1075 730"> <tr> <td data-bbox="509 615 630 642">Questioned</td> <td data-bbox="683 615 769 642"><u>CFDA #</u></td> <td data-bbox="987 615 1075 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="509 642 630 669">Costs:</td> <td data-bbox="683 642 753 669">17.258</td> <td data-bbox="987 642 1016 669">\$0</td> </tr> <tr> <td></td> <td data-bbox="683 669 753 697">17.259</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 697 753 724">17.278</td> <td></td> </tr> </table> <p>Status: No corrective action taken</p> <p>Corrective Action: 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>Completion Date: Not applicable</p> <p>Agency Contact: Jay Summers External Audit Manager PO Box 9046 Olympia, WA 98507 (360) 529-6718 Joshua.Summers@esd.wa.gov</p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	17.258	\$0		17.259			17.278	
Questioned	<u>CFDA #</u>	<u>Amount</u>												
Costs:	17.258	\$0												
	17.259													
	17.278													

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2021	007	<p>Finding: 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> <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;">17.258</td> <td style="text-align: center;">\$0</td> </tr> <tr> <td></td> <td style="text-align: center;">17.259</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">17.278</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • Updated the scripts in the Participant Individual Record Layout (PIRL) reporting system to reflect zero blank elements and only allowable values. • 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. • 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. <p>The Department will:</p> <ul style="list-style-type: none"> • Continue to execute the Data Element Validation policy update for the PIRL report per DOL expectations. • 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. <p>The conditions noted in this finding were previously reported in finding 2020-012.</p> <p>Completion Date: Estimated December 2024</p> <p>Agency Contact: Jay Summers External Audit Manager PO Box 9046 Olympia, WA 98507 (360) 529-6718 Joshua.Summers@esd.wa.gov</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 Status											
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 data-bbox="678 615 776 642"><u>CFDA #</u></td> <td data-bbox="987 615 1073 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 642 776 669">20.205</td> <td data-bbox="987 642 1016 669">\$0</td> </tr> <tr> <td colspan="2" data-bbox="678 669 1073 697">20.205 COVID-19</td> </tr> <tr> <td colspan="2" data-bbox="678 697 1073 724">20.219</td> </tr> <tr> <td colspan="2" data-bbox="678 724 1073 751">20.224</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"> • 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"> ○ Performing a PMR once a project is substantially complete or complete. ○ Not performing a PMR on projects with minimal risk. • 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. <p>FHWA is currently working to modify the Stewardship and Oversight (S&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&O Agreement. Once approved, Local Programs will:</p> <ul style="list-style-type: none"> • Design and implement a risk-based approach to completing PMRs. • Update the LAG to reflect the risk-based approach to complete PMRs. • Communicate changes to policies and procedures to Local Program staff and stakeholders. 	<u>CFDA #</u>	<u>Amount</u>	20.205	\$0	20.205 COVID-19		20.219		20.224	
<u>CFDA #</u>	<u>Amount</u>												
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20.205 COVID-19													
20.219													
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Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status
2021	008 (cont'd)	The conditions noted in this finding were previously reported in finding 2020-016 and 2019-015. Completion Date: Estimated December 2022 Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504 (360) 705-7035 danielje@wsdot.wa.gov

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status										
2021	009	<p>Finding: 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> <p>Questioned Costs:</p> <table border="0" data-bbox="678 615 1075 762"> <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 complete</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"> • As of June 2019, established a risk assessment program to inform required monitoring activities. • Developed a risk assessment form to document assessments performed. • Communicated information on the risk assessment program to appropriate headquarters and regional staff. • Reviewed initial risk assessment forms completed by regional staff to ensure they were completed properly. • As of June 2022, updated the risk assessment form to allow documentation of multiple obligations during a project's phase. <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"> • 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. • 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. • Communicate changes to the risk assessment approach to appropriate Local Program's staff and stakeholders. <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>											
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Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status
2021	009 (cont'd)	Completion Date: June 2022 Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504 (360) 705-7035 danielje@wsdot.wa.gov

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status										
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 data-bbox="678 615 764 642"><u>CFDA #</u></th> <th data-bbox="984 615 1070 642"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="678 642 748 669">20.205</td> <td data-bbox="984 642 1013 669">\$0</td> </tr> <tr> <td data-bbox="678 669 862 697">20.205 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="678 697 748 724">20.219</td> <td></td> </tr> <tr> <td data-bbox="678 724 748 751">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"> • 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. • Continue to review all single audits issued for subrecipient agencies and send Decision Letters based on SAO recommendations. <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 danielje@wsdot.wa.gov</p>	<u>CFDA #</u>	<u>Amount</u>	20.205	\$0	20.205 COVID-19		20.219		20.224	
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Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status											
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"> <thead> <tr> <th data-bbox="678 642 971 667"><u>CFDA #</u></th> <th data-bbox="971 642 1433 667"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="678 667 971 693">20.205</td> <td data-bbox="971 667 1433 693">\$0</td> </tr> <tr> <td data-bbox="678 693 971 718">20.205 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="678 718 971 743">20.219</td> <td></td> </tr> <tr> <td data-bbox="678 743 971 768">20.224</td> <td></td> </tr> </tbody> </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"> • 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. • Obtain approval of updates to the Construction Manual from the Federal Highway Administration. • Communicate changes in policies and procedures to Division staff and stakeholders. • Provide training to the Project Engineering Office to emphasize QA program requirements. <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 danielje@wsdot.wa.gov</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 Status				
2021	012	<p>Finding: 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> <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>21.019 COVID-19</td> <td style="text-align: right;">\$0</td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • Ensure contracts and monitoring plans clearly identify the required supporting documentation to be provided to the Department. • Establish procedures for corrective action in situations of noncompliance with contract requirements and monitoring plans. • Include language in the contract covering expectations for the subrecipient to provide adequate information prior to reimbursement. <p>Completion Date: 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 Status
2021	012 (cont'd)	Agency Contact: Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status				
2021	013	<p>Finding: 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> <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>21.019 COVID-19</td> <td style="text-align: right;">\$4,124,518</td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: Rental Assistance Program 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"> • Update the unit reimbursement procedures to include a requirement for specific back-up documentation to accompany payment requests. • Cross walk updated procedures with 2 CFR 200.332 to identify any additional requirements for pass-through entities. • Review the updated procedures with the Department’s internal control officer for review and feedback. • Audit the process during the next contracting cycle to ensure the procedure was followed. <p>The Federal Team manager will train current staff on the updated procedures and include the training when onboarding new staff.</p> <p>Local Government Assistance Program 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>Completion Date: Estimated September 2022</p> <p>Agency Contact: Gena Allen Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov</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 Status				
2021	014	<p>Finding: The Office of Financial Management did not have adequate internal controls over and did not comply with reporting requirements for the Coronavirus Relief Fund.</p> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <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;">21.019 COVID-19</td> <td style="text-align: right;">\$0</td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Office concurs with the finding.</p> <p>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:</p> <ul style="list-style-type: none"> • Transitioned the primary responsibility for the centralized CRF reporting to the Statewide Accounting Division. • Hired a Budget and Grants Coordinator with experience in federal reporting to oversee the reporting process. <p>The Office is:</p> <ul style="list-style-type: none"> • Closely monitoring all state agency CRF expenditures and reporting timelines to ensure compliance with federal requirements. • Maintaining all documentation submitted by each state agency in an electronic folder. <p>By October 2022, the Office will perform a full reconciliation of CRF expenditures to ensure the final report contains complete and accurate data.</p> <p>Completion Date: Estimated October 2022</p> <p>Agency Contact: Brian Tinney Statewide Accounting Assistant Director PO Box 43127 Olympia, WA 98504 (564) 999-1781 brian.tinney@ofm.wa.gov</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 Status
2021	015	<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 subawards contained all required information and subrecipients received risk assessments for the Coronavirus Relief Fund.</p> <p>Questioned Costs: <u>CFDA #</u> 21.019 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • 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. • 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. • 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. <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"> • Subrecipient and contractor determinations (2 CFR 200.331)

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2021	015 (cont'd)	<ul style="list-style-type: none"> • Subrecipient information required to be included in the contract (2 CFR 200.332(a)) • Conducting a risk assessment for each subrecipient for the purpose of determining the appropriate level of subrecipient monitoring (2 CFR 200.332(b)) <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 Richard.Meyer@dshs.wa.gov</p>

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status				
2021	016	<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 Coronavirus Relief Fund received risk assessments.</p> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <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;">21.019 COVID-19</td> <td style="text-align: right;">\$0</td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: Small Business Assistance Program 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"> • Completed new risk assessments for the 37 Associated Development Organizations that had an assessment originally completed in 2017. • Received a risk assessment from a new recipient that was contracted to provide the services to obtain documentation and disburse funding. • Evaluated current subrecipient monitoring procedures and implemented the following: <ul style="list-style-type: none"> ○ Perform desk monitoring on a monthly/quarterly basis based on the length of the contract and level of risk assessed. ○ Perform onsite monitoring prior to final payment and closeout of all federally funded contracts to ensure subrecipients meet all federal compliance requirements. • Established a process to review all federal award documents and subrecipient procedures based on the funding received to ensure compliance with applicable federal requirements. <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"> • 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. • Participated in five hours of training on desk monitoring and onsite monitoring. • Developed new onsite and desk monitoring forms based on federal requirements, which will be used for all subrecipient monitoring. <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 Status
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>Rental Assistance Program</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"> • Update the unit risk assessment procedures to include a requirement that the risk assessment form must be completed prior to contract execution. • Crosswalk the new procedures and the updated risk assessment form with CFR 200.332 to identify requirements for pass-through entities. • Review the procedure and form with the Department’s central contract office. • Provide training to current staff and new hires on the new procedures and form. <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 Gena.Allen@Commerce.wa.gov</p>

Department of Corrections

Agency 310

Fiscal Year	Finding Number	Finding and Corrective Action Status				
2021	017	<p>Finding: 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> <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>21.027 COVID-19</td> <td style="text-align: right;">\$17,380,061</td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • Review internal processes that identify eligible costs and ensure all applicable federal guidance is reviewed and documented in the grant files. • Review documentation requirements for each grant and ensure only eligible costs that occur within the period of performance are transferred. • Review record retention practices to improve organization of grant documentation for more effective responses to audit requests. <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>Completion Date: Estimated October 2022</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 Status
2021	017 (cont'd)	Agency Contact: Anita Kendall Senior Director, Business Services PO Box 41106 Olympia, WA 98504-1106 (360) 480-7915 Anita.kendall@doc.wa.gov

Department of Agriculture

Agency 495

Fiscal Year	Finding Number	Finding and Corrective Action Status				
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: <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>21.027 COVID-19</td> <td style="text-align: right;">\$10,528,205</td> </tr> </table></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"> • 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. • Contractors will be required to include suspension and debarment language in all lower tier agreements. • 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. • Review and update policies as needed to ensure procurement of goods and services comply with state and federal policies and procedures. • By June 30, 2023, develop agency policies and procedures for procurement and suspension and debarment, and provide training to staff on the federal requirements. <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 nroberts@agr.wa.gov</p>	<u>CFDA #</u>	<u>Amount</u>	21.027 COVID-19	\$10,528,205
<u>CFDA #</u>	<u>Amount</u>					
21.027 COVID-19	\$10,528,205					

Department of Agriculture

Agency 495

Fiscal Year	Finding Number	Finding and Corrective Action Status				
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: <table border="0" style="display: inline-table; vertical-align: top;"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="padding-right: 20px;"><u>Amount</u></td> </tr> <tr> <td>21.027 COVID-19</td> <td>\$3,371,121</td> </tr> </table></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"> • By September 30, 2022, update current federal contracts that will be active in fiscal year 2023 to include: <ul style="list-style-type: none"> ○ The 14 federal subaward elements as referenced in 2 CFR 200.332. ○ Subrecipient or contractor designation. ○ A link to the 2022 Compliance Supplement for the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF). • 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. • By June 2023: <ul style="list-style-type: none"> ○ Develop agency policies and procedures for subawards and risk assessments and provide training to staff on the requirements. ○ 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. <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>	<u>CFDA #</u>	<u>Amount</u>	21.027 COVID-19	\$3,371,121
<u>CFDA #</u>	<u>Amount</u>					
21.027 COVID-19	\$3,371,121					

Department of Agriculture

Agency 495

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2021	019 (cont'd)	Agency Contact:	Natasha Roberts Chief Financial Officer PO Box 42560 Olympia, WA 98504-2560 360-870-6217 nroberts@agr.wa.gov

Washington State University

Agency 365

Fiscal Year	Finding Number	Finding and Corrective Action Status																					
2021	020	<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> <table border="0"> <tr> <td data-bbox="509 615 623 642">Questioned</td> <td data-bbox="683 615 769 642"><u>CFDA #</u></td> <td data-bbox="987 615 1073 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="509 646 574 674">Costs:</td> <td data-bbox="683 646 753 674">84.007</td> <td data-bbox="987 646 1019 674">\$0</td> </tr> <tr> <td></td> <td data-bbox="683 678 753 705">84.033</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 709 753 737">84.038</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 741 753 768">84.063</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 772 753 800">84.268</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 804 753 831">84.379</td> <td></td> </tr> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: 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"> • Used the refined tools to perform comprehensive assessments of risks against the control environment. • Maintained documentation to support both the results of the assessment and the activities implemented to monitor and assess threats to information security. <p>The conditions noted in this finding were previously reported in finding 2020-021.</p> <p>Completion Date: March 2022</p> <p>Agency Contact: Heather Lopez Chief Audit Executive PO Box 64122 Pullman, WA 99164-1221 (509) 335-2001 hlopez@wsu.edu</p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	84.007	\$0		84.033			84.038			84.063			84.268			84.379	
Questioned	<u>CFDA #</u>	<u>Amount</u>																					
Costs:	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 Status
2021	021	<p>Finding: 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> <p>Questioned Costs: <u>CFDA #</u> 84.010 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • Regularly communicate with districts regarding the DASR requirements. • Send follow-up communications if completed submissions are not timely. • Provide districts with all required training materials to help ensure appropriate protocols are in place for the security of the tests. <p>The conditions noted in this finding were previously reported in finding 2020-026.</p>

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status
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 Christopher.Hanczrik@k12.wa.us

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status
2021	022	<p>Finding: 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> <p>Questioned Costs: <u>CFDA #</u> <u>Amount</u> 84.027 \$0 84.173</p> <p>Status: Corrective action complete</p> <p>Corrective Action: 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"> • Implemented a monthly expenditure reporting process for the Local Education Agencies (LEAs). • Provided instructions to LEAs within the grant application and included in Special Education Monthly Updates. • Used the fiscal risk assessment results to identify LEAs for onsite and desk reviews. <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>Completion Date: June 2022</p> <p>Agency Contact: Tania May Executive Director, Special Education P.O. Box 47200 Olympia, WA 98504 (360) 725-6075 Tania.may@k12.wa.us</p>

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status						
2021	023	<p>Finding: 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> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <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;">84.027</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: right;">84.173</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • 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"> ○ Providing documentation that supports the implementation of the approved CSA activities. ○ 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. ○ 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. • Updated fiscal/program monitoring guidance to reflect the above changes. <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>Completion Date: In progress</p> <p>Agency Contact: Tania May Executive Director of Special Education 600 Washington Street SE Olympia, WA 98504 (360) 725-6075 Tania.May@k12.wa.us</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 Status
2021	024	<p>Finding: 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> <p>Questioned Costs: <u>CFDA #</u> 84.038 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: 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"> • Request the Service Organization Controls (SOC) compliance audit report from ECSI in August/September each year for review of compliance with federal requirements. • Review and confirm that ECSI is in compliance with regulatory requirements, and sign and date the SOC audit report. <p>Additionally, the University:</p> <ul style="list-style-type: none"> • Assigned the Bursar’s Collection Manager to be responsible for overseeing the monitoring process, with the Bursar as the backup. • 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. • Requested and reviewed the 2021 SOC report and noted no exceptions. <p>Completion Date: January 2022</p> <p>Agency Contact: Heather Lopez Chief Audit Executive PO Box 64122 Pullman, WA 99164-1221 (509) 335-2001 hlopez@wsu.edu</p>

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2021	025	<p>Finding: 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> <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>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> </table></p> <p>Status: Corrective action complete</p> <p>Corrective Action: 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>Completion Date: January 2022</p> <p>Agency Contact: Amy Harris Director of Federal Fiscal Policy and Grants Management PO Box 47200 Olympia, WA 98504 (360) 688-0485 Amy.Harris@k12.wa.us</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 Status
2021	026	<p>Finding: 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> <p>Questioned Costs: <u>CFDA #</u> <u>Amount</u> 84.425D COVID-19 \$0 84.425R COVID-19 84.425U COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: 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"> • Updated the risk assessment to include the Education Stabilization Fund programs. • 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. <p>The Office will continue to:</p> <ul style="list-style-type: none"> • Improve internal controls to ensure risk assessments are performed for each subaward issued. • Document the results of each completed risk assessment for management evaluation to demonstrate compliance with federal requirements. <p>Completion Date: February 2022</p> <p>Agency Contact: Jason Miller Executive Director, Elementary Education, Early Learning, Special Programs & Federal Accountability PO Box 47200 Olympia, WA 98504 (360) 764-6079 Jason.Miller@k12.wa.us</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2021	027	<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 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="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;">\$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"> • Implemented a process to ensure monthly staff reconciliations are performed when key personnel are out of the office. • Developed standard guidelines and procedures for updating the eligible staff list in Barcode. • 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. <p>In February 2021, the Department:</p> <ul style="list-style-type: none"> • 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. • Updated current guidance to provide additional examples to staff on types of activities that are appropriate for each selection. <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 Richard.Meyer@dshs.wa.gov</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 Status
2021	028	<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 paid with Temporary Assistance for Needy Families funds were allowable and properly supported.</p> <p>Questioned Costs: <u>CFDA #</u> 93.558 <u>Amount</u> \$119,917,902</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • 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. • Review options available for processing adjustments to include transaction-level data that is sufficient to comply with federal regulations. <p>Completion Date: Estimated December 2022</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status					
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="678 642 1075 701"> <tr> <td data-bbox="678 642 808 674"><u>CFDA #</u></td> <td data-bbox="987 642 1075 674"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 674 808 701">93.558</td> <td data-bbox="987 674 1075 701">\$142</td> </tr> </table> <p>Corrective action complete</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><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 Status
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"> • Correctly coded the TANF program case as “not cooperating” which appropriately reduced the TANF assistance. • Processed an overpayment for the appropriate amount and sent an overpayment letter to the impacted household. <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: June 2022</p> <p>Agency Contact: Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status						
2021	030	<p>Finding: The Department of Social and Health Services improperly charged \$224,752 for the Child Support Enforcement and Child Support Enforcement Research programs.</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>93.563</td> <td style="text-align: right;">\$224,752</td> </tr> <tr> <td>93.564</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>Completion Date: In progress</p> <p>Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</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 Status						
2021	031	<p>Finding: 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> <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>93.568</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>93.568 COVID-19</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • Vetted award letters and funding allocations through the budget team and assistant director before issuing subawards to the LIHEAP network. • 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. • Designated the LIHEAP program manager to be responsible for performing the FFATA reporting duties. • 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. • 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. • 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. <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>Completion Date: In progress</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 Status
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 Status
2021	032	<p>Finding: 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> <p>Questioned Costs: <u>CFDA #</u> <u>Amount</u> 93.568 \$0 93.568 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • Adding contract numbers to the LIHEAP database. • Requiring all contractors to enter the contract number for every payment. • Adding reporting criteria to Household Report. <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"> • Program Manager pulls the necessary reports. • Managing Director (MD) reviews reports before submittal. • Program Manager submits reports once MD approval is received. • Program Manager receives notice that the report has been accepted by the funder. • Program Manager saves a copy of the report, documentation, and acceptance.

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status
2021	032 (cont'd)	<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 Gena.Allen@Commerce.wa.gov</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2021	033	<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: <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;">\$271,353,409</td> </tr> <tr> <td>93.575 COVID-19</td> <td></td> </tr> <tr> <td>93.596</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>Completion Date: Estimated December 2022</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</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 Status								
2021	034	<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 charges paid by the Child Care and Development Fund cluster were allowable and properly supported.</p> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <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;">\$21,708,066</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> <p>Status: Corrective action complete</p> <p>Corrective Action: 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>Completion Date: October 2021</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</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 Status								
2021	035	<p>Finding: 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> <p>Questioned Costs:</p> <table border="0" data-bbox="678 583 1075 699"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>93.575</td> <td>\$32</td> </tr> <tr> <td>93.575 COVID-19</td> <td></td> </tr> <tr> <td>93.596</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • In July 2020: <ul style="list-style-type: none"> ○ 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. ○ 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. • In August 2020, replaced the Audit 99 auditing system with an updated audit platform that includes a database for root cause analysis. • 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. • In April 2021: <ul style="list-style-type: none"> ○ Hired a Quality Assurance Administrator to facilitate program integrity efforts based on audit findings and program needs. ○ Verified lead workers conduct coaching and auditing based on program needs to ensure consistency and compliance with program rules. • In May 2021: <ul style="list-style-type: none"> ○ Established a centralized audit team to conduct program audits following the requirements of the statewide single audit in accordance with the Uniform Guidance. 	<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 Status
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"> • Increased the income threshold to 60% of State Median Income (SMI) for applications and 65% of SMI for reapplications. • Created four copayment amounts based on a consumer’s household income range. • Standardized the provider payment rates to be paid at the State rate only. <p>In addition, the Department will continue to improve processes and internal controls, as follows:</p> <ul style="list-style-type: none"> • 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. • Add language to the Consumer’s Rights and Responsibilities Form to include the fraud penalty notice and the fraud reporting hotline number. <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 stefanie.niemela@dcyf.wa.gov</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status													
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" data-bbox="678 604 1084 716"> <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: right;">\$171,849</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>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"> • Establish written procedures for matching, level of effort, and earmarking requirements, and for fiscal monitoring of these areas. • Review options available for processing adjustments to include transaction-level data that is sufficient to comply with federal regulations. <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 stefanie.niemela@dcyf.wa.gov</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 Status								
2021	037	<p>Finding: 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> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="683 583 769 611"><u>CFDA #</u></th> <th data-bbox="992 583 1078 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="683 611 753 638">93.575</td> <td data-bbox="992 611 1062 638">\$4,039</td> </tr> <tr> <td data-bbox="683 638 867 665">93.575 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="683 665 753 693">93.596</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • Establish written procedures for complying with federal period of performance requirements and fiscal monitoring of these areas. • Review options available for processing adjustments to include transaction-level data that is sufficient to comply with federal regulations. <p>The conditions noted in this finding were previously reported in finding 2020-041.</p> <p>Completion Date: Estimated July 2023</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$4,039	93.575 COVID-19		93.596	
<u>CFDA #</u>	<u>Amount</u>									
93.575	\$4,039									
93.575 COVID-19										
93.596										

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2021	038	<p>Finding: 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> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="683 583 769 611"><u>CFDA #</u></th> <th data-bbox="987 583 1073 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="683 611 753 638">93.575</td> <td data-bbox="987 611 1016 638">\$0</td> </tr> <tr> <td data-bbox="683 638 867 665">93.575 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="683 665 753 693">93.596</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>Completion Date: Estimated December 2022</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$0	93.575 COVID-19		93.596	
<u>CFDA #</u>	<u>Amount</u>									
93.575	\$0									
93.575 COVID-19										
93.596										

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2021	039	<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: <u>CFDA #</u> <u>Amount</u> 93.575 \$0 93.575 COVID-19 93.596</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.</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 & 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>Completion Date: Estimated September 2022</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status						
2021	040	<p>Finding: 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> <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>93.658</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>93.658 COVID-19</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>Completion Date: Estimated December 2022</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>	<u>CFDA #</u>	<u>Amount</u>	93.658	\$0	93.658 COVID-19	
<u>CFDA #</u>	<u>Amount</u>							
93.658	\$0							
93.658 COVID-19								

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status						
2021	041	<p>Finding: 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> <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>93.658</td> <td style="text-align: right;">\$16,289,333</td> </tr> <tr> <td>93.658 COVID-19</td> <td></td> </tr> </table></p> <p>Status: Corrective action complete</p> <p>Corrective Action: 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"> • Verified all bases were included in the PACAP. • Updated and resubmitted the SFY21 PACAP to the Department of Health and Human Services. <p>Completion Date: June 2022</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</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 Status										
2021	042	<p>Finding: 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> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="683 583 769 611"><u>CFDA #</u></th> <th data-bbox="987 583 1073 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="683 615 753 642">93.658</td> <td data-bbox="987 615 1016 642">\$0</td> </tr> <tr> <td data-bbox="683 646 867 674">93.658 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="683 678 753 705">93.659</td> <td></td> </tr> <tr> <td data-bbox="683 709 867 737">93.659 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>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>Completion Date: Not applicable</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</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 Status									
2021	043	<p>Finding: The Department of Children, Youth, and Families improperly charged \$1,850 in benefits to the Foster Care Title IV-E program.</p> <table border="0"> <tr> <td data-bbox="506 556 625 583">Questioned</td> <td data-bbox="683 556 771 583"><u>CFDA #</u></td> <td data-bbox="987 556 1075 583"><u>Amount</u></td> </tr> <tr> <td data-bbox="506 583 574 611">Costs:</td> <td data-bbox="683 583 755 611">93.658</td> <td data-bbox="987 583 1058 611">\$1,850</td> </tr> <tr> <td></td> <td colspan="2" data-bbox="683 611 868 638">93.658 COVID-19</td> </tr> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>In April 2022, the Department:</p> <ul style="list-style-type: none"> • 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. • Researched all payments made on behalf of the child and returned the federal portion to the grantor. <p>Completion Date: April 2022</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	93.658	\$1,850		93.658 COVID-19	
Questioned	<u>CFDA #</u>	<u>Amount</u>									
Costs:	93.658	\$1,850									
	93.658 COVID-19										

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2021	044	<p>Finding: 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> <p>Questioned Costs: <u>CFDA #</u> <u>Amount</u> 93.659 \$0 93.659 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: 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"> • Implemented processes for additional approval authorities to ensure cost allocation edit forms are reviewed and approved by management. • Established a workflow for segregating duties to strengthen internal controls over processing cost allocation edit forms. <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>Completion Date: October 2020</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status							
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 in progress</p> <p>To address the audit finding and recommendations, the Department took the following corrective actions:</p> <ul style="list-style-type: none"> • In February 2022, hired a new position to manage the adoption savings program. • In May 2022: <ul style="list-style-type: none"> ○ Corrected the federal fiscal year 2020 annual adoption savings report and submitted to the Administration for Children and Families (ACF). ○ Reviewed ACF’s reporting instructions and guidance with staff involved in the preparation and submission of the financial report. ○ Reviewed written procedures for tracking and monitoring adoption savings expenditures to ensure compliance with level of effort requirements. ○ 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. <p>The Department will continue to take the necessary steps to improve internal controls and accuracy in reporting adoption savings spending.</p> <p>In progress</p> <p>Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</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 Status							
2021	046	<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 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 colspan="2">93.767 COVID-19</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 Kari.Summerour@hca.wa.gov</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 Status															
2021	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 federal provider eligibility requirements for the Medicaid and Children's Health Insurance programs.</p> <table border="0"> <thead> <tr> <th data-bbox="678 583 764 611"><u>CFDA #</u></th> <th data-bbox="987 583 1073 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="678 611 748 638">93.767</td> <td data-bbox="987 611 1016 638">\$0</td> </tr> <tr> <td data-bbox="678 638 862 665">93.767 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="678 665 748 693">93.775</td> <td></td> </tr> <tr> <td data-bbox="678 693 748 720">93.777</td> <td></td> </tr> <tr> <td data-bbox="678 720 748 747">93.778</td> <td></td> </tr> <tr> <td data-bbox="678 747 862 774">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>The Authority will:</p> <ul style="list-style-type: none"> • Strengthen internal controls to ensure providers are adequately screened, licensed, enrolled, and eligible to provide and bill for services. • Update the automated notification system to ensure notifications are sent timely to allow the revalidations to be completed within the five-year deadline. <p>The conditions noted in this finding were previously reported in findings 2020-046, 2019-048, 2018-042, 2017-033 and 2016-035. The auditors determined 2016-035 resolved.</p> <p>Estimated June 2023</p> <p>Kari Summerour, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.Summerour@hca.wa.gov</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>																
93.767	\$0																
93.767 COVID-19																	
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93.777																	
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93.778 COVID-19																	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status																					
2021	048	<p>Finding: 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"> <tr> <td data-bbox="505 554 626 583">Questioned</td> <td data-bbox="678 554 773 583"><u>CFDA #</u></td> <td data-bbox="987 554 1081 583"><u>Amount</u></td> </tr> <tr> <td data-bbox="505 583 574 613">Costs:</td> <td data-bbox="678 583 756 613">93.767</td> <td data-bbox="987 583 1019 613">\$0</td> </tr> <tr> <td></td> <td data-bbox="678 613 870 642">93.767 COVID-19</td> <td></td> </tr> <tr> <td></td> <td data-bbox="678 642 756 672">93.775</td> <td></td> </tr> <tr> <td></td> <td data-bbox="678 672 756 701">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="678 701 756 730">93.778</td> <td></td> </tr> <tr> <td></td> <td data-bbox="678 730 870 760">93.778 COVID-19</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority implemented policies and procedures and established a process to:</p> <ul style="list-style-type: none"> • Collect audited financial reports annually from managed care organizations. • Conduct audits of encounter and financial data no less than once every three years. <p>Additionally, the Authority amended managed care contract language to include the following:</p> <ul style="list-style-type: none"> • Required managed care organizations to submit audited financial reports annually, beginning in fiscal year 2023. • Directed managed care organizations to follow the required timing and procedures for submitting audited financial reports. • Failure to submit reports is sanctionable. <p>The Authority also conducted an encounter validation audit and has begun a financial report validation audit.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Kari Summerour External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.Summerour@hca.wa.gov</p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	93.767	\$0		93.767 COVID-19			93.775			93.777			93.778			93.778 COVID-19	
Questioned	<u>CFDA #</u>	<u>Amount</u>																					
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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										
2021	049	<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" data-bbox="678 615 1125 758"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>93.775</td> <td>\$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> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • Medicaid service verifications, • Allowable costs payment reconciliations, • Payroll verification processes, • Quality assurance reviews, • Duplicate payment reports, • Residential Care Services (RCS) certification processes, • Contract monitoring, • Reconciliation processes for rates, cost reports, and settlements, and • Segregation of duties and other verification and approval processes. <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>											
93.775	\$251,573,081											
93.777												
93.778												
93.778 COVID-19												

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
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"> • 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. • By October 2022, communicate with the federal grantor regarding the Department’s processes and the questioned costs identified in the finding. • By December 2022, review and amend the cost report instructions. • 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. • 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. <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. The auditors determined findings 2016-041, 2015-052, 2014-041 and 2013-038 were resolved in fiscal year 2018.</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 Richard.Meyer@dshs.wa.gov</p>

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status															
2021	050	<p>Finding: 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 data-bbox="509 615 623 642">Questioned</td> <td data-bbox="683 615 769 642"><u>CFDA #</u></td> <td data-bbox="992 615 1078 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="509 642 574 669">Costs:</td> <td data-bbox="683 642 753 669">93.775</td> <td data-bbox="992 642 1019 669">\$0</td> </tr> <tr> <td></td> <td data-bbox="683 669 753 697">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 697 753 724">93.778</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 724 867 751">93.778 COVID-19</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>Completion Date: Estimated May 2023</p> <p>Agency Contact: Kari Summerour, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.Summerour@hca.wa.gov</p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	93.775	\$0		93.777			93.778			93.778 COVID-19	
Questioned	<u>CFDA #</u>	<u>Amount</u>															
Costs:	93.775	\$0															
	93.777																
	93.778																
	93.778 COVID-19																

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status											
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"> <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;">\$0</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> <tr> <td style="text-align: right;">93.778 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</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"> • 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. <p>The conditions noted in this finding were previously reported in finding 2020-049.</p> <p>In progress</p> <p>Kari Summerour, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 kari.summerour@hca.wa.gov</p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$0	93.777		93.778		93.778 COVID-19	
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93.775	\$0												
93.777													
93.778													
93.778 COVID-19													

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status										
2021	052	<p>Finding: 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> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <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;">\$78,774</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> <tr> <td style="text-align: right;">93.778 COVID-19</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>Completion Date: Estimated October 2022</p> <p>Agency Contact: Kari Summerour, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.Summerour@hca.wa.gov</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>											
93.775	\$78,774											
93.777												
93.778												
93.778 COVID-19												

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status										
2021	053	<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 nursing home survey statement of deficiencies and plan of corrections timelines.</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>93.775</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> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • Automated the distribution of the federal SOD via a secure website created by the Centers for Medicare and Medicaid Services. • Eliminated the need for staff to provide the SOD report to the field manager. • 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. <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 Status
2021	053 (cont'd)	<p>The conditions noted in this finding were previously reported in finding 2020-054.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status																
2021	054	<p>Finding:</p> <p>Questioned</p> <p>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" data-bbox="678 611 1075 758"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td>93.775</td> <td></td> <td style="text-align: center;">\$0</td> </tr> <tr> <td>93.777</td> <td></td> <td></td> </tr> <tr> <td>93.778</td> <td></td> <td></td> </tr> <tr> <td>93.778 COVID-19</td> <td></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"> • Compliance with immediate jeopardy related to COVID activities case intakes by December 2022. • Compliance with non-immediate jeopardy case intakes by June 2023. 		<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																		
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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
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 Richard.Meyer@dshs.wa.gov

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2021	055	<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 \$100,000 to 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;">\$100,000</td> </tr> </table> <p>Corrective action complete</p> <p>In response to the audit finding, the Authority will:</p> <ul style="list-style-type: none"> • 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. • Communicate the new process to all management, contract managers, and contract specialists. • Update all contract terms and conditions to include specific billing timeline language, in accordance with the new policies. <p>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.</p> <p>June 2022</p> <p>Kendra Thomas Internal Audit Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-1669 Kendra.thomas@hca.wa.gov</p>	<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 Status					
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 Kendra.thomas@hca.wa.gov</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 Status
2021	057	<p>Finding: 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> <p>Questioned Costs: <u>CFDA #</u> 93.959 <u>Amount</u> \$54,385</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority will improve internal controls for payments made under the Block Grant programs to ensure: <ul style="list-style-type: none"> • Account coding is correctly applied to payments for the correct grant period. • Payments are made only for allowable activities and within the appropriate period of performance. • Accounting adjustments are reviewed and approved for compliance with program and period of performance requirements. • Staff do not charge costs to a grant after it has closed. <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>Completion Date: Estimated December 2022</p> <p>Agency Contact: Kendra Thomas Internal Audit Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-1669 kendra.thomas@hca.wa.gov</p> </p>

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status					
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"> • 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. • Grants Accounting will enter agency information into the FFATA Subaward Reporting System (FSRS). • 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. • All staff involved in this process will receive training on the new policies and procedures <p>Estimated May 2023</p> <p>Kendra Thomas Internal Audit Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-1669 kendra.thomas@hca.wa.gov</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 Status					
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 data-bbox="678 583 971 615"><u>CFDA #</u></td> <td data-bbox="971 583 1432 615"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 615 971 646">93.959</td> <td data-bbox="971 615 1432 646">\$0</td> </tr> </table> <p>Corrective action complete</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>June 2022</p> <p>Kendra Thomas Internal Audit Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-1669 kendra.thomas@hca.wa.gov</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 Status
2021	060	<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 Block Grants for Prevention and Treatment of Substance Abuse program received required risk assessments.</p> <p>Questioned Costs: <u>CFDA #</u> 93.959 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>Completion Date: In progress</p> <p>Agency Contact: Kendra Thomas Internal Audit Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-1669 Kendra.thomas@hca.wa.gov</p>

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status
2021	061	<p>Finding: 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> <p>Questioned Costs: <u>CFDA #</u> 93.959 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Authority has already taken the following steps to address audit recommendations from prior year's audit:</p> <ul style="list-style-type: none"> • Established a multi-divisional subrecipient monitoring workgroup to develop internal controls and monitoring procedures for subrecipients. • Developed and is finalizing a consistent and uniform process across all units to track and monitor desk and site visits for subrecipients. <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"> • Established protocols to complete monitoring activities with each Indian Nation on a biennial basis. • Obtained consent from each Indian Nation in March 2021 for the monitoring tools developed. • Sent formal monitoring requests to each Indian Nation in April 2021. • Scheduled desk monitoring beginning in June 2021, which occurred within the fiscal year 2021 audit period. <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>Completion Date: June 2022</p> <p>Agency Contact: Kendra Thomas Internal Audit Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-1669 kendra.thomas@hca.wa.gov</p>

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2021	062	<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 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.</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>97.050 COVID-19</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action not taken</p> <p>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.</p> <p>Not applicable</p> <p>Jay Summers External Audit Manager PO Box 9046 Olympia, WA 98507 (360) 529-6718 Joshua.Summers@esd.wa.gov</p>	<u>CFDA #</u>	<u>Amount</u>	97.050 COVID-19	\$0
<u>CFDA #</u>	<u>Amount</u>						
97.050 COVID-19	\$0						

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	018	<p>Finding: 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> <p>Questioned Costs: <u>CFDA #</u> 21.019 COVID-19 <u>Amount</u> \$40,095,634</p> <p>Status: Corrective action complete</p> <p>Corrective Action: 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:</p> <ul style="list-style-type: none"> • Reversed the October 2020 accounting journal voucher adjustment totaling \$40.6 million. • Reviewed fiscal year 2020 expenditures to ensure charges were allowable and transferred allowable expenditures to the CRF grant. <p>Completion Date: February 2022</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	019	Finding:	The Department of Health did not ensure payments from the Coronavirus Relief Fund occurred during the allowable period of performance.				
		Questioned Costs:	<table border="0"> <tr> <td style="text-align: left;"><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;">\$451,726</td> </tr> </table>	<u>CFDA #</u>	<u>Amount</u>	21.019 COVID-19	\$451,726
<u>CFDA #</u>	<u>Amount</u>						
21.019 COVID-19	\$451,726						
		Status:	Corrective action complete				
		Corrective Action:	<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>FEMA expanded the scope of eligible reimbursements to include all allowable expenditures from the beginning of the COVID-19 response. The Coronavirus Relief Fund (CRF) expenditures incurred outside the period of performance were subsequently included in the FEMA recovery calculation. The Department also worked with the Office of Financial Management to reduce the CRF expenditures on the fiscal year 2021 Schedule of Expenditures of Federal Awards.</p>				
		Completion Date:	February 2022				
		Agency Contact:	Jeff Arbuckle External Audit Manager PO Box 47890 Olympia, WA 98504-7890 (360) 701-0798 Jeff.Arbuckle@doh.wa.gov				

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	020	<p>Finding:</p> <p>Questioned</p> <p>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="678 583 1104 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;">21.019 COVID-19</td> <td style="text-align: right;">\$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"> • Necessary expenditures incurred due to COVID-19; • Not accounted for in the budget most recently approved as of March 27, 2020; and • Incurred during the period between March 1, 2020, and December 30, 2020. <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>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 Richard.Meyer@dshs.wa.gov

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.</p> <p>The Department contacted the U.S. Department of Education in April 2022 regarding the questioned costs and has not received any request for repayment.</p> <p>The Division of Vocational Rehabilitation will take the following corrective actions:</p> <ul style="list-style-type: none"> • By September 2022, develop a process to monitor the approval of client services. • By December 2022: <ul style="list-style-type: none"> ○ Develop training for staff to reinforce understanding of existing federal requirements for the authorizations of client service purchases. ○ Implement a process improvement regarding the timing and types of approval required for vocational rehabilitation services. ○ Review existing policies and procedures with a focus on changes to clients' plans for employment. ○ Implement improvements to existing supervisory review protocols. <p>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.</p> <p>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 Richard.Meyer@dshs.wa.gov</p>	<u>CFDA #</u>	<u>Amount</u>	84.126	\$13,143
<u>CFDA #</u>	<u>Amount</u>					
84.126	\$13,143					

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status										
2020	053	<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 federal requirements for completing recertification surveys in a timely manner.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="683 621 769 646"><u>CFDA #</u></th> <th data-bbox="992 621 1078 646"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="683 646 769 672">93.775</td> <td data-bbox="992 646 1078 672">\$0</td> </tr> <tr> <td data-bbox="683 672 769 697">93.777</td> <td></td> </tr> <tr> <td data-bbox="683 697 943 722">93.777 COVID-19</td> <td data-bbox="862 697 943 722">93.778</td> </tr> <tr> <td data-bbox="683 722 867 747">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 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>As of July 2021, the field manager and administrative staff began 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>Completion Date: In progress</p> <p>Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</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											
93.777												
93.777 COVID-19	93.778											
93.778 COVID-19												

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	057	<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 Opioid State Targeted Response program received required risk assessments.</p> <p>Questioned Costs: <u>CFDA #</u> 93.788 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 fiscal year 2020 audit, the workgroup had developed and approved an effective agency-wide subrecipient risk assessment process. The workgroup established internal controls and monitoring procedures, and also developed a risk assessment and monitoring plan (RAMP) form that is used in contracting with subrecipients.</p> <p>The Authority completed initial staff training in December 2021. Ongoing training is provided to the contact managers who are required to complete a RAMP form on active subrecipient contracts. Contracts will not be signed by the Authority without the RAMP form completed and provided to the Office of Contracts and Procurement.</p> <p>The risk assessment process has been fully implemented across the agency. The grant closed in April 2020 and no additional expenditures will be charged to the grant.</p> <p>The conditions noted in this finding were previously reported in finding 2019-066.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Kari Summerour, CPA External Audit Compliance Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 kari.summerour@hca.wa.gov</p>

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 data-bbox="678 583 971 613"><u>CFDA #</u></td> <td data-bbox="971 583 1424 613"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 613 971 642">93.575</td> <td data-bbox="971 613 1424 642">\$440,578</td> </tr> <tr> <td data-bbox="678 642 971 672">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 stefanie.niemela@dcyf.wa.gov</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"> • Strengthened internal controls to ensure grant expenditures are obligated and liquidated within the grant period of performance. • Completed journal voucher corrections of expenditures identified as charged to the incorrect grant period. <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 stefanie.niemela@dcyf.wa.gov</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									

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status			
2019	047	<p>Finding: 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 data-bbox="506 583 625 638">Questioned Costs:</td> <td data-bbox="678 583 771 699"> <u>CFDA #</u> 97.775 93.777 93.778 </td> <td data-bbox="987 583 1079 638"> <u>Amount</u> \$0 </td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 an unsuccessful attempt in 2019, the Authority again drafted legislation for the 2020 legislative session. House Bill 2677 was a technical correction that modified 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. Corrective action was resolved through the enactment of this law, which was effective June 11, 2020.</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>Completion Date: In progress</p> <p>Agency Contact: Kari Summerour, CPA External Audit Compliance Manager P.O. Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.summerour@hca.wa.gov</p>	Questioned Costs:	<u>CFDA #</u> 97.775 93.777 93.778	<u>Amount</u> \$0
Questioned Costs:	<u>CFDA #</u> 97.775 93.777 93.778	<u>Amount</u> \$0			

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: <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>97.775</td> <td style="text-align: right;">\$4</td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> </table></p> <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 Kari.summerour@hca.wa.gov</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										

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status			
2019	050	<p>Finding: 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 data-bbox="506 583 625 638">Questioned Costs:</td> <td data-bbox="683 583 769 699"> <u>CFDA #</u> 97.775 93.777 93.778 </td> <td data-bbox="987 583 1073 638"> <u>Amount</u> \$1,589 </td> </tr> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: 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>Completion Date: June 2022</p> <p>Agency Contact: Kari Summerour, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 kari.summerour@hca.wa.gov</p>	Questioned Costs:	<u>CFDA #</u> 97.775 93.777 93.778	<u>Amount</u> \$1,589
Questioned Costs:	<u>CFDA #</u> 97.775 93.777 93.778	<u>Amount</u> \$1,589			

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2019	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 suspension and debarment requirements for Medicaid medical fee-for-service providers.</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;">\$0</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 is taking corrective actions to improve internal controls and compliance with the suspension and debarment requirements.</p> <p>By December 2022, 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"> • Excluded Parties List System • Federal System for Award Management <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>Estimated December 2022</p> <p>Kari Summerour, CPA External Audit Compliance Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.summerour@hca.wa.gov</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> <table border="0" data-bbox="508 615 1084 730"> <tr> <td data-bbox="508 615 625 642">Questioned</td> <td data-bbox="678 615 769 642"><u>CFDA #</u></td> <td data-bbox="987 615 1084 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="508 642 625 669">Costs:</td> <td data-bbox="678 642 753 669">93.775</td> <td data-bbox="987 642 1084 669">\$394,288</td> </tr> <tr> <td></td> <td data-bbox="678 669 753 697">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="678 697 753 724">93.778</td> <td></td> </tr> </table> <p>Status: Corrective action complete</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 data-bbox="711 947 1425 1098" style="list-style-type: none"> • 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. • IPOne system for individual providers where claims are generally submitted shortly after services are provided. <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 data-bbox="711 1360 1425 1608" style="list-style-type: none"> • 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. • 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. • As of January 2020, a functionality was implemented in IPOne to allow the Department to process overpayments. <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>As of December 2021, the Department began sending 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>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	93.775	\$394,288		93.777			93.778	
Questioned	<u>CFDA #</u>	<u>Amount</u>												
Costs:	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 findings 2018-050 and 2016-048 which the auditors considered resolved in fiscal year 2020.</p> <p>Completion Date: December 2021</p> <p>Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2019	057	<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 Medicaid Community First Choice client service plans were properly approved.</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>93.775</td> <td style="text-align: right;">\$2,191,213</td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>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>However, the Department disagrees that:</p> <ul style="list-style-type: none"> • 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 & Medicaid Services (CMS) has also provided guidance to the Department that services should not be terminated if required signatures cannot be obtained. • 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. <p>The Department also has concerns over the objectives of the additional reviews performed in the fiscal year 2019 audit, as follows:</p> <ul style="list-style-type: none"> • 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. • 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. <p>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>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$2,191,213	93.777		93.778	
<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"> • Revised policies and procedures to require providers' signatures on person-centered service plans. • Issued a management bulletin to communicate the updated policies and procedures, and address the use of electronic signature technology in the field. • 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. • 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. <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"> • Provided additional training to staff on relevant federal regulations and state policies. • Established guidance on the appropriate use of interim assessments. • Submitted a request in the Governor's budget and received: <ul style="list-style-type: none"> ○ Additional staff to collect signed service plans. ○ An information technology enhancement that will reduce, but not eliminate, the manual effort necessary to collect signed service plans. <p>As of December 2021, the Department began utilizing electronic voice signature collecting technology.</p> <p>The Department is awaiting a response from CMS to determine if person-centered service plans that are missing signatures should result in an unallowable payment. If necessary, the Department will:</p> <ul style="list-style-type: none"> • Identify associated costs related to any unallowable payments. • Work with the U.S. Department of Health and Human Services to determine if any costs charged to Medicaid funds must be repaid. <p>The conditions noted in this finding were previously reported in finding 2018-059 and 2017-045.</p> <p>Completion Date: In progress</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 Richard.Meyer@dshs.wa.gov

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="678 615 1101 730"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>93.775</td> <td>\$2,169,725</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 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"> • 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 & Medicaid Services (CMS) has also provided guidance to the Department that services should not be terminated if required signatures cannot be obtained. • 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. <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"> • 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. • 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. <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"> • The Quality Compliance Coordination team reviews a statewide sample for required signatures or documented attempts to obtain signatures. • 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. • Case manager supervisors monitor compliance by ensuring all case managers meet the requirement of obtaining signatures through all available department-approved options. <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.</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 Richard.Meyer@dshs.wa.gov</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> <table border="0" data-bbox="508 583 1075 699"> <tr> <td data-bbox="508 583 626 611">Questioned</td> <td data-bbox="683 583 769 611"><u>CFDA #</u></td> <td data-bbox="987 583 1075 611"><u>Amount</u></td> </tr> <tr> <td data-bbox="508 611 626 638">Costs:</td> <td data-bbox="683 611 753 638">93.775</td> <td data-bbox="987 611 1016 638">\$0</td> </tr> <tr> <td></td> <td data-bbox="683 638 753 665">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 665 753 693">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 Richard.Meyer@dshs.wa.gov</p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	93.775	\$0		93.777			93.778	
Questioned	<u>CFDA #</u>	<u>Amount</u>												
Costs:	93.775	\$0												
	93.777													
	93.778													

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2018	049	<p>Finding: The Health Care Authority made improper payments for Medicaid managed care recipients with Medicare insurance coverage.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="678 554 769 583"><u>CFDA #</u></th> <th data-bbox="987 554 1078 583"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="678 583 769 613">97.775</td> <td data-bbox="987 583 1078 613">\$3,762,678</td> </tr> <tr> <td data-bbox="678 613 769 642">93.777</td> <td></td> </tr> <tr> <td data-bbox="678 642 769 672">93.778</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority has implemented the following corrective actions:</p> <ul style="list-style-type: none"> • As of March 2016, developed an algorithm to identify Per Member Per Month (PMPM) premium payments for clients enrolled in Medicare. • 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. • 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. <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.</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 kari.summerour@hca.wa.gov</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										

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="678 554 1101 667"> <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										

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.</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 kari.summerour@hca.wa.gov</p>

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2017	036	<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 Health Care Authority overpaid Medicaid hospitals for outpatient services.</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;">\$118,679</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>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.</p> <p>In progress</p> <p>Kari Summerour, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 kari.summerour@hca.wa.gov</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											

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2017	040	<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 Health Care Authority made improper Medicaid pharmacy fee-for-service payments for clients enrolled in managed care.</p> <table border="0"> <tr> <td data-bbox="678 554 954 583"><u>CFDA #</u></td> <td data-bbox="954 554 1433 583"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 583 954 613">93.775</td> <td data-bbox="954 583 1433 613">\$111,756</td> </tr> <tr> <td data-bbox="678 613 954 642">93.777</td> <td></td> </tr> <tr> <td data-bbox="678 642 954 672">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.</p> <p>Not applicable</p> <p>Kari Summerour, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 kari.summerour@hca.wa.gov</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 data-bbox="506 470 1424 583">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> <table border="0" data-bbox="506 615 1424 730"> <tr> <td data-bbox="506 615 625 642">Questioned</td> <td data-bbox="683 615 769 642"><u>CFDA #</u></td> <td data-bbox="987 615 1073 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="506 642 625 669">Costs:</td> <td data-bbox="683 642 753 669">93.775</td> <td data-bbox="987 642 1068 669">\$98,399</td> </tr> <tr> <td></td> <td data-bbox="683 669 753 697">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 697 753 724">93.778</td> <td></td> </tr> </table> <p data-bbox="506 762 1424 789">Status: Corrective action complete</p> <p data-bbox="506 821 1424 848">Corrective Action: The Department partially concurs with this finding.</p> <p data-bbox="683 879 1424 1056">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 data-bbox="683 1087 1424 1201">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 data-bbox="683 1232 1424 1472">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 data-bbox="683 1503 1424 1617">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 data-bbox="683 1648 1424 1845">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 data-bbox="683 1877 1424 1904">The conditions noted in this finding were previously reported in findings</p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	93.775	\$98,399		93.777			93.778	
Questioned	<u>CFDA #</u>	<u>Amount</u>												
Costs:	93.775	\$98,399												
	93.777													
	93.778													

Department of Social and Health Services

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.</p> <p>Completion Date: June 2022</p> <p>Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.meyer@dshs.wa.gov</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2017	050	<p>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"> <tr> <td data-bbox="506 583 625 611">Questioned</td> <td data-bbox="683 583 769 611"><u>CFDA #</u></td> <td data-bbox="987 583 1073 611"><u>Amount</u></td> </tr> <tr> <td data-bbox="506 615 574 642">Costs:</td> <td data-bbox="683 615 753 642">93.775</td> <td data-bbox="987 615 1057 642">\$9,778</td> </tr> <tr> <td></td> <td data-bbox="683 646 753 674">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 678 753 705">93.778</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department does not concur with the finding.</p> <p>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>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>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>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>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													

Department of Social and Health Services

Agency 300

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.</p> <p>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"> • Follow procedures to identify providers who have excess claims over the work week limit. • Issue necessary contract actions according to Department policy. <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 progress</p> <p>Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.meyer@dshs.wa.gov</p>

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2016	032	<p>Finding: 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> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="683 583 769 611"><u>CFDA #</u></th> <th data-bbox="992 583 1078 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="683 611 769 638">93.775</td> <td data-bbox="992 611 1078 638">\$273,598</td> </tr> <tr> <td data-bbox="683 638 769 665">93.777</td> <td></td> </tr> <tr> <td data-bbox="683 665 769 693">93.778</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: In response to the audit finding, the Authority has implemented the following corrective actions:</p> <ul style="list-style-type: none"> • As of September 2016, identified and corrected the system issue concerning the Medicaid eligibility code. • As of February 2017, corrected the system issue concerning the managed care plan coding errors. <p>The Authority has also strengthened its review process by:</p> <ul style="list-style-type: none"> • Preparing a checklist of steps for staff to consider when a new code is added to the ProviderOne System. • Implementing quarterly monitoring reports designed to validate the completeness and accuracy of each invoicing cycle. <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.</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 kari.summerour@hca.wa.gov</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:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>Medicaid funds were overpaid to a supported living agency that contracted with the Department of Social and Health Services, Developmental Disabilities Administration.</p> <table border="0"> <tr> <td><u>CFDA #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>93.775</td> <td>\$1,258,250</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>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>In progress</p> <p>Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.meyer@dshs.wa.gov</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										
93.777											
93.778											

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 complete</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.</p> <p>June 2022</p> <p>Kari Summerour, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 kari.summerour@hca.wa.gov</p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$25,945	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>										
93.775	\$25,945										
93.777											
93.778											

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2015	040	<p>Finding: 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> <p>Questioned Costs:</p> <table border="0" data-bbox="678 617 1075 758"> <thead> <tr> <th data-bbox="678 617 769 642"><u>CFDA #</u></th> <th data-bbox="987 617 1075 642"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="678 642 769 667">93.775</td> <td data-bbox="987 642 1075 667">\$26,138</td> </tr> <tr> <td data-bbox="678 667 769 693">93.777</td> <td></td> </tr> <tr> <td data-bbox="678 693 769 718">93.778</td> <td></td> </tr> </tbody> </table> <p>ARRA and non-ARRA</p> <p>Status: Corrective action complete</p> <p>Corrective Action: 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.</p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$26,138	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>									
93.775	\$26,138									
93.777										
93.778										

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2015	040 (cont'd)	Completion Date: June 2022 Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov

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 complete</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, which the auditors considered resolved.</p> <p>Completion Date: June 2022</p> <p>Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</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, 2021 through June 30, 2022

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 each major fund of the State of Washington, as of and for the year ended June 30, 2022, 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 20, 2022.

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.

REPORT ON 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) as a basis for designing 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.

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.

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, we and the other auditors identified certain deficiencies in internal control, as described in the accompanying Schedule of Audit Findings and Responses as Finding 2022-001, that we consider to be a material weakness.

We also noted certain matters that we have reported to the management of the State in a separate letter dated December 20, 2022.

REPORT ON 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 its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

STATE'S RESPONSE TO FINDINGS

Government Auditing Standards requires the auditor to perform limited procedures on the State's response to the findings identified in our audit and 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 20, 2022

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, 2021 through June 30, 2022

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, 2022, 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.

Federal Expenditures Not Included in the Compliance Audit

The State's basic financial statements include the operations of King County Public Hospital District No. 1 (the Valley Medical Center), which expended \$13,311,736 in federal awards, but is not included in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2022. 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 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)

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 21.023 – Emergency Rental Assistance Program and 21.027 – Coronavirus State and Local Fiscal Recovery Funds

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 21.023 – Emergency Rental Assistance and 21.027 – Coronavirus State and Local Fiscal Recovery Funds 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, 2022.

Qualified Opinion on 93.558 – Temporary Assistance for Needy Families, 93.958 – Block Grants for Community Mental Health Services, and 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 Opinion 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 93.558 – Temporary Assistance for Needy Families, 93.958 – Block Grants for Community Mental Health Services, and 93.959 – Block Grants for Prevention and Treatment of Substance Abuse for the year ended June 30, 2022.

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, 2022.

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* (CFR) 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 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 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)

As described in Findings 2022-036, 2022-041, 2022-042, 2022-043, 2022-044, 2022-045 and 2022-046 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, Special Test and Provision – Health and Safety Standards, and Special Test and Provision – Fraud Detection and Repayment. 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 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)

As we noted in Finding 2022-041, 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 21.023 – Emergency Rental Assistance Program and 21.027 – Coronavirus State and Local Fiscal Recovery Funds

As described in Findings 2022-016 and 2022-017 in the accompanying Schedule of Federal Award Findings and Questioned Costs, the State did not comply with requirements regarding 21.023 – COVID-19 Emergency Rental Assistance Program for Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Period of Performance, Reporting, and Special Test and Provision – ERA Funds Reallocation.

Additionally, as described in Findings 2022-018, 2022-019, 2022-020, and 2022-021 in the accompanying Schedule of Federal Award Findings and Questioned Costs, the State did not comply with requirements regarding 21.027 – COVID-19 Coronavirus State and Local Fiscal

Recovery Funds for Activities Allowed or Unallowed, Allowable Costs/Cost Principles, 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 those programs.

Matter Giving Rise to Qualified Opinion on 93.558 – Temporary Assistance for Needy Families, 93.958 – Block Grants for Community Mental Health Services, 93.959 – Block Grants for Prevention and Treatment of Substance Abuse

As described in Findings 2022-035, 2022-036, and 2022-037 in the accompanying Schedule of Federal Award Findings and Questioned Costs, the State did not comply with requirements regarding 93.558 – Temporary Assistance for Needy Families for Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility and Special Test and Provision – Income Eligibility Verification System.

As described in Findings 2022-063, 2022-065, and 2022-066 in the accompanying Schedule of Federal Award Findings and Questioned Costs, the State did not comply with requirements regarding 93.958 – Block Grants for Community Mental Health Services for Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Period of Performance, Reporting and Subrecipient Monitoring.

Additionally, as described in Findings 2022-066, 2022-067, 2022-068, 2022-069, and 2022-070 in the accompanying Schedule of Federal Award Findings and Questioned Costs, the State did not comply with requirements regarding 93.959 – Block Grants for Prevention and Treatment of Substance Abuse 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 those programs.

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 judgment 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 2022-006, 2022-007, 2022-009, 2022-010, 2022-011, 2022-012, 2022-013, 2022-014, 2022-015, 2022-022, 2022-023, 2022-024, 2022-025, 2022-027, 2022-029, 2022-030, 2022-031, 2022-033, 2022-034, 2022-038, 2022-039, 2022-040, 2022-047, 2022-049, 2022-051, 2022-053, 2022-054, 2022-055, 2022-056, 2022-057, 2022-059, 2022-060, 2022-061 and 2022-062. Our opinion on each major federal program is not modified with respect to these matters.

State's Response to Findings

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 Federal Award 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.

REPORT ON 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 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. *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.

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. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

However, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies. In the accompanying Schedule of Federal Award Findings and Questioned Costs, we consider the deficiencies described in Finding 2022-006, 2022-007, 2022-009, 2022-010, 2022-011, 2022-012, 2022-015, 2022-016, 2022-017, 2022-018, 2022-019, 2022-020, 2022-021, 2022-023, 2022-024, 2022-025, 2022-027, 2022-028, 2022-029, 2022-030, 2022-031, 2022-032, 2022-033, 2022-034, 2022-035, 2022-036, 2022-037, 2022-038, 2022-039, 2022-040, 2022-041, 2022-042, 2022-043, 2022-044, 2022-045, 2022-046, 2022-047, 2022-049, 2022-050, 2022-051, 2022-052, 2022-053, 2022-054, 2022-055, 2022-056, 2022-057, 2022-058, 2022-059, 2022-060, 2022-061, 2022-062, 2022-063, 2022-064, 2022-065, 2022-066, 2022-067, 2022-068, 2022-069 and 2022-070 to be material weaknesses, and the deficiencies described in Findings 2022-0002, 2022-003, 2022-004, 2022-005, 2022-008, 2022-026 and 2022-048 to be significant deficiencies.

State's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the State's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Federal Award 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, 2022, and have issued our report thereon dated December 20, 2022, 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 it 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, stylized initial "P".

Pat McCarthy, State Auditor

Olympia, WA

June 21, 2023

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

State of Washington July 1, 2021 through June 30, 2022

The Honorable Jay Inslee
State of Washington
Olympia, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units and remaining fund information, and each major fund of the State of Washington, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the financial section of our report.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units and remaining fund information, and each major fund of the State of Washington, as of June 30, 2022, 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.

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	12.7%	22.2%	5.7%
Business-Type Activities	72.9%	100.0%	3.0%
Higher Education Special Revenue Fund	48.8%	50.1%	48.4%
Higher Education Endowment Fund	97.6%	97.4%	100.0%
Higher Education Student Services Fund	63.9%	100.0%	91.0%
Workers' Compensation Fund	95.2%	96.0%	47.9%
Aggregate Discretely Presented Component Units and Remaining Fund Information	97.7%	93.9%	53.9%

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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Matters of Emphasis

As explained in Note 1.D.1, the financial statements include pension trust fund investments valued at \$83.8 billion, which comprise 37.4 percent of the total assets and 43.5 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 available 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 2022, the State adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

As discussed in Note 2 to the financial statements, in 2021, the State inappropriately classified \$2.9 billion of the fund balance in the general fund as restricted instead of unrestricted. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State’s internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State’s ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 financial section of our report be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 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 20, 2022, 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 the effectiveness of the State's 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 20, 2022

**State of Washington
July 1, 2021 through June 30, 2022**

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis – 2022

BASIC FINANCIAL STATEMENTS

Statement of Net Position – 2022

Statement of Activities – 2022

Balance Sheet – Governmental Funds – 2022

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net
Position – 2022

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental
Funds – 2022

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Statement of Activities – 2022

Statement of Net Position – Proprietary Funds – 2022

Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds –
2022

Statement of Cash Flows – Proprietary Funds – 2022

Statement of Net Position – Fiduciary Funds – 2022

Statement of Changes in Net Position – Fiduciary Funds – 2022

Statement of Net Position – Component Units – 2022

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2022

Notes to Financial Statements – 2022

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Information – General Fund – 2022

Budget to GAAP Reconciliation – General Fund – 2022

Budgetary Comparison Schedule – Higher Education Special Revenue Fund – 2022

Budget to GAAP Reconciliation – Higher Education Special Revenue – 2022

Schedule of Changes in the Net Pension Liability and Related Ratios – Washington State
Patrol Retirement System – Plan 1/2, Judicial Retirement System, Judges Retirement
Fund – 2022

Schedule of Employer Contributions – Washington State Patrol Retirement System – Plan 1/2, Judicial Retirement System, Judges Retirement Fund – 2022

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 – 2022

Schedule of Employer Contributions – PERS 1, PERS 2/3, TRS 1, TRS 2/3, PSERS 2, LEOFF 2 – 2022

Schedule of Contributions – Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund – 2022

Schedule of Investment Returns – Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund – 2022

Schedule of Change in Net Pension Liability – Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund – 2022

Schedule of Net Pension Liability – Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund – 2022

Schedule of Contributions – Higher Education Supplemental Defined Benefit Plans – University of Washington, Washington State University, Eastern Washington University, Central Washington University, State Board for Community and Technical Colleges – 2022

Schedule of Investment Returns – Higher Education Supplemental Defined Benefit Plans – 2022

Schedule of Changes in Net 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 – 2022

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 – 2022

Schedule of Changes in Total OPEB Liability and Related Ratios – 2022

Infrastructure Modified Approach Information – 2022

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Expenditures of Federal Awards – 2022

Notes to the Schedule of Expenditures of Federal Awards – 2022

MD&A

Management's Discussion & Analysis

As managers of the state of Washington, we offer this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2022. We present this information in conjunction with the information included in our letter of transmittal, which can be found preceding this narrative, and with the state's financial statements, which follow. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- Total assets and deferred outflows of the state of Washington exceeded its liabilities and deferred inflows by \$30.54 billion (reported as net position). Of this amount, \$(13.02) billion was reported as "unrestricted net position." A negative balance indicates that no funds were available for discretionary purposes.
- The state of Washington's governmental funds reported a combined ending fund balance of \$29.42 billion, an increase of 21.8 percent compared with the prior year.
- The state's capital assets increased by \$2.44 billion, total bond debt increased by \$470.0 million, and the state's net investment in capital assets is \$25.70 billion.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the state of Washington's basic financial statements, which include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The focus is on both the state as a whole (government-wide) and the major individual funds. The dual perspectives allow the reader to address relevant questions, broaden the basis for comparison (year-to-year or government-to-government), and enhance the state's accountability.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the state of Washington's finances, in a manner similar to a private sector business.

Statement of Net Position. The Statement of Net Position presents information on all of the state of Washington's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the state of Washington is improving or deteriorating.

Statement of Activities. The Statement of Activities presents information showing how the state's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The Statement of Activities is focused on both the gross and net cost of various activities (including governmental, business-type, and component unit). This is intended to summarize and simplify the reader's analysis of the revenues and costs of various state activities and the degree to which activities are subsidized by general revenues.

Both of these government-wide financial statements distinguish functions of the state of Washington that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the state of Washington include education, human services, transportation, natural resources, adult corrections, and general government.

The business-type activities of the state of Washington include the workers' compensation, unemployment compensation, and health insurance programs, and various higher education student services such as housing and dining.

FUND FINANCIAL STATEMENTS

A fund is a group of related accounts used to maintain control over resources that are segregated for specific activities or objectives. The state of Washington, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the state can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on fund balances at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for three major funds and an aggregate total for all nonmajor funds. The state's major governmental funds are the General Fund, Higher Education Special Revenue Fund, and the Higher Education Endowment and Other Permanent Funds. Individual fund data for the state's nonmajor governmental funds are provided in the form of combining statements elsewhere in this report.

Proprietary Funds. The state of Washington maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds represent an accounting device used to accumulate and allocate costs internally among the state of Washington's various functions. The state of Washington uses internal service funds to account for general services such as motor pool, data processing services, and risk management. Because internal service funds predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary fund financial statements provide separate information for the

Workers' Compensation Fund, Unemployment Compensation Fund, Higher Education Student Services Fund, and the Health Insurance Fund, which are considered to be major funds, as well as an aggregated total for all nonmajor enterprise funds.

The internal service funds are combined for presentation purposes. Individual fund data for the state's nonmajor proprietary funds are provided in the form of combining statements elsewhere in this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the state of Washington's own programs. Washington's fiduciary funds also include state administered pension plans. The accounting used for fiduciary funds is much like that used for proprietary funds. Individual fund data for the state's fiduciary funds are provided in the form of combining statements elsewhere in this report.

Component Units. Component units that are legally separate from the state and primarily serve or benefit those outside the state are discretely presented. They are either financially accountable to the state or have relationships with the state such that exclusion would cause the state's financial statements to be misleading or incomplete. The state discretely reports three major component units: the Valley Medical Center, the Fred Hutchinson Cancer Center, and the Health Benefit Exchange, as well as five nonmajor component units.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

OTHER INFORMATION

This report also presents required supplementary information on budgetary comparisons, pension plans and other postemployment benefits information, and infrastructure assets reported using the modified approach.

The combining statements referred to earlier are presented immediately following the required supplementary information.

STATE OF WASHINGTON
Statement of Net Position
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
ASSETS						
Current and other assets	\$ 53,892	\$ 39,044	\$ 30,022	\$ 30,252	\$ 83,914	\$ 69,296
Capital assets	45,727	43,541	3,672	3,416	49,399	46,957
Total assets	99,619	82,585	33,694	33,668	133,313	116,253
DEFERRED OUTFLOWS OF RESOURCES	2,079	2,184	447	421	2,526	2,605
LIABILITIES						
Current and other liabilities	10,363	8,713	1,983	1,355	12,346	10,068
Long-term liabilities outstanding	37,829	36,699	44,678	40,184	82,507	76,883
Total liabilities	48,192	45,412	46,661	41,539	94,853	86,951
DEFERRED INFLOWS OF RESOURCES	9,204	2,887	1,244	391	10,448	3,278
NET POSITION						
Net investment in capital assets	24,818	23,934	884	825	25,702	24,759
Restricted	14,186	14,862	3,671	2,405	17,857	17,267
Unrestricted	5,298	(2,326)	(18,319)	(11,071)	(13,021)	(13,397)
Total net position	<u>\$ 44,302</u>	<u>\$ 36,470</u>	<u>\$ (13,764)</u>	<u>\$ (7,841)</u>	<u>\$ 30,538</u>	<u>\$ 28,629</u>

Note: The 2021 amounts presented here have not been restated for prior period adjustments. Complete information necessary to fully restate the 2021 amounts was not available. Refer to Note 2 Accounting and Reporting Changes.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the state of Washington, total assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$30.54 billion at June 30, 2022, as compared to \$28.63 billion as reported at June 30, 2021.

The largest portion of the state's net position (84.2 percent for fiscal year 2022 as compared to 86.5 percent for fiscal year 2021) reflects its net investment in capital assets (e.g., land, buildings, equipment, and intangible assets) less any related debt used to acquire those assets that is still outstanding. The state of Washington uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the state of Washington's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the state of Washington's net position (58.5 percent for fiscal year 2022 as compared to 60.3 percent for fiscal year 2021) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$(13.02) billion represents unrestricted net position. The state's overall negative balance in unrestricted net position is due to deficits in business-type activities.

In governmental activities, net position increased from \$36.47 billion in fiscal year 2021 to \$44.30 billion in fiscal year 2022. The increase reflects increases in federal funding and tax revenues that outpaced the increases in expenses.

In business-type activities, the deficit is caused by claims expense continuing to outpace associated premiums in both the health insurance program and the workers' compensation program that provides time-loss, medical, disability, and pension payments to qualifying individuals who sustain work-related injuries or develop occupational diseases as a result of their required work activities. The main benefit plans of the workers' compensation program are funded on rates that will keep the plans solvent in accordance with recognized actuarial principles. The supplemental pension cost-of-living (COLAs) adjustment granted for time-loss and disability payments, however,

are funded on a pay-as-you-go basis. By statute, the state is only allowed to collect enough revenue to fund the current COLA payments.

support for governmental activities comes from taxes and intergovernmental grants, while business-type activities are supported primarily through user charges.

As previously mentioned, the state's activities are divided between governmental and business-type. The majority of

STATE OF WASHINGTON						
Changes in Net Position						
<i>(in millions of dollars)</i>						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program revenues:						
Charges for services	\$ 7,438	\$ 7,649	\$ 13,623	\$ 12,304	\$ 21,061	\$ 19,953
Operating grants and contributions	28,848	24,930	1,480	9,529	30,328	34,459
Capital grants and contributions	726	648	—	1	726	649
General revenues:						
Taxes	33,991	30,334	14	17	34,005	30,351
Interest and investment earnings (loss)	(738)	1,541	(2,712)	1,640	(3,450)	3,181
Total revenues	<u>70,265</u>	<u>65,102</u>	<u>12,405</u>	<u>23,491</u>	<u>82,670</u>	<u>88,593</u>
EXPENSES						
General government	(3,403)	(3,769)	—	—	(3,403)	(3,769)
Education - K-12	(16,407)	(15,322)	—	—	(16,407)	(15,322)
Education - Higher education	(8,722)	(8,472)	—	—	(8,722)	(8,472)
Human services	(27,479)	(25,818)	—	—	(27,479)	(25,818)
Adult corrections	(1,177)	(1,247)	—	—	(1,177)	(1,247)
Natural resources and recreation	(1,536)	(1,540)	—	—	(1,536)	(1,540)
Transportation	(2,483)	(2,757)	—	—	(2,483)	(2,757)
Interest on long-term debt	(1,090)	(1,073)	—	—	(1,090)	(1,073)
Workers' compensation	—	—	(6,955)	(4,505)	(6,955)	(4,505)
Unemployment compensation	—	—	(2,433)	(11,939)	(2,433)	(11,939)
Higher education student services	—	—	(3,388)	(3,166)	(3,388)	(3,166)
Health insurance	—	—	(3,726)	(3,556)	(3,726)	(3,556)
Other business-type activities	—	—	(2,120)	(1,851)	(2,120)	(1,851)
Total expenses	<u>(62,297)</u>	<u>(59,998)</u>	<u>(18,622)</u>	<u>(25,017)</u>	<u>(80,919)</u>	<u>(85,015)</u>
Excess (deficiency) of revenues over expenses before contributions to endowments and transfers						
	7,968	5,104	(6,217)	(1,526)	1,751	3,578
Contributions to endowments	97	75	—	—	97	75
Transfers	(252)	132	252	(130)	—	2
Increase (decrease) in net position	<u>7,813</u>	<u>5,311</u>	<u>(5,965)</u>	<u>(1,656)</u>	<u>1,848</u>	<u>3,655</u>
Net position - July 1, as restated	<u>36,489</u>	<u>31,159</u>	<u>(7,799)</u>	<u>(6,185)</u>	<u>28,690</u>	<u>24,974</u>
Net position - June 30	<u>\$ 44,302</u>	<u>\$ 36,470</u>	<u>\$ (13,764)</u>	<u>\$ (7,841)</u>	<u>\$ 30,538</u>	<u>\$ 28,629</u>

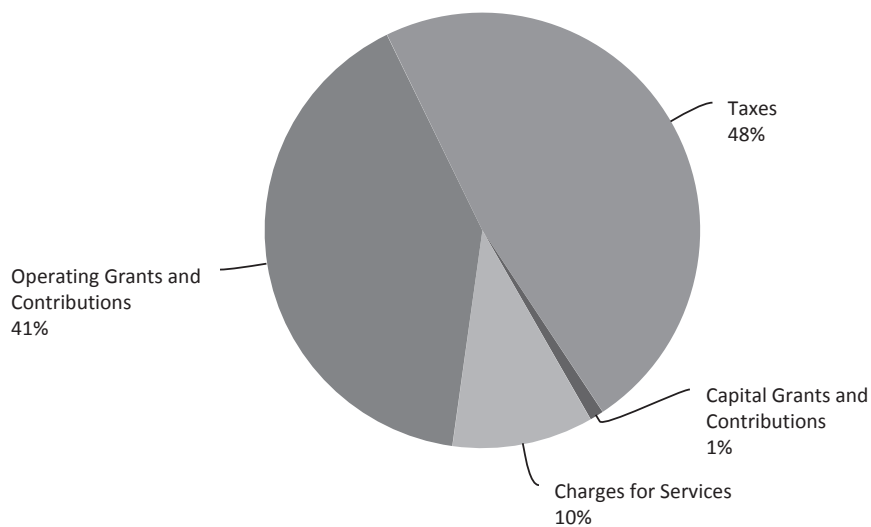
Governmental Activities. Governmental activities resulted in an increase in the state of Washington's net position of \$7.81 billion. A number of factors were in play including increases in tax revenues and federal grants that were greater than spending increases on education and human services.

- Tax revenues increased by \$3.66 billion in fiscal year 2022 as compared to fiscal year 2021 reflecting continuing strength in the property values and real estate sales. Sales and use tax, which are the main tax revenue for governmental activities, reported an increase of \$1.57 billion. Business and occupation tax increased by \$812.2 million. Property tax revenue increased by \$109.7 million as property values continue to rise. Revenue from real estate excise taxes, levied on the sale of real estate, increased by \$630.9 million.
- Operating grants and contributions grew by \$3.92 billion in fiscal year 2022 compared with fiscal year 2021. The majority of this increase was federal stimulus funds received in response to COVID-19, and this was matched with an increase in human services operating grant expenses as the state continued its response to the COVID-19 emergency. As of June 30, 2022, \$2.89 billion in federal stimulus funds received from the U.S. Department of the Treasury remained unspent and is classified as unearned revenue.
- Expenses grew by \$2.30 billion in fiscal year 2022 as compared to fiscal year 2021. The largest increases were in human services of \$1.66 billion, higher education of \$250.1 million, and K-12 education of \$1.08 billion in fiscal year 2022 as compared to fiscal year 2021. This reflects the state's ongoing commitment to improving K-12 staffing for counselors, nurses, and social emotional learning staff, along with additional funding in human services to improve the state's behavioral health system and continue its response to COVID-19.

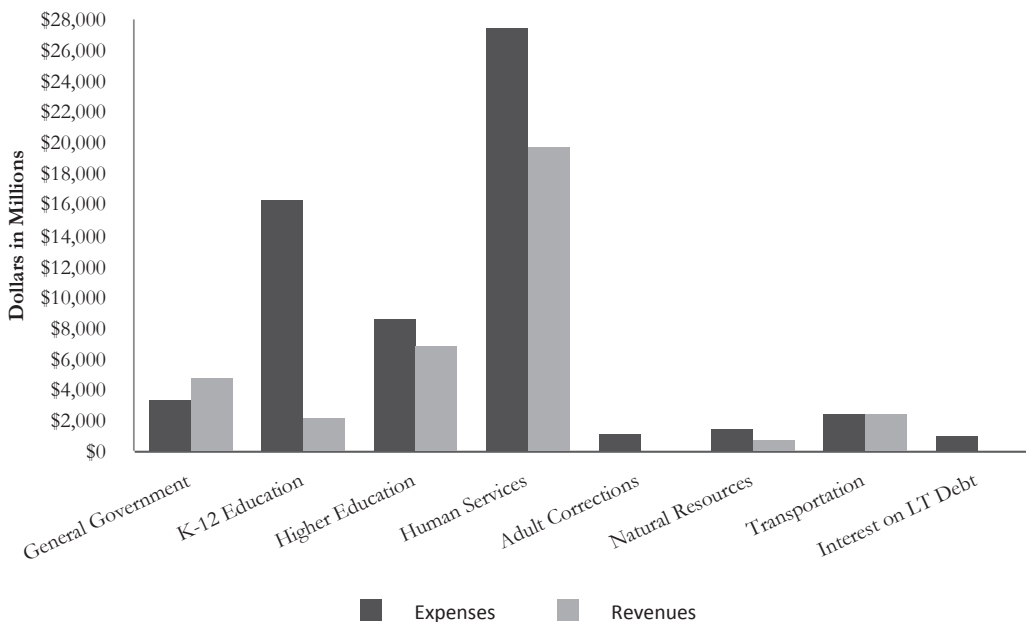
Business-Type Activities. Business-type activities decreased the state of Washington's net position by \$5.96 billion. Key factors contributing to the operating results of business-type activities are:

- The workers' compensation activity decrease in net position in fiscal year 2022 was \$6.71 billion compared to a decrease of \$802.8 million in fiscal year 2021. Premiums and assessments revenue increased \$417.0 million in fiscal year 2022 as compared with fiscal year 2021 as a result of the increase in the average premium rates and an increase in reported hours. Claim costs increased by \$2.47 billion in fiscal year 2022 as compared with fiscal year 2021. Investment income decreased by \$3.88 billion as compared to fiscal year 2021. The workers' compensation portfolio is 81.6 percent debt securities.
- The unemployment compensation activity reported an operating gain in fiscal year 2022 of \$655.1 million compared to an operating loss of \$1.30 billion in fiscal year 2021. Premiums and assessments revenue increased \$476.4 million in fiscal year 2022 as compared with fiscal year 2021 as unemployment rates dropped. Unemployment insurance benefits decreased by \$9.51 billion in fiscal year 2022 compared to fiscal year 2021 due to a decrease in unemployment caused by COVID-19. The unemployment rate for the state for June 2022 was 3.9 percent, a substantial decrease from the 5.2 percent unemployment rate for June 2021.
- The Higher Education Student Services activities reported relatively proportional increases in both operating revenues and expenses when compared to the prior year.
- The Health Insurance activity decrease in net position in fiscal year 2022 was \$284.5 million compared to a decrease of \$27.0 million in fiscal year 2021. Health Insurance premiums collected decreased by \$100.2 million in fiscal year 2022 as compared with fiscal year 2021. Claim costs increased by \$168.3 million in fiscal year 2022 as compared with fiscal year 2021. Rates are created by actuarial analysis and adjusted annually to maintain a positive fund balance. Due to COVID-19, both participating enrollment levels and claim costs have been difficult to predict.

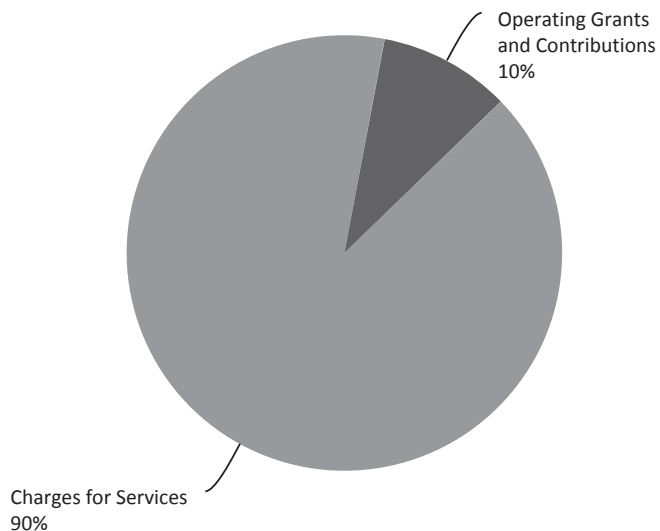
Revenues by Source: Governmental Activities



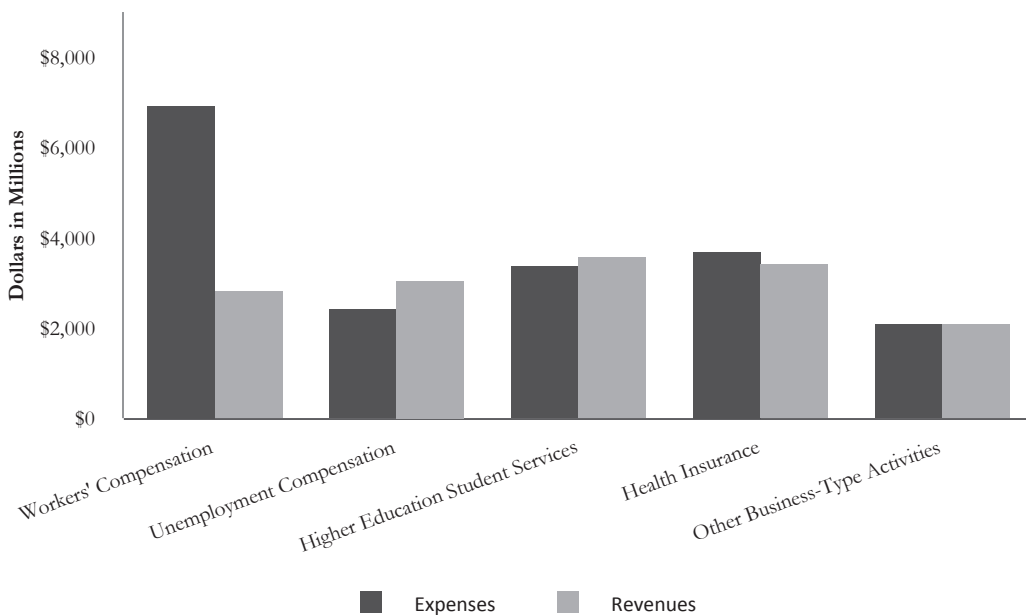
Program Revenues and Expenses: Governmental Activities



Revenues by Source: Business-Type Activities



Program Revenues and Expenses: Business-Type Activities



Financial Analysis of the State's Funds

As noted earlier, the state of Washington uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. As previously discussed, the focus of the state of Washington's governmental funds is to provide information on near-term inflows, outflows, and fund balances. Such information is useful in assessing the state of Washington's financing requirements.

Fund Balances. At June 30, 2022, the state's governmental funds reported combined ending fund balances of \$29.42 billion. Of this amount, \$3.40 billion or 11.6 percent is nonspendable, either due to its form or legal constraints; and \$6.56 billion or 22.3 percent is restricted for specific programs by external constraints, constitutional provisions, or contractual obligations. An additional \$12.00 billion or 40.8 percent of total fund balance has been committed to specific purposes. Committed amounts cannot be used for any other

purpose unless approved by the Legislature. An additional \$2.01 billion or 6.8 percent of total fund balance has been assigned to specific purposes by management. The unassigned portion of the governmental fund balance is \$5.45 billion or 18.5 percent of total fund balance and can be used at the state's discretion.

The General Fund is the chief operating fund of the state of Washington. The fund balance increased by \$2.20 billion in fiscal year 2022 as compared to a \$2.23 billion increase in fiscal year 2021. Increased revenues from taxes and federal aid and spending to improve K-12 staffing for counselors, nurses, and social emotional learning staff along with additional funding in human services to improve the state's behavioral health system and continue its response to COVID-19 were key contributing factors. Additionally, the state transferred a large amount of COVID-19 relief funds out of the General Fund to another administrative fund to better manage these resources. Assigned fund balance of \$1.90 billion is reported for fiscal year 2022 and relates to certain accrued and non-cash revenues which are not considered by management to be available for budgetary purposes.

STATE OF WASHINGTON			
General Fund			
<i>(in millions of dollars)</i>			
	Fiscal Year		Difference Increase (Decrease) 2022 - 2021
	2022	2021	
REVENUES			
Taxes	\$ 29,534	\$ 26,403	\$ 3,131
Federal grants	23,392	19,735	3,657
Investment revenue (loss)	(217)	(13)	(204)
Other	974	1,215	(241)
Total	<u>53,683</u>	<u>47,340</u>	<u>6,343</u>
EXPENDITURES			
Human services	27,614	25,814	1,800
Education	17,457	15,573	1,884
Other	3,220	3,165	55
Total	<u>48,291</u>	<u>44,552</u>	<u>3,739</u>
Net transfers in (out)	(3,387)	(643)	(2,744)
Other financing sources	190	83	107
Net increase (decrease) in fund balance	<u>\$ 2,195</u>	<u>\$ 2,228</u>	<u>\$ (33)</u>

General Fund expenditures continue to be concentrated in services and programs most vital to citizens – primarily human services and public education.

In addition to the General Fund, the state reports the Higher Education Special Revenue and the Higher Education Endowment and Other Permanent Funds as

major governmental funds. Significant changes in these funds are as follows:

- The change in fund balance of the Higher Education Special Revenue Fund in fiscal year 2022 was an increase of \$1.01 billion compared to an increase of

\$226.9 million in fiscal year 2021. The increase can be attributed primarily to increased federal grants.

- The fund balance for the Higher Education Endowment and Other Permanent Funds decreased by \$486.5 million in fiscal year 2022 compared to an increase of \$1.36 billion in fiscal year 2021. The main cause of the change was investment earnings decreased by \$441.9 million in fiscal year 2022 as compared to a \$1.46 billion increase in fiscal year 2021.

Proprietary Funds. The state of Washington's proprietary funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail. Significant changes reported in fiscal year 2022 are as follows:

- The Workers' Compensation Fund reported a decrease in net position of \$6.7 billion in fiscal year 2022. Operating revenues increased by \$420.3 million and operating expenses increased by \$2.45 billion as compared to fiscal year 2021. As previously stated, premiums and assessments revenue increased \$417.0 million in fiscal year 2022 as compared with fiscal year 2021. Claim costs increased by \$2.47 billion in fiscal year 2022 over fiscal year 2021. This increase is attributed to an increase in the number of time loss claims and an increase in annual cost-of-living adjustments on workers' compensation. In addition, investment income decreased \$3.9 billion as compared to fiscal year 2021.
- Washington's Unemployment Compensation Fund reported an increase in net position of \$1.19 billion. While unemployment benefit claims expense decreased by \$9.51 billion in fiscal year 2022 as compared to fiscal year 2021, unemployment premiums and assessments increased by \$476.4 million and federal aid decreased by \$8.04 billion in fiscal year 2022 as compared to 2021. As previously stated, unemployment insurance benefits and federal aid continued to decrease as unemployment rates return to normal and federal COVID-19 coverage ends.
- The Higher Education Student Services Fund reported consistent activity when compared to the prior year.
- The Health Insurance Fund reported a decrease in net position of \$257.5 million in fiscal year 2022. Operating revenues decreased by \$99.4 million while operating expenses increased by \$165.6 million as compared to fiscal year 2021.

General Fund Budgetary Highlights

Differences between the original budget of the General Fund and the final amended budget reflect increases in mandatory costs driven by rising caseloads and school enrollment as well as other high priority needs. Changes to estimates are summarized as follows:

- Estimated biennial resources increased by \$4.49 billion over the course of the fiscal year. The major increases in estimated resources were additional federal grants-in-aid and transfers from other funds.
- Appropriated expenditure authority increased by \$8.74 billion over the course of the fiscal year to address increases in the state's human services and general government agencies' continued response to COVID-19.

The state did not overspend its legal spending authority for the 2021-2023 biennium. Actual General Fund revenues and expenditures were 48.9 and 45.4 percent of final budgeted resources and appropriations, respectively, for the 2021-2023 biennium.

Capital Assets, Infrastructure, and Bond Debt Administration

Capital Assets. The state of Washington's investment in capital assets for its governmental and business-type activities as of June 30, 2022, totaled \$49.40 billion (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, museum and historical collections, buildings and other improvements, furnishings, equipment, intangible assets, and lease assets, as well as construction in progress.

Washington's fiscal year 2022 investment in capital assets, net of current year depreciation, increased \$670.1 million over fiscal year 2021, including increases to the state's transportation infrastructure of \$453.3 million. The state's construction in progress includes both new construction and major improvements to state capital facilities and infrastructure. Remaining commitments on these construction projects total \$5.76 billion.

Additional information on the state of Washington's capital assets can be found in Note 6.

Infrastructure. The state of Washington uses the modified approach for reporting selected infrastructure assets. The modified approach requires that the state meet certain requirements regarding the inventory and

maintenance of eligible capital assets, including condition assessments. Under the modified approach, assets are not depreciated and certain maintenance and preservation costs associated with those assets are expensed. In fiscal year 2022, assets accounted for under this approach include approximately 20,876 pavement lane miles, 4,126

bridges and tunnels, and 47 highway safety rest areas. The total count of bridges includes vehicular bridges of all lengths and pedestrian bridges. Infrastructure asset categories are assessed predominantly on a two-year cycle, either on a calendar year or fiscal year basis.

STATE OF WASHINGTON
Capital Assets - Net of Depreciation
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021*	2022	2021*	2022	2021*
Land	\$ 3,056	\$ 2,943	\$ 75	\$ 75	\$ 3,131	\$ 3,018
Transportation infrastructure and other assets not depreciated	27,225	26,768	5	5	27,230	26,773
Buildings	8,853	9,028	2,820	2,815	11,673	11,843
Furnishings, equipment, and intangible assets	2,075	2,124	195	107	2,270	2,231
Other improvements and infrastructure	1,351	1,332	101	107	1,452	1,439
Construction in progress	1,823	1,490	234	307	2,057	1,797
Lease assets	1,344	1,352	242	276	1,586	1,628
Total	\$ 45,727	\$ 45,037	\$ 3,672	\$ 3,692	\$ 49,399	\$ 48,729

*Prior year balances restated for comparability

The state of Washington's goal is to maintain 85 percent of pavements and 90 percent of bridges at a condition level of fair or better. The condition of these assets, along with the rating scales, and additional detail comparing planned to actual preservation and maintenance spending are available in the required supplementary information.

In 2018, the Washington State Department of Transportation updated its Capital Assets - Infrastructure Policy to report the average of the three most recent assessment periods, as opposed to just the most recent period.

The most recent pavements condition assessment indicates that 92.5 percent of pavements were in fair or better condition. The condition of pavements has remained steady in the last three assessment periods, averaging 93.3 percent in fair or better condition. For fiscal year 2022, actual maintenance and preservation expenditures were 14.6 percent lower than planned. Over the past five fiscal years, the actual expenditures for maintaining and preserving pavements were 8.0 percent lower than planned.

The most recent condition assessment of bridges over 20 feet in length indicates that 94.7 percent of bridges were in good or fair condition. The condition of bridges has remained steady over the last three assessment periods, averaging 93.1 percent in good or fair condition. For fiscal year 2022, the actual maintenance and preservation expenditures were 32.0 percent lower than planned, and

over the past five fiscal years, the actual expenditures were 19.2 percent lower than planned. The significant variance between actual and planned expenditures in fiscal year 2022 can be attributed to continued insufficient resources in keeping up with increased delivery demands imposed on the WSDOT.

Bond Debt. At the end of fiscal year 2022, the state of Washington had general obligation bond debt outstanding including accreted interest and issuance premiums of \$21.02 billion, an increase of 1.4 percent from fiscal year 2021. This debt is secured by a pledge of the full faith and credit of the state. Additionally, the state had authorized \$13.73 billion general obligation debt that remains unissued.

General obligation debt is subject to the limitation prescribed by the state Constitution. The aggregate debt contracted by the state as of June 30, 2022, does not exceed that amount for which payments of principal and interest in any fiscal year would require the state to expend more than 8.25 percent of the arithmetic mean of its general state revenues for the six immediately preceding fiscal years. The arithmetic mean of its general state revenues for fiscal years 2016-2021 is \$22.20 billion. The debt service limitation, 8.25 percent of this mean, is \$1.83 billion. The state's maximum annual debt service as of June 30, 2022, subject to the constitutional debt limitation is \$1.31 billion, or \$523.0 million less than the debt service limitation.

For further information on the debt limit, refer to Schedule 11 in the statistical section of this report or the Report on the State of Washington's Debt Limitation, available from the Office of the State Treasurer at <https://www.tre.wa.gov/wp-content/uploads/Debt-Limit-Certification-2022.pdf>

By statutory provision, the State Finance Committee (SFC) is authorized to supervise and control the issuance

of all state bonds, notes, or other evidences of indebtedness. The SFC is composed of the Governor, Lieutenant Governor, and State Treasurer, the latter serving as chairperson.

As of June 30, 2022, the state of Washington's general obligation debt was rated Aaa by Moody's Investor Service, AA+ by Standard & Poor's Rating Group, and AA+ by Fitch Ratings.

STATE OF WASHINGTON

Bond Debt

(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation (GO) bonds	\$ 20,710	\$ 20,402	\$ —	\$ —	\$ 20,710	\$ 20,402
Accreted interest on zero interest rate GO bonds	312	328	—	—	312	328
Revenue bonds	1,749	1,889	2,288	2,293	4,037	4,182
Unamortized premium on bonds sold	2,970	2,637	172	182	3,142	2,819
Total	<u>\$ 25,741</u>	<u>\$ 25,256</u>	<u>\$ 2,460</u>	<u>\$ 2,475</u>	<u>\$ 28,201</u>	<u>\$ 27,731</u>

The state had revenue debt outstanding at June 30, 2022, of \$4.04 billion, a decrease of \$145.0 million compared to fiscal year 2021. The decrease is primarily related to the state issuing fewer revenue bonds than in prior years. This debt is not supported or intended to be supported by the full faith and credit of the state. Revenue bond debt is generally secured by specific sources of revenue. The exceptions are the University of Washington and Washington State University which issue general revenue bonds that are payable from general revenues of each university.

General obligation and revenue bonds totaling \$2.08 billion were refunded during the year. Washington's refunding activity produced \$246.6 million in gross debt service savings.

Additional information on the state's bond debt obligations is presented in Note 7.

Conditions with Expected Future Impact

Economic Outlook. Washington's unemployment remains at a record low while the state's personal income continues to grow. Washington housing construction is starting to slow in late 2022 as housing prices in the state may have peaked. Continued hiring and a restrained

growth in consumer spending should keep revenues growing at a modest pace.

Rainy Day Account. In November 2007, Washington state voters ratified Engrossed Substitute Senate Joint Resolution 8206, amending the Washington Constitution and establishing the Budget Stabilization Account (BSA). The state's Constitution details a limited number of circumstances under which funds can be appropriated from the BSA, one of which is a favorable vote of at least three-fifths of the members of each house of the Legislature.

On June 30, 2022, \$300.2 million was transferred to the BSA from the General Fund in accordance with the provisions of the Constitution. The BSA had a fund balance of \$334.7 million as of June 30, 2022.

Requests for Information

This financial report is designed to provide a general overview of the state of Washington's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of Financial Management, Accounting Division, P.O. Box 43127, Olympia, WA 98504-3127.

Statement of Net Position

June 30, 2022

(expressed in thousands)

Continued

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and cash equivalents	\$ 20,684,976	\$ 5,754,996	\$ 26,439,972	\$ 1,577,377
Taxes receivable (net of allowance for uncollectibles)	5,482,506	3,435	5,485,941	—
Other receivables (net of allowance for uncollectibles)	3,397,406	3,134,488	6,531,894	365,326
Internal balances	192,457	(192,457)	—	—
Due from other governments	5,526,744	518,557	6,045,301	—
Inventories and prepaids	172,401	80,299	252,700	113,280
Restricted cash and investments	327,612	16,128	343,740	319,055
Restricted receivables, current	15,830	1	15,831	—
Investments, noncurrent	8,107,129	19,133,537	27,240,666	255,684
Restricted investments, noncurrent	—	111,117	111,117	—
Restricted net pension asset	9,984,953	893,866	10,878,819	16,344
Other assets	—	568,338	568,338	739,924
Capital assets:				
Non-depreciable assets	32,104,001	313,877	32,417,878	438,373
Depreciable assets (net of accumulated depreciation)	13,622,748	3,358,466	16,981,214	1,326,502
Total capital assets	45,726,749	3,672,343	49,399,092	1,764,875
Total Assets	99,618,763	33,694,648	133,313,411	5,151,865
DEFERRED OUTFLOWS OF RESOURCES	2,078,938	447,016	2,525,954	17,212
Total Assets and Deferred Outflows of Resources	\$ 101,697,701	\$ 34,141,664	\$ 135,839,365	\$ 5,169,077

The notes to the financial statements are an integral part of this statement.

Statement of Net Position

June 30, 2022

(expressed in thousands)

	Primary Government			Concluded
	Governmental Activities	Business-Type Activities	Total	Component Units
	LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
LIABILITIES				
Accounts payable	\$ 2,817,597	\$ 232,492	\$ 3,050,089	\$ 141,947
Accrued liabilities	2,381,390	862,107	3,243,497	348,915
Obligations under security lending agreements	—	9,143	9,143	—
Due to other governments	1,553,400	688,625	2,242,025	—
Unearned revenues	3,610,072	191,156	3,801,228	214,402
Long-term liabilities:				
Due within one year	2,357,455	3,337,179	5,694,634	45,000
Due in more than one year	35,471,689	41,340,287	76,811,976	2,186,665
Total Liabilities	48,191,603	46,660,989	94,852,592	2,936,929
DEFERRED INFLOWS OF RESOURCES	9,203,837	1,244,356	10,448,193	92,555
NET POSITION				
Net investment in capital assets	24,818,030	884,628	25,702,658	320,497
Restricted for:				
Unemployment compensation	—	3,458,819	3,458,819	—
Nonexpendable permanent endowments	3,232,013	—	3,232,013	—
Expendable endowment funds	2,078,887	—	2,078,887	—
Pensions	4,392,029	212,115	4,604,144	2,599
Human services	687,725	—	687,725	—
Wildlife and natural resources	1,278,545	—	1,278,545	—
Transportation	1,785,464	—	1,785,464	—
Budget stabilization	334,741	—	334,741	—
Higher education	78,787	—	78,787	—
Capital projects	70,843	—	70,843	—
Other purposes	247,214	—	247,214	213,015
Unrestricted	5,297,983	(18,319,243)	(13,021,260)	1,603,482
Total Net Position	44,302,261	(13,763,681)	30,538,580	2,139,593
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 101,697,701	\$ 34,141,664	\$ 135,839,365	\$ 5,169,077

The notes to the financial statements are an integral part of this statement.

Statement of Activities
For the Fiscal Year Ended June 30, 2022
(expressed in thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities:				
General government	\$ 3,402,786	\$ 1,274,331	\$ 3,490,103	\$ —
Education - K-12 education	16,406,607	16,515	2,181,896	—
Education - higher education	8,722,452	3,319,719	3,535,574	55,785
Human services	27,479,371	743,877	19,070,024	—
Adult corrections	1,176,713	10,720	1,452	—
Natural resources and recreation	1,536,363	566,860	238,974	37,859
Transportation	2,482,574	1,505,548	330,288	632,395
Interest on long-term debt	1,090,030	—	—	—
Total Governmental Activities	62,296,896	7,437,570	28,848,311	726,039
Business-Type Activities:				
Workers' compensation	6,955,460	2,811,621	9,456	—
Unemployment compensation	2,432,607	1,629,488	1,458,214	—
Higher education student services	3,388,141	3,603,302	11,803	—
Health insurance	3,726,064	3,458,195	—	—
Washington's lottery	696,150	911,678	—	—
Paid family and medical leave	1,105,551	961,892	—	—
Other	318,494	246,990	673	—
Total Business-Type Activities	18,622,467	13,623,166	1,480,146	—
Total Primary Government	\$ 80,919,363	\$ 21,060,736	\$ 30,328,457	\$ 726,039
Total Component Units	\$ 2,071,491	\$ 1,295,702	\$ 757,585	\$ —
General Revenues:				
Taxes, net of related credits:				
Sales and use				
Business and occupation				
Property				
Motor vehicle and fuel				
Excise				
Cigarette and tobacco				
Public utilities				
Insurance premium				
Other				
Interest and investment earnings				
Total general revenues				
Excess (deficiency) of revenues over expenses before contributions to endowments and transfers				
Contributions to endowments				
Transfers				
Change in Net Position				
Net Position - Beginning, as restated				
Net Position - Ending				

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
\$ 1,361,648	\$ —	\$ 1,361,648	
(14,208,196)	—	(14,208,196)	
(1,811,374)	—	(1,811,374)	
(7,665,470)	—	(7,665,470)	
(1,164,541)	—	(1,164,541)	
(692,670)	—	(692,670)	
(14,343)	—	(14,343)	
(1,090,030)	—	(1,090,030)	
(25,284,976)	—	(25,284,976)	
—	(4,134,383)	(4,134,383)	
—	655,095	655,095	
—	226,964	226,964	
—	(267,869)	(267,869)	
—	215,528	215,528	
—	(143,659)	(143,659)	
—	(70,831)	(70,831)	
—	(3,519,155)	(3,519,155)	
\$ (25,284,976)	\$ (3,519,155)	\$ (28,804,131)	
			\$ (18,204)
15,187,179	—	15,187,179	—
6,151,652	—	6,151,652	—
4,467,823	—	4,467,823	24,965
1,612,283	—	1,612,283	—
3,092,444	14,146	3,106,590	—
353,075	—	353,075	—
574,385	—	574,385	—
823,878	—	823,878	—
1,727,919	(3)	1,727,916	(1,390)
(737,725)	(2,711,881)	(3,449,606)	(99,001)
33,252,913	(2,697,738)	30,555,175	(75,426)
7,967,937	(6,216,893)	1,751,044	(93,630)
97,137	—	97,137	—
(251,946)	251,946	—	—
7,813,128	(5,964,947)	1,848,181	(93,630)
36,489,133	(7,798,734)	28,690,399	2,233,223
\$ 44,302,261	\$ (13,763,681)	\$ 30,538,580	\$ 2,139,593

Balance Sheet
GOVERNMENTAL FUNDS

June 30, 2022

(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Nonmajor Governmental Funds	Total
ASSETS					
Cash and cash equivalents	\$ 9,619,684	\$ 1,515,387	\$ 1,025,394	\$ 6,939,720	\$ 19,100,185
Investments	16,323	3,427,911	5,025,462	309,097	8,778,793
Taxes receivable (net of allowance)	5,106,818	74,126	—	301,562	5,482,506
Receivables (net of allowance)	1,025,246	1,210,423	18,074	1,093,929	3,347,672
Due from other funds	1,731,475	1,111,869	15	513,146	3,356,505
Due from other governments	2,058,140	189,517	—	3,147,703	5,395,360
Inventories and prepaids	18,502	48,652	—	59,107	126,261
Restricted cash and investments	20,509	576	—	191,834	212,919
Restricted receivables	—	8,722	—	7,108	15,830
Total Assets	\$ 19,596,697	\$ 7,587,183	\$ 6,068,945	\$ 12,563,206	\$ 45,816,031
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 2,194,300	\$ 180,428	\$ 10	\$ 384,680	\$ 2,759,418
Accrued liabilities	752,779	860,871	54,077	238,520	1,906,247
Due to other funds	260,668	468,271	815,223	1,446,328	2,990,490
Due to other governments	754,297	83,297	48,514	173,683	1,059,791
Unearned revenue	3,209,933	293,246	—	101,782	3,604,961
Claims and judgments payable	34,053	—	—	104,182	138,235
Total Liabilities	7,206,030	1,886,113	917,824	2,449,175	12,459,142
DEFERRED INFLOWS OF RESOURCES					
	3,330,875	388,943	44,035	176,696	3,940,549
FUND BALANCES					
Nonspendable fund balance	60,361	48,653	3,021,059	270,061	3,400,134
Restricted fund balance	338,670	43,719	2,086,027	4,093,789	6,562,205
Committed fund balance	1,267,662	5,109,816	—	5,620,377	11,997,855
Assigned fund balance	1,900,952	109,939	—	—	2,010,891
Unassigned fund balance	5,492,147	—	—	(46,892)	5,445,255
Total Fund Balances	9,059,792	5,312,127	5,107,086	9,937,335	29,416,340
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 19,596,697	\$ 7,587,183	\$ 6,068,945	\$ 12,563,206	\$ 45,816,031

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Balance Sheet to the
Statement of Net Position
GOVERNMENTAL FUNDS**

June 30, 2022
(expressed in thousands)

Total Fund Balances for Governmental Funds \$ 29,416,340

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Non-depreciable assets	\$	32,052,295	
Depreciable assets		26,368,608	
Less: Accumulated depreciation		<u>(13,570,447)</u>	
Total capital assets			44,850,456

Some of the state's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are considered deferred inflows in the funds.			3,512,707
--	--	--	-----------

Certain pension trust funds have been funded in excess of the annual required contributions, creating a year-end asset. This asset is not a financial resource and therefore is not reported in the funds.			9,739,918
--	--	--	-----------

Deferred outflows of resources represent a consumption of net assets that will be reported as an outflow of resources in a future period and therefore are not reported in the funds.			1,991,072
---	--	--	-----------

Deferred inflows of resources represent an acquisition of net assets that will be recognized as an inflow of resources in a future period and therefore are not reported in the funds.			(8,433,856)
--	--	--	-------------

Unmatured interest on general obligation bonds and other debt is not recognized in the funds until due.			(391,621)
---	--	--	-----------

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.			(1,135,936)
---	--	--	-------------

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Bonds and other financing contracts payable	\$	(25,536,848)	
Accreted interest on bonds and other debt		(312,355)	
Right-to-use lease liabilities		(1,283,498)	
Compensated absences		(802,367)	
Other postemployment benefits obligations		(5,360,345)	
Net pension liability		(798,937)	
Unclaimed property		(119,770)	
Pollution remediation obligations		(230,095)	
Claims and judgments		(40,267)	
Asset retirement obligations		(30,522)	
Other obligations		<u>(731,815)</u>	
Total long-term liabilities			<u>(35,246,819)</u>

Net Position of Governmental Activities \$ 44,302,261

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes in Fund Balances
GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2022
(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Nonmajor Governmental Funds	Total
REVENUES					
Retail sales and use taxes	\$ 15,058,926	\$ —	\$ —	\$ 128,253	\$ 15,187,179
Business and occupation taxes	5,771,007	373,732	—	6,913	6,151,652
Property taxes	4,399,803	—	—	—	4,399,803
Excise taxes	2,046,865	439,574	—	606,005	3,092,444
Motor vehicle and fuel taxes	—	—	—	1,612,283	1,612,283
Other taxes	2,257,418	456,571	—	491,936	3,205,925
Licenses, permits, and fees	151,750	1,061	—	2,104,918	2,257,729
Other contracts and grants	359,990	1,337,026	—	153,392	1,850,408
Timber sales	5,286	—	18,850	114,667	138,803
Federal grants-in-aid	23,392,311	2,221,337	—	2,110,227	27,723,875
Charges for services	64,814	3,006,533	—	818,316	3,889,663
Investment income (loss)	(216,940)	31,628	(441,900)	(110,513)	(737,725)
Miscellaneous revenue	235,319	207,473	1,250	568,763	1,012,805
Contributions and donations	—	—	97,137	—	97,137
Unclaimed property	156,821	—	—	—	156,821
Total Revenues	53,683,370	8,074,935	(324,663)	8,605,160	70,038,802
EXPENDITURES					
Current:					
General government	1,997,565	288	153	1,569,180	3,567,186
Human services	27,613,552	16,560	—	1,273,153	28,903,265
Natural resources and recreation	788,552	—	—	815,392	1,603,944
Transportation	71,478	—	—	2,175,752	2,247,230
Education	17,457,204	6,686,541	747	853,048	24,997,540
Intergovernmental	182,157	—	—	398,482	580,639
Capital outlays	154,206	246,672	69	1,816,255	2,217,202
Debt service:					
Principal	23,190	69,451	—	1,239,929	1,332,570
Interest	2,980	16,908	—	1,067,168	1,087,056
Total Expenditures	48,290,884	7,036,420	969	11,208,359	66,536,632
Excess of Revenues Over (Under) Expenditures	5,392,486	1,038,515	(325,632)	(2,603,199)	3,502,170
OTHER FINANCING SOURCES (USES)					
Bonds issued	127,922	14,865	—	1,356,433	1,499,220
Refunding bonds issued	—	—	—	1,760,965	1,760,965
Payments to escrow agents for refunded bond debt	—	—	—	(1,895,574)	(1,895,574)
Issuance premiums	1,116	8,177	—	573,873	583,166
Other debt issued	1,376	33,761	—	24,361	59,498
Refunding COPs issued	4,080	32,500	—	—	36,580
Right-to-use lease acquisition	55,529	67,017	—	20,637	143,183
Transfers in	987,160	1,061,871	322,306	6,207,808	8,579,145
Transfers out	(4,374,111)	(1,244,391)	(483,212)	(2,743,844)	(8,845,558)
Total Other Financing Sources (Uses)	(3,196,928)	(26,200)	(160,906)	5,304,659	1,920,625
Net Change in Fund Balances	2,195,558	1,012,315	(486,538)	2,701,460	5,422,795
Fund Balances - Beginning, as restated	6,864,234	4,299,812	5,593,624	7,235,875	23,993,545
Fund Balances - Ending	\$ 9,059,792	\$ 5,312,127	\$ 5,107,086	\$ 9,937,335	\$ 29,416,340

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Statement of Activities**

GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2022

(expressed in thousands)

Net Change in Fund Balances - Total Governmental Funds \$ 5,422,795

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlays	\$ 1,561,962	
Less: Depreciation expense	(911,338)	650,624

Some revenues in the Statement of Activities do not provide current financial resources, and therefore are unavailable in governmental funds. Also, revenues related to prior periods that became available during the current period are reported in governmental funds but are eliminated in the Statement of Activities. This amount is the net adjustment.

336,105

Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is reported with governmental activities.

(172,508)

Bond proceeds and other financing contracts provide current financial resources to governmental funds, while the repayment of the related debt principal consumes those financial resources. These transactions, however, have no effect on net position. In the current period, these amounts consist of:

Bonds and other financing contracts issued	\$ (4,000,818)	
Principal payments on bonds and other financing contracts	3,563,281	
Accreted interest on bonds	15,224	(422,313)

Some expenses/revenue reductions reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not recognized in governmental funds. Also payments of certain obligations related to prior periods are recognized in governmental funds but are eliminated in the Statement of Activities. In the current period, the net adjustments consist of:

Compensated absences	\$ (10,737)	
Other postemployment benefits	(142,595)	
Pensions	2,554,440	
Pollution remediation	(1,625)	
Claims and judgments	2,922	
Accrued interest	7,129	
Unclaimed property	(6,804)	
Asset retirement obligations	(1,848)	
Other obligations	(402,457)	1,998,425

Change in Net Position of Governmental Activities \$ 7,813,128

The notes to the financial statements are an integral part of this statement.

Statement of Net Position
PROPRIETARY FUNDS

June 30, 2022

(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 149,579	\$ 2,876,910	\$ 1,225,006
Investments	1,084,394	—	8,244
Taxes receivable (net of allowance)	—	—	—
Receivables (net of allowance)	937,926	1,314,825	395,852
Due from other funds	82	6,558	25,755
Due from other governments	1,337	231,823	103,352
Inventories	63	—	57,889
Prepaid expenses	163	—	8,298
Restricted cash and investments	527	—	15,601
Restricted receivables	—	—	1
Total Current Assets	2,174,071	4,430,116	1,839,998
Noncurrent Assets:			
Investments, noncurrent	17,322,228	—	231,866
Restricted investments, noncurrent	—	—	111,117
Restricted net pension asset	167,990	—	638,247
Other noncurrent assets	3,392	—	486,086
Capital assets:			
Land and other non-depreciable assets	3,204	—	74,624
Buildings	65,111	—	4,740,389
Other improvements	1,289	—	149,484
Furnishings, equipment, and intangibles	104,587	—	777,796
Infrastructure	—	—	64,593
Lease assets	52,465	—	291,972
Accumulated depreciation and amortization	(169,068)	—	(2,808,813)
Construction in progress	27,704	—	191,188
Total Noncurrent Assets	17,578,902	—	4,948,549
Total Assets	19,752,973	4,430,116	6,788,547
DEFERRED OUTFLOWS OF RESOURCES	49,909	—	352,455
Total Assets and Deferred Outflows of Resources	\$ 19,802,882	\$ 4,430,116	\$ 7,141,002

The notes to the financial statements are an integral part of this statement.

Continued

			<u>Governmental Activities</u>	
<u>Health Insurance</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>	
\$ 159,405	\$ 191,589	\$ 4,602,489	\$ 884,023	
—	59,869	1,152,507	664	
—	3,435	3,435	—	
100,644	385,241	3,134,488	49,736	
228	71,461	104,084	107,597	
174,623	5,897	517,032	44,659	
—	13,129	71,081	23,105	
540	217	9,218	23,035	
—	—	16,128	114,692	
—	—	1	—	
<u>435,440</u>	<u>730,838</u>	<u>9,610,463</u>	<u>1,247,511</u>	
—	1,579,443	19,133,537	28,439	
—	—	111,117	—	
8,883	78,746	893,866	245,035	
—	78,860	568,338	—	
—	1,540	79,368	7,269	
—	12,828	4,818,328	593,398	
—	6,221	156,994	15,122	
407	95,457	978,247	1,068,194	
—	—	64,593	2,170	
5,499	14,098	364,034	168,099	
(2,303)	(43,546)	(3,023,730)	(1,022,396)	
—	15,617	234,509	44,437	
<u>12,486</u>	<u>1,839,264</u>	<u>24,379,201</u>	<u>1,149,767</u>	
<u>447,926</u>	<u>2,570,102</u>	<u>33,989,664</u>	<u>2,397,278</u>	
5,854	38,801	447,019	87,866	
<u>\$ 453,780</u>	<u>\$ 2,608,903</u>	<u>\$ 34,436,683</u>	<u>\$ 2,485,144</u>	

**Statement of Net Position
PROPRIETARY FUNDS**

June 30, 2022

(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 9,394	\$ —	\$ 160,084
Accrued liabilities	254,245	173,005	436,672
Obligations under security lending agreements	—	—	—
Bonds and notes payable	7,871	—	178,733
Total OPEB liability	2,400	—	11,410
Due to other funds	5,320	2,323	186,679
Due to other governments	—	646,440	2,217
Unearned revenue	3,205	—	132,809
Claims and judgments payable	2,528,276	149,529	—
Total Current Liabilities	2,810,711	971,297	1,108,604
Noncurrent Liabilities:			
Claims and judgments payable	36,174,480	—	—
Bonds and notes payable	20,023	—	2,712,236
Net pension liability	17,074	—	96,281
Total OPEB liability	142,982	—	679,784
Unearned revenue	3,455	—	—
Other long-term liabilities	7,727	—	223,261
Total Noncurrent Liabilities	36,365,741	—	3,711,562
Total Liabilities	39,176,452	971,297	4,820,166
DEFERRED INFLOWS OF RESOURCES	206,786	—	927,213
NET POSITION			
Net investment in capital assets	57,398	—	733,021
Restricted for:			
Unemployment compensation	—	3,458,819	—
Pensions	36,325	—	154,586
Unrestricted	(19,674,079)	—	506,016
Total Net Position	(19,580,356)	3,458,819	1,393,623
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 19,802,882	\$ 4,430,116	\$ 7,141,002

The notes to the financial statements are an integral part of this statement.

Concluded

			Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$ 42,141	\$ 20,873	\$ 232,492	\$ 58,181	
9,022	187,338	1,060,282	144,847	
—	9,143	9,143	—	
874	2,442	189,920	143,095	
154	1,073	15,037	3,238	
340	116,752	311,414	266,184	
—	23,569	672,226	16,975	
2,171	49,516	187,701	5,054	
241,234	14,961	2,934,000	257,581	
295,936	425,667	5,612,215	895,155	
—	16,630	36,191,110	1,540,516	
2,773	5,563	2,740,595	580,748	
876	7,547	121,778	35,454	
9,174	63,903	895,843	192,878	
—	—	3,455	59	
978	1,159,045	1,391,011	34,129	
13,801	1,252,688	41,343,792	2,383,784	
309,737	1,678,355	46,956,007	3,278,939	
10,876	99,482	1,244,357	342,141	
(44)	94,253	884,628	231,231	
—	—	3,458,819	—	
2,328	18,876	212,115	48,541	
130,883	717,937	(18,319,243)	(1,415,708)	
133,167	831,066	(13,763,681)	(1,135,936)	
\$ 453,780	\$ 2,608,903	\$ 34,436,683	\$ 2,485,144	

Statement of Revenues, Expenses, and Changes in Net Position
PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2022
(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
OPERATING REVENUES			
Sales	\$ —	\$ —	\$ 46,854
Less: Cost of goods sold	—	—	(26,294)
Gross profit	—	—	20,560
Charges for services	24	—	3,173,753
Premiums and assessments	2,766,915	1,606,588	—
Lottery ticket proceeds	—	—	—
Federal aid for unemployment insurance benefits	—	1,458,214	—
Miscellaneous revenue	44,608	22,900	296,125
Total Operating Revenues	2,811,547	3,087,702	3,490,438
OPERATING EXPENSES			
Salaries and wages	209,888	—	1,323,720
Employee benefits	14,154	—	167,876
Personal services	12,347	—	218,500
Goods and services	83,891	—	1,241,689
Travel	2,853	—	23,250
Premiums and claims	6,586,284	2,432,607	—
Guaranteed education tuition program expense	—	—	—
Lottery prize payments	—	—	—
Depreciation and amortization	11,411	—	261,348
Miscellaneous expenses	34,311	—	26,755
Total Operating Expenses	6,955,139	2,432,607	3,263,138
Operating Income (Loss)	(4,143,592)	655,095	227,300
NONOPERATING REVENUES (EXPENSES)			
Earnings (loss) on investments	(2,580,407)	33,497	45,617
Interest expense	(321)	—	(102,869)
Tax and license revenue	95	—	—
Other revenues (expenses)	9,530	—	98,373
Total Nonoperating Revenues (Expenses)	(2,571,103)	33,497	41,121
Income (Loss) Before Contributions and Transfers	(6,714,695)	688,592	268,421
Capital contributions	—	—	—
Transfers in	1,787	499,970	491,491
Transfers out	—	—	(518,070)
Net Contributions and Transfers	1,787	499,970	(26,579)
Change in Net Position	(6,712,908)	1,188,562	241,842
Net Position - Beginning, as restated	(12,867,448)	2,270,257	1,151,781
Net Position - Ending	\$ (19,580,356)	\$ 3,458,819	\$ 1,393,623

The notes to the financial statements are an integral part of this statement.

			Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$	—	\$ 85,976	\$ 132,830	\$ 37,611
		(71,454)	(97,748)	(32,019)
		14,522	35,082	5,592
		131,409	3,305,186	958,686
3,457,370	988,572	8,819,445	185,698	
	907,686	907,686		
	—	1,458,214		
827	7,037	371,497		197,446
3,458,197	2,049,226	14,897,110		1,347,422
		15,671	106,700	1,655,979
		2,667	13,177	197,874
		11,328	24,452	266,627
		5,601	124,707	1,455,888
		18	652	26,773
3,685,689	1,054,809	13,759,389		521,884
	137,578	137,578		
	573,990	573,990		
926	8,039	281,724		118,516
	654	61,720		301
3,721,900	2,044,758	18,417,542		1,537,065
(263,703)	4,468	(3,520,432)		(189,643)
		(3,734)	(206,854)	(2,711,881)
		(38)	(3,952)	(107,180)
		—	14,051	14,146
		—	552	108,455
(3,772)	(196,203)	(2,696,460)		(8,428)
(267,475)	(191,735)	(6,216,892)		(198,071)
				13,836
		171	57,750	1,051,169
(17,167)	(263,987)	(799,224)		(28,193)
(16,996)	(206,237)	251,945		25,563
(284,471)	(397,972)	(5,964,947)		(172,508)
417,638	1,229,038	(7,798,734)		(963,428)
\$ 133,167	\$ 831,066	\$ (13,763,681)	\$	(1,135,936)

Statement of Cash Flows
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2022
(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 2,604,376	\$ 932,558	\$ 3,224,727
Payments to suppliers	(2,574,352)	(2,122,721)	(1,428,572)
Payments to employees	(282,062)	—	(1,653,978)
Other receipts	44,607	1,530,790	305,864
Net Cash Provided (Used) by Operating Activities	(207,431)	340,627	448,041
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	1,787	499,970	491,491
Transfers out	—	—	(518,070)
Operating grants and donations received	9,542	—	13,593
Taxes and license fees collected	95	—	—
Net Cash Provided (Used) by Noncapital Financing Activities	11,424	499,970	(12,986)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest paid	(300)	—	(102,857)
Principal payments on long-term capital financing	(8,848)	—	(123,986)
Proceeds from long-term capital financing	—	—	99,911
Proceeds from sale of capital assets	75	—	85,802
Acquisitions of capital assets	(23,876)	—	(218,926)
Net Cash Provided (Used) by Capital and Related Financing Activities	(32,949)	—	(260,056)
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipt of interest	598,624	33,497	11,414
Proceeds from sale of investment securities	7,566,882	—	13,469
Purchases of investment securities	(7,868,851)	—	(57,993)
Net Cash Provided (Used) by Investing Activities	296,655	33,497	(33,110)
Net Increase (Decrease) in Cash and Pooled Investments	67,699	874,094	141,889
Cash and cash equivalents, July 1, as restated	82,407	2,002,816	1,098,718
Cash and cash equivalents, June 30	\$ 150,106	\$ 2,876,910	\$ 1,240,607
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (4,143,592)	\$ 655,095	\$ 227,300
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and amortization	11,411	—	261,348
Revenue reduced for uncollectible accounts	31,797	—	2,724
Change in Assets: Decrease (Increase)			
Receivables	(141,286)	(624,355)	30,197
Inventories	24	—	(3,063)
Prepaid expenses	(4)	—	(1,866)
Other assets	(167,990)	—	(637,337)
Change in Deferred Outflows of Resources: Increase (Decrease)	2,621	—	(38,704)
Change in Liabilities: Increase (Decrease)			
Payables	4,052,185	309,887	49,311
Change in Deferred Inflows of Resources: Decrease (Increase)	147,403	—	558,131
Net Cash Provided (Used) by Operating Activities	\$ (207,431)	\$ 340,627	\$ 448,041

The notes to the financial statements are an integral part of this statement.

Continued

				Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds		
\$ 3,376,918	\$ 1,997,038	\$ 12,135,617	\$ 1,147,443		
(3,604,024)	(1,909,116)	(11,638,785)	(607,377)		
(20,643)	(144,622)	(2,101,305)	(464,129)		
565	7,041	1,888,867	196,980		
(247,184)	(49,659)	284,394	272,917		
171	57,750	1,051,169	39,920		
(17,167)	(263,987)	(799,224)	(28,193)		
—	744	23,879	473		
—	14,307	14,402	6		
(16,996)	(191,186)	290,226	12,206		
(37)	(171)	(103,365)	(24,776)		
(864)	(2,507)	(136,205)	(71,809)		
—	—	99,911	29,450		
—	268	86,145	14,387		
—	(8,800)	(251,602)	(107,289)		
(901)	(11,210)	(305,116)	(160,037)		
2,204	38,792	684,531	1,257		
—	177,472	7,757,823	753		
—	(208,666)	(8,135,510)	(5,659)		
2,204	7,598	306,844	(3,649)		
(262,877)	(244,457)	576,348	121,437		
422,282	436,046	4,042,269	877,278		
\$ 159,405	\$ 191,589	\$ 4,618,617	\$ 998,715		
\$ (263,703)	\$ 4,468	\$ (3,520,432)	\$ (189,643)		
926	8,039	281,724	118,516		
—	98	34,619	165		
(81,171)	(125,670)	(942,285)	(35,283)		
—	(2,737)	(5,776)	(5,755)		
(539)	248	(2,161)	(1,542)		
(8,883)	(78,744)	(892,954)	(245,036)		
184	(2,901)	(38,800)	(471)		
98,100	74,866	4,584,349	424,323		
7,902	72,674	786,110	207,643		
\$ (247,184)	\$ (49,659)	\$ 284,394	\$ 272,917		

Statement of Cash Flows
PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2022
(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Contributions of capital assets	\$ —	\$ —	\$ —
Acquisition of capital assets through lease financing	—	—	14,711
Amortization of annuity prize liability	—	—	—
Increase (decrease) in fair value of investments	(3,181,051)	—	(527)
Debt refunding deposited with escrow agent	—	—	315,740
Amortization of debt premium/discount	—	—	253
Increase in ownership of joint venture	—	—	22,910
Ceding interest in ownership of joint venture	—	—	(282,189)
Increase in noncurrent asset through conversion of joint venture	—	—	285,885
Increase in noncurrent asset through long-term financing	—	—	142,942

The notes to the financial statements are an integral part of this statement.

Concluded

			<u>Governmental Activities</u>	
<u>Health Insurance</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>	
\$	—	\$	—	\$ 13,836
	64		14,775	41,605
	3,778		3,778	—
(5,410)	(248,737)	(3,435,725)		(931)
	—		315,740	—
	3,456		3,709	6,650
	—		22,910	—
	—		(282,189)	—
	—		285,885	—
	—		142,942	—

Statement of Net Position
FIDUCIARY FUNDS

June 30, 2022

(expressed in thousands)

Continued

	Private-Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans	Custodial Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and cash equivalents	\$ 13,138	\$ 10,347,471	\$ 55,993	\$ 271,538
Receivables, pension and other employee benefit plans:				
Employers	—	—	228,276	—
Members (net of allowance)	—	—	7,544	—
Interest and dividends	—	—	426,647	—
Investment trades pending	—	—	17,746,417	—
Due from other pension and other employee benefit funds	—	—	89,342	—
Taxes receivable (net of allowance)	—	—	—	1,499,192
Other receivables, all other funds	10	14,152	105	7,721
Due from other governments	—	—	—	27,288
Investments:				
Liquidity	—	6,655,861	3,523,168	—
Fixed income	—	3,772,465	24,042,160	—
Public equity	—	—	48,077,493	—
Private equity	—	—	41,486,331	—
Real estate	—	—	32,414,540	—
Tangible assets	—	—	9,245,606	—
Innovations	—	—	1,143,092	—
Security lending collateral	—	—	282,980	—
Other noncurrent assets	—	—	—	82,354
Capital assets:				
Furnishings, equipment, and intangibles	16	—	—	—
Leased assets	1,909	—	—	5,621
Accumulated depreciation and amortization	(1,055)	—	—	(1,405)
Total Assets	14,018	20,789,949	178,769,694	1,892,309
DEFERRED OUTFLOWS OF RESOURCES	—	—	265	—
Total Assets and Deferred Outflows of Resources	\$ 14,018	\$ 20,789,949	\$ 178,769,959	\$ 1,892,309

The notes to the financial statements are an integral part of this statement.

Statement of Net Position
FIDUCIARY FUNDS

June 30, 2022

(expressed in thousands)

					Concluded
	Private-Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans	Custodial Funds	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION					
LIABILITIES					
Current Liabilities:					
Accounts payable	\$ 347	\$ —	\$ —	\$ 9,622	
Accrued liabilities	212	1,402,558	17,691,892	57,573	
Obligations under security lending agreements	—	—	282,980	—	
Notes and leases payable	246	—	—	677	
Due to other funds	—	98	—	—	
Due to other pension and other employee benefit funds	—	—	89,342	—	
Due to other governments	—	598,792	—	612,323	
Unearned revenue	—	—	1,316	—	
Total Current Liabilities	805	2,001,448	18,065,530	680,195	
Noncurrent Liabilities:					
Unearned revenue	660	—	—	3,623	
Other long-term liabilities	—	—	—	7,810	
Total Noncurrent Liabilities	660	—	—	11,433	
Total Liabilities	1,465	2,001,448	18,065,530	691,628	
DEFERRED INFLOWS OF RESOURCES					
	—	—	172	—	
NET POSITION					
Net position restricted for:					
Pensions	—	—	155,125,108	—	
Deferred compensation participants	—	—	5,579,149	—	
Local government pool participants	—	18,788,501	—	—	
Individuals, organizations, and other governments	12,553	—	—	1,200,681	
Total Net Position	\$ 12,553	\$ 18,788,501	\$ 160,704,257	\$ 1,200,681	

The notes to the financial statements are an integral part of this statement.

Statement of Changes in Net Position
FIDUCIARY FUNDS

For the Fiscal Year Ended June 30, 2022
(expressed in thousands)

	Private-Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans	Custodial Funds
ADDITIONS				
Contributions:				
Employers	\$ —	\$ —	\$ 2,990,576	\$ —
Members	—	—	1,975,660	—
State	—	—	95,512	—
Participants	—	28,268,995	403,276	851,239
Total Contributions	—	28,268,995	5,465,024	851,239
Investment Income:				
Net appreciation (depreciation) in fair value	—	—	(4,019,756)	—
Interest and dividends	—	57,320	3,546,197	(4,638)
Earnings (loss) on investments	(4)	(37,212)	—	2,855
Less: Investment expenses	—	—	(681,125)	—
Net Investment Income (Loss)	(4)	20,108	(1,154,684)	(1,783)
Other Additions:				
Unclaimed property	88,599	—	—	—
Transfers from other plans	—	—	126,096	—
Sales tax collections for other governments	—	—	—	7,076,070
Miscellaneous revenue	943	—	20,331	754,589
Transfers in	2,741	—	—	—
Total Other Additions	92,283	—	146,427	7,830,659
Total Additions	92,279	28,289,103	4,456,767	8,680,115
DEDUCTIONS				
Pension benefits	—	—	5,617,397	—
Pension refunds	—	—	1,125,016	—
Transfers to other plans	—	—	126,096	—
Administrative expenses	7,634	1,641	2,926	1,402
Distributions to participants	—	29,551,228	395,323	—
Payments of sales tax to other governments	—	—	—	6,935,300
Payments on behalf of retirees for medical benefits	—	—	—	838,211
Other deductions	—	—	—	776,988
Payments to or on behalf of individuals, organizations, and other governments in accordance with state unclaimed property laws	82,023	—	—	—
Total Deductions	89,657	29,552,869	7,266,758	8,551,901
Net Increase (Decrease)	2,622	(1,263,766)	(2,809,991)	128,214
Net Position - Beginning, as restated	9,931	20,052,267	163,514,248	1,072,467
Net Position - Ending	\$ 12,553	\$ 18,788,501	\$ 160,704,257	\$ 1,200,681

The notes to the financial statements are an integral part of this statement.

Statement of Net Position

COMPONENT UNITS

June 30, 2022

(expressed in thousands)

Continued

	Fred Hutchinson Cancer Center	Health Benefit Exchange	Valley Medical Center	Nonmajor Component Units	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 365,050	\$ 5,535	\$ 76,658	\$ 445,406	\$ 892,649
Investments	619,540	—	17,135	48,053	684,728
Investments, restricted	319,055	—	—	—	319,055
Receivables (net of allowance)	235,113	8,482	100,759	20,972	365,326
Inventories	26,100	—	10,398	—	36,498
Prepaid expenses	51,974	2,180	22,144	484	76,782
Total Current Assets	1,616,832	16,197	227,094	514,915	2,375,038
Noncurrent Assets:					
Investments, noncurrent	149,769	—	105,915	—	255,684
Restricted net pension asset	—	9,594	—	6,750	16,344
Other noncurrent assets	186,464	296	27,937	525,227	739,924
Capital assets:					
Land	142,661	—	14,026	34,677	191,364
Buildings	703,015	—	537,598	460,952	1,701,565
Other improvements	—	1,854	23,985	176	26,015
Furnishings, equipment, and intangible assets	255,105	70,730	290,059	12,785	628,679
Lease asset	225,552	2,794	133,876	2,541	364,763
Accumulated depreciation and amortization	(497,879)	(56,149)	(524,033)	(316,459)	(1,394,520)
Construction in progress	210,632	5,203	31,174	—	247,009
Total Noncurrent Assets	1,375,319	34,322	640,537	726,649	2,776,827
Total Assets	2,992,151	50,519	867,631	1,241,564	5,151,865
DEFERRED OUTFLOWS OF RESOURCES					
	—	2,775	12,926	1,511	17,212
Total Assets and Deferred Outflows of Resources	\$ 2,992,151	\$ 53,294	\$ 880,557	\$ 1,243,075	\$ 5,169,077

The notes to the financial statements are an integral part of this statement.

Statement of Net Position
COMPONENT UNITS

June 30, 2022

(expressed in thousands)

	Fred Hutchinson Cancer Center	Health Benefit Exchange	Valley Medical Center	Nonmajor Component Units	Concluded Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION					
LIABILITIES					
Current Liabilities:					
Accounts payable	\$ 107,230	\$ 6,298	\$ 27,456	\$ 963	\$ 141,947
Accrued liabilities	171,353	1,508	152,136	46,319	371,316
Total OPEB liability	—	—	—	3	3
Lease liability	6,829	588	13,719	1,460	22,596
Unearned revenue	—	8,389	20,801	185,212	214,402
Total Current Liabilities	285,412	16,783	214,112	233,957	750,264
Noncurrent Liabilities:					
Bonds and notes payable	1,089,000	—	292,866	—	1,381,866
Net pension liability	—	—	—	604	604
Total OPEB liability	—	1,476	—	3,777	5,253
Lease liability	226,457	—	95,208	155	321,820
Other long-term liabilities	428,824	296	—	48,002	477,122
Total Noncurrent Liabilities	1,744,281	1,772	388,074	52,538	2,186,665
Total Liabilities	2,029,693	18,555	602,186	286,495	2,936,929
DEFERRED INFLOWS OF RESOURCES	18,075	12,240	54,332	7,908	92,555
NET POSITION					
Net investment in capital assets	5,584	23,530	97,276	194,107	320,497
Restricted for:					
Pension	—	919	—	1,680	2,599
Other purposes	204,595	—	1,337	7,083	213,015
Unrestricted	734,204	(1,950)	125,426	745,802	1,603,482
Total Net Position	944,383	22,499	224,039	948,672	2,139,593
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 2,992,151	\$ 53,294	\$ 880,557	\$ 1,243,075	\$ 5,169,077

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenses, and Changes in Net Position
COMPONENT UNITS

For the Fiscal Year Ended June 30, 2022
(expressed in thousands)

	Fred Hutchinson Cancer Center	Health Benefit Exchange	Valley Medical Center	Nonmajor Component Units	Total
EXPENSES	\$ 1,077,504	\$ 60,853	\$ 884,768	\$ 48,366	\$ 2,071,491
PROGRAM REVENUES					
Charges for services	336,636	37,479	797,416	124,171	1,295,702
Operating grants and contributions	718,774	31,051	—	7,760	757,585
Total Program Revenues	1,055,410	68,530	797,416	131,931	2,053,287
Net Program Revenues (Expense)	(22,094)	7,677	(87,352)	83,565	(18,204)
GENERAL REVENUES (EXPENSES)					
Earnings (loss) on investments	(90,927)	—	(6,414)	(1,660)	(99,001)
Property taxes	—	—	24,965	—	24,965
Other revenues (expenses)	(11,138)	(46)	9,794	—	(1,390)
Total General Revenues (Expenses)	(102,065)	(46)	28,345	(1,660)	(75,426)
Change in Net Position	(124,159)	7,631	(59,007)	81,905	(93,630)
Net Position - Beginning, as restated	1,068,542	14,868	283,046	866,767	2,233,223
Net Position - Ending	\$ 944,383	\$ 22,499	\$ 224,039	\$ 948,672	\$ 2,139,593

The notes to the financial statements are an integral part of this statement.

Note 1

Summary of Significant Accounting Policies

The accompanying financial statements of the state of Washington have been prepared in conformity with generally accepted accounting principles (GAAP). The Office of Financial Management (OFM) is the primary authority for the state's accounting and reporting requirements. OFM has adopted the pronouncements of the Governmental Accounting Standards Board (GASB), which is nationally accepted as the standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the significant accounting policies:

A. REPORTING ENTITY

In defining the state of Washington for financial reporting purposes, management considers all funds, organizations, institutions, agencies, departments, and offices that are legally part of the state (the primary government) and organizations that are financially accountable to the state. Additionally, other organizations that do not meet the financial accountability criteria may be included in the reporting entity if the nature and significance of their relationship with the state are such that exclusion would cause the state's financial statements to be misleading.

Financial accountability exists when the primary government appoints a voting majority of an organization's governing body and is either (1) able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The primary government is also financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board. An organization is fiscally dependent if it is unable to determine its budget without another government having the substantive authority to approve or modify that budget, to levy taxes or set rates or charges without substantive approval by another government, or to issue bonded debt without substantive approval by another government. The organization has a financial benefit or burden relationship with the primary government if, for example, any one of these conditions exists: (1) the primary government is legally entitled to or can access the organization's resources, (2) the primary government is

legally obligated or has otherwise assumed the obligation to finance or provide financial support to the organization, (3) the primary government is obligated in some manner for the debt of the organization.

Based on these criteria, the following are included in the financial statements of the primary government:

State Agencies. Except as otherwise described herein, all state elected offices, departments, agencies, commissions, boards, committees, authorities, councils (agencies), and all funds and subsidiary accounts of the state are included in the primary government. Executives of these agencies are either elected, directly appointed by the Governor, appointed by a board which is appointed by the Governor, or appointed by a board which is in part appointed by the Governor. Additionally, a small number of board positions are established by statute or independently elected.

The Legislature creates these agencies, assigns their programs, approves operational funding, and requires financial accountability. The Legislature also authorizes all bond issuances for capital construction projects for the benefit of state agencies. The legal liability for these bonds and the ownership of agency assets reside with the state.

Colleges and Universities. The governing boards of the five state universities, the state college, and the 34 state community and technical colleges are appointed by the Governor. The governing board of each college and university appoints a president to function as chief administrator. The Legislature approves budgets and budget amendments for the appropriated funds of each college and university, which include the state's General Fund as well as certain capital projects funds. The State Treasurer issues general obligation debt for major campus construction projects. However, the colleges and universities are authorized to issue revenue bonds.

The University of Washington (UW) and Washington State University issue general revenue bonds that are payable from general revenues, including student tuition, grant indirect cost recovery, sales and services revenue, and investment income. All other revenue bonds issued by colleges and universities pledge the income derived from acquired or constructed assets such as housing, dining, and parking facilities. These revenue bonds are payable solely from, and secured by, fees and revenues derived from the operation of constructed facilities. The legal liability for the bonds and the ownership of the college and university assets reside with the state.

Colleges and universities do not have separate corporate powers and sue and are sued as part of the state with legal representation provided through the state Attorney General's Office. Since the colleges and universities are

legally part of the state, their financial operations, including their blended component units, are reported in the state's financial statements using the fund structure prescribed by GASB.

Retirement Systems. The state of Washington, through the Department of Retirement Systems (DRS), administers eight retirement systems for public employees of the state and political subdivisions: the Public Employees' Retirement System, the Teachers' Retirement System, the School Employees' Retirement System, the Law Enforcement Officers' and Fire Fighters' Retirement System, the Washington State Patrol Retirement System, the Public Safety Employees' Retirement System, the Judicial Retirement System, and the Judges' Retirement Fund. The director of DRS is appointed by the Governor.

There are three additional retirement systems administered outside of the DRS. The Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund is administered through the State Board for Volunteer Fire Fighters and Reserve Officers, which is appointed by the Governor. The Judicial Retirement Account is administered through the Administrative Office of the Courts under the direction of the Board for Judicial Administration. The Higher Education Retirement Plan Supplemental Benefit Fund Plans are administered by the state's colleges and universities.

The Legislature establishes laws pertaining to the creation and administration of all public retirement systems. The participants of the public retirement systems, together with the state, provide funding for all costs of the systems based upon actuarial valuations. The state establishes benefit levels and approves the actuarial assumptions used in determining contribution levels.

All of the aforementioned retirement systems are included in the primary government's financial statements.

Blended Component Units

Blended component units, although legally separate entities, are part of the state's operations in substance. Accordingly, they are reported as part of the state and blended into the appropriate funds. Financial information for the state's blended component units may be obtained from the Office of Financial Management, Accounting Division, P.O. Box 43127, Olympia, WA 98504-3127. The following entities are blended in the state's financial statements:

Tobacco Settlement Authority was created by the Legislature in March 2002 as a public instrumentality separate and distinct from the state. It is governed by a five-member board appointed by the Governor. It was created solely for the purpose of issuing bonds to

securitize a portion of the state's future tobacco settlement revenue. Proceeds of the debt instrument were transferred to the state to help fund health care, long-term care, and other programs of the state. Refer to Note 7.A for additional information.

University of Washington Physicians (UWP) was established for the exclusive benefit of the University of Washington School of Medicine (UWSOM). UWP employs UWSOM faculty and bills and collects for their clinical services as an agent for UWSOM.

UW Medicine Neighborhood Clinics (UW Neighborhood Clinics) were established for the exclusive benefit of the UWSOM, UWP and its affiliated medical centers, Harborview Medical Center, and the UW Medical Center (UWMC). The UW Neighborhood Clinics were organized to coordinate and develop patient care in a community clinical setting. They enhance the academic environment of UWSOM by providing additional sites of primary care practice and training for faculty, residents, and students.

Washington Biomedical Research Properties I and II, and Washington Biomedical Research Facilities 3, 3.2, and 3.3 were formed to acquire, construct, or renovate certain real properties for the benefit of the UW in fulfilling its educational, medical, or scientific research missions.

Portage Bay Insurance (PBI) was established to provide the University of Washington (UW) with alternative risk financing options for self-insurance reserves. PBI is responsible for insuring UW for medical professional liability, educator's legal liability including employment practices liability, and general and automobile liability.

TOP and FYI Properties were formed to design and construct office facilities to house state employees. The facilities were financed with tax-exempt obligations that meet the requirements of Revenue Ruling 63-20 and Revenue Procedure 82-26 issued by the Internal Revenue Service.

Discrete Component Units

Discretely presented component units are reported in a separate column in the government-wide financial statements. Discretely presented component units are legally separate from the state and primarily serve or benefit those outside of the state. They are financially accountable to the state or have relationships with the state such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. These entities are reported as discrete component units because state officials either serve on or appoint the members of the governing bodies of the

institutions. The state also has the ability to influence the operations of the institutions through legislation.

The state's discrete component units each have a year end of June 30 with the exception of the Washington Economic Development Finance Authority which has a December 31 year end.

The following entities are discretely presented in the financial statements of the state in the component unit's column:

Fred Hutchinson Cancer Center (FHCC) was created in April 2022 from the merger of Seattle Cancer Care Alliance (SCCA) and Fred Hutchinson Cancer Research Center, along with the execution of the Restructuring and Enhanced Collaboration Agreement between the University of Washington and FHCC. FHCC is focused on adult oncology research and care that is a clinically integrated part of UWMC.

Financial reports of FHCC may be obtained at the following address:

Fred Hutchinson Cancer Center
1100 Fairview Ave N
Seattle, WA 98109

Valley Medical Center was created July 1, 2011, through a strategic alliance between UW Medicine and Public Hospital District No. 1 of King County. Valley Medical Center owns and operates a 341-bed full service acute care hospital and 45 clinics located throughout southeast King County.

Financial reports of Valley Medical Center may be obtained at the following address:

Valley Medical Center
400 S. 43rd Street
Renton, WA 98055

The **Washington Health Benefit Exchange (Exchange)** was created by the Legislature to implement a central marketplace for individuals, families, and small employers to shop for health insurance and access federal tax credits pursuant to the Patient Protection and Affordable Care Act of 2010. Federal grant funding financed the Exchange design, development, and implementation phases as well as the first full year of operation during 2014. Beginning in 2015, the Exchange became self-sustaining through Medicaid program cost reimbursements, premium tax assessments, and other assessments.

Financial reports of the Exchange may be obtained at the following address:

Washington Health Benefit Exchange
810 Jefferson Street SE
Olympia, WA 98501

The **Washington State Public Stadium Authority (PSA)** was created by the Legislature to acquire, construct, own, and operate a football/soccer stadium, exhibition center, and parking garage. Construction was completed in 2002.

Financial reports of the PSA may be obtained at the following address:

Washington State Public Stadium Authority
Lumen Field & Event Center
800 Occidental Avenue South, #700
Seattle, WA 98134

The **Washington State Housing Finance Commission**, the **Washington Higher Education Facilities Authority**, the **Washington Health Care Facilities Authority**, and the **Washington Economic Development Finance Authority** (financing authorities) were created by the Legislature in a way that specifically prevents them from causing the state to be liable or responsible for their acts and obligations including, but not limited to, any obligation to pay principal and interest on financing authority bonds. The financing authorities cannot obligate the state, either legally or morally, and the state has not assumed any obligation of, or with respect to, the financing authorities.

Financial reports of these financing authorities may be obtained from each authority at the following addresses:

Washington Health Care Facilities Authority
410 11th Avenue SE, Suite 201
Olympia, WA 98501

Washington State Housing Finance Commission
Washington Higher Education Facilities Authority
Washington Economic Development Finance Authority
1000 Second Avenue, Suite 2700
Seattle, WA 98104

Joint Ventures

The University of Washington and Seattle Children's Hospital established **Children's University Medical Group (CUMG)** to assist the organizations in carrying out their pediatric patient care, as well as charitable, educational, and scientific missions.

CUMG employs UWSOM faculty physicians and bills and collects for their services as an agent for UWSOM. The University records revenue from CUMG based on the income distribution plan effective December 31,

2008. The University's patient services receivable includes amounts due from CUMG of \$19.9 million in 2022.

Separate financial statements for CUMG may be obtained from:

Children's University Medical Group
4500 Sand Point Way NE, Suite 100
Seattle, WA 98105

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-wide Financial Statements

The state presents two basic government-wide financial statements: the Statement of Net Position and the Statement of Activities. These government-wide financial statements report information on all non-fiduciary activities of the primary government and its component units. The financial information for the primary government is distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

Statement of Net Position. The Statement of Net Position presents the state's non-fiduciary assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. As a general rule, balances between governmental and business-type activities are eliminated.

Statement of Activities. The Statement of Activities reports the extent to which each major state program is supported by general state revenues or is self-financed through fees and intergovernmental aid. For governmental activities, a major program is defined as a function. For business-type activities, a major program is an identifiable activity.

Program revenues offset the direct expenses of major programs. Direct expenses are those that are clearly identifiable within a specific function or activity. Program revenues are identified using the following criteria:

- Charges to customers for goods and services of the program. A customer is one who directly benefits from the goods or services or is otherwise directly affected by the program, such as a state citizen or taxpayer, or other governments or nongovernmental entities.
- Amounts received from outside entities that are restricted to one or more specific programs. These amounts can be operating or capital in nature.

- Earnings on investments that are restricted to a specific program.

General revenues consist of taxes and other items not meeting the definition of program revenues.

Generally, the effect of internal activities is eliminated. Exceptions to this rule include charges between the workers' compensation insurance programs and various other state programs and functions. Elimination of these charges would distort the direct costs and revenues reported for the various activities involved.

Fund Financial Statements

The state uses 781 accounts that are combined into 53 rollup funds. The state presents separate financial statements for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual proprietary funds are reported in separate columns in the fund financial statements, with nonmajor funds being combined into a single column regardless of fund type. Internal service and fiduciary funds are reported by fund type. Major funds include:

Major Governmental Funds:

- **General Fund** is the state's primary operating fund. This fund accounts for all financial resources and transactions not accounted for in other funds.
- **Higher Education Special Revenue Fund** primarily accounts for tuition, student fees, and grants and contracts received for educational and research purposes.
- **Higher Education Endowment and Other Permanent Funds** accounts for gifts and bequests that the donors have specified must remain intact. Each gift is governed by various restrictions on the investment and use of the income earned on investments.

Major Enterprise Funds:

- **Workers' Compensation Fund** accounts for the workers' compensation program that provides medical, time-loss, and disability benefit payments to qualifying individuals sustaining work-related injuries.
- **Unemployment Compensation Fund** accounts for the unemployment compensation program. It accounts for the deposit of funds, requisitioned from the Federal Unemployment Trust Fund, to provide services to eligible participants within the state and to pay unemployment benefits.

- **Higher Education Student Services Fund** is used by colleges and universities principally for bookstore, cafeteria, parking, student housing, food service, and hospital business enterprise activities.
- **Health Insurance Fund** is used to account for premiums collected and payments for public and school employees' insurance benefits.

The state includes the following nonmajor funds:

Nonmajor Governmental Funds:

- **Special Revenue Funds** account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, other governments, or for major capital projects) that are restricted or committed to expenditures for specific purposes. These include a variety of state programs including public safety and health assistance programs; natural resource and wildlife protection and management programs; the state's transportation programs which include the operation of the state's ferry system and maintenance and preservation of interstate and non-interstate highway systems; driver licensing, highway and non-highway operations, and capital improvements; K-12 school construction; and construction and loan programs for local public works projects.
- **Debt Service Funds** account for the accumulation of resources that are restricted or committed to expenditures for, and the payment of, principal and interest on the state's bonds issued in support of governmental activities.
- **Capital Projects Funds** account for financial resources that are restricted or committed to expenditures for the acquisition, construction, or improvement of major state-owned capital facilities (other than highway infrastructure or those financed by proprietary funds).
- **Common School Permanent Fund** accounts for the principal derived from the sale of timber. Interest earned is used for the benefit of common schools.

Nonmajor Proprietary Funds:

- **Enterprise Funds** account for the state's business type operations for which a fee is charged to external users for goods or services including: the state lottery, vocational/education programs at correctional institutions, the Guaranteed Education Tuition program, paid family and medical leave compensation, and other activities.
- **Internal Service Funds** account for the provision of legal, motor pool, data processing, risk management,

and other services by one department or agency to other departments or agencies of the state on a cost-reimbursement basis.

Nonmajor Fiduciary Funds:

- **Pension (and other employee benefit) Trust Funds** are used to report resources that are required to be held in trust by the state for the members and beneficiaries of defined benefit pension plans, defined contribution pension plans, and other employee benefit plans.
- **Investment Trust Funds** account for the external portion of the local government investments, which is reported by the state as the sponsoring government.
- **Private-Purpose Trust Funds** are used to report trust arrangements, other than pension and investment trusts, under which principal and income benefit individuals, private organizations, or other governments such as the administration of unclaimed property.
- **Custodial Funds** account for resources held by the state in a custodial capacity for other governments, private organizations, or individuals that are not required to be reported in pension (and other employee benefit) trust funds, investment funds, or private-purpose trust funds.

Operating and Nonoperating Revenues and Expenses. The state's proprietary funds make a distinction between operating and nonoperating revenues and expenses. Operating revenues and expenses generally result from providing goods and services directly related to the principal operations of the funds. For example, operating revenues for the state's workers' compensation and health insurance funds consist of premiums and assessments collected. Operating expenses consist of claims paid to covered individuals, claims adjustment expenses, costs of commercial insurance coverage, and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating, including interest expense and investment gains and losses.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

For government-wide reporting purposes, the state uses the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items

are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

For fund statement reporting purposes, the state uses the current financial resources measurement focus and modified accrual basis of accounting for governmental funds. With the current financial resources measurement focus, generally only current assets, current liabilities, deferred outflows of resources, and deferred inflows of resources are included on the governmental funds balance sheet. Operating statements for these funds present inflows (i.e., revenues and other financing sources) and outflows (i.e., expenditures and other financing uses) of expendable financial resources.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be reasonably estimated. “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Primary revenues that are determined to be susceptible to accrual include sales taxes, business and occupation taxes, motor fuel taxes, federal grants-in-aid, and charges for services.

Revenues from property taxes are determined to be available if collectible within 60 days. Taxes imposed on exchange transactions are accrued when the underlying exchange transaction occurs if collectible within one year. Revenue for timber cutting contracts is accrued when the timber is harvested. Revenues from licenses, permits, and fees related to a future time period are recognized when received in cash. Revenues related to expenditure-driven grant agreements are recognized when the qualifying expenditures are made, provided that the availability criteria are met. Expenditure-driven grant revenue is considered available if it can be collected by the state at the same time cash is disbursed to cover the associated grant expenditure. Pledges are accrued when the eligibility requirements are met and resources are available. All other accrued revenue sources are determined to be available if collectible within 12 months.

Property taxes are levied in December for the following calendar year. The first half-year collections are due by April 30, and the second half-year collections are due by October 31. Since the state is on a fiscal year ending June 30, the first half-year collections are recognized as revenue if collectible within 60 days of the fiscal year end. The second half-year collections are recognized as receivables offset by unavailable revenue. The lien date on property taxes is January 1 of the tax levy year.

Under modified accrual accounting, expenditures are generally recognized when the related liability is incurred. However, unmatured interest on general long-term obligations is recognized when due. Certain liabilities including compensated absences, other postemployment

benefits, and claims and judgments are recognized when the obligations are expected to be liquidated with available spendable financial resources.

The state reports both unavailable and unearned revenues on its governmental fund balance sheet. Unavailable revenues arise when a potential revenue does not meet both the “measurable” and the “available” criteria for revenue recognition in the current period. Unearned revenues arise when resources are received by the state before it has a legal claim to them, such as when grant monies are received prior to incurring qualifying expenditures/expenses.

All proprietary and fiduciary funds are accounted for using the economic resources measurement focus. With this measurement focus, all assets, liabilities, deferred outflows of resources, and deferred inflows of resources associated with the operations of these funds are included on their respective statements of net position. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

All proprietary and fiduciary funds are reported using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE

1. Cash and Investments

Investments of surplus or pooled cash balances are reported on the accompanying Statements of Net Position, Balance Sheets, and Statements of Cash Flows as “Cash and Cash Equivalents.” The Office of the State Treasurer invests state treasury cash surplus where funds can be disbursed at any time without prior notice or penalty. For reporting purposes, pooled investments are stated at fair value or amortized cost, which approximates fair value. For purposes of reporting cash flows, the state considers cash and pooled investments to be cash equivalents. Pooled investments include short-term, highly-liquid investments that are both readily convertible to cash and are so near their maturity dates that they present insignificant risk of changes in value because of changes in interest rates.

The method of accounting for investments varies depending upon the fund classification. Investments in the state’s Local Government Investment Pool (LGIP), a qualified external investment pool, are reported at amortized cost which approximates fair value. The Office of the State Treasurer prepares a stand-alone LGIP financial report. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia,

WA 98504-0200, online at: <https://tre.wa.gov/partners/for-local-governments/local-government-investment-pool-lgip/lgip-comprehensive-annual-financial-report/> or phone number (360) 902-9000. TTY users dial 711 to be connected to the state TTY operator.

The fair value of certain pension trust fund investments that are organized as limited partnerships and have no readily ascertainable fair values (including real estate, private equity, and tangible assets) has been determined by using the net asset value per share of the Pension Funds' ownership interest in partners' capital. These values are based on the individual investee's capital account balance reported at fair value at the closest available reporting period, adjusted for subsequent activity. At June 30, 2022, these alternative investments are valued at \$83.76 billion. Because of the inherent uncertainties in the estimation of fair values, it is possible that the estimates will change in the near-term or the subsequent sale of assets will be different than the June 30, 2022, reported net asset value.

Short-term money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. Nonparticipating contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

All other investments are reported at fair value. Fair values are based on published market prices, quotations from national security exchanges and security pricing services, or by the respective fund managers for securities that are not actively traded. Privately held mortgages are valued at cost, which approximates fair value. Additional disclosure describing investments is provided in Note 3.

2. Receivables and Payables

Receivables in the state's governmental fund type accounts consist primarily of taxes and federal revenues. Receivables in all other funds have arisen in the ordinary course of business. Receivables are recorded when either the asset or revenue recognition criteria (refer to Note 1.C) have been met. All receivables are reported net of an allowance for accounts estimated to be uncollectible.

For government-wide reporting purposes, amounts recorded as interfund/interagency receivables and payables are eliminated in the governmental and business-type activities columns on the Statement of Net Position, except for the net residual balances due between the governmental and business-type activities, which are reported as internal balances.

Amounts recorded in governmental and business-type activities as due to or from fiduciary funds have been reported as due to or from other governments.

3. Inventories and Prepays

Consumable inventories, consisting of expendable materials and supplies held for consumption, are valued and reported in the state's financial statements if the fiscal year-end balance on hand at an inventory control point is estimated to be \$50,000 or more. Consumable inventories are valued at cost using either the first-in, first-out or weighted average methods. Donated consumable inventories are recorded at fair value.

All merchandise inventories are considered reportable for financial statement purposes. Merchandise inventories are generally valued at cost using the first-in, first-out or weighted average method. Inventories of governmental funds are valued at cost and recorded using the consumption method. Proprietary funds expense inventories when used or sold.

For governmental fund financial reporting, inventory balances are also recorded as a nonspendable fund balance indicating that they do not constitute "available spendable resources," except for \$6.9 million in federally donated consumable inventories, which are offset by unearned revenue because they are not earned until they are distributed to clients.

Prepaid items are those certain types of supplies and/or services (not inventory) that are acquired or purchased during an accounting period but not used or consumed during that accounting period.

In governmental fund type accounts, prepaid items are generally accounted for using the purchases method. Under the purchases method, prepaid items are treated as expenditures when purchased and residual balances, if any, at year end are not accounted for as assets.

In proprietary and trust fund type accounts, prepaid items are accounted for using the consumption method. The portion of supplies or services consumed or used during a period is recorded as an expense. The balance that remains is reported as an asset until consumed or used.

4. Restricted Assets

Certain cash, investments, and other assets are classified as restricted assets on the Statement of Net Position and Balance Sheet because their use is limited by debt covenants, escrow arrangements, or other regulations.

5. Capital Assets

Capital assets are tangible and intangible assets held and used in state operations, which have a service life of more than one year and meet the state's capitalization policy.

It is the state's policy to capitalize:

- All land, including land use rights with indefinite lives acquired with the purchase of the underlying land, and ancillary costs.
- The state highway system operated by the Department of Transportation.
- Infrastructure, other than the state highway system, with a cost of \$100,000 or more.
- Buildings, building improvements, improvements other than buildings, and leasehold improvements with a cost of \$100,000 or more.
- Intangible assets (excluding intangible right-to-use lease assets), either purchased or internally developed, with a cost of \$1 million or more that are identifiable by meeting one of the following conditions:
 - The asset is capable of being separated or divided and sold, transferred, licensed, rented, or exchanged.
 - The asset arises from contractual or other legal rights, regardless of whether those rights are transferable or separable.
- Lease assets with total payments over the lease term of \$500,000 or greater.
- All capital assets acquired with Certificates of Participation, a debt financing program administered by the Office of the State Treasurer.
- All other capital assets with a unit cost (including ancillary costs) of \$5,000 or greater, or collections with a total cost of \$5,000 or greater.

Assets acquired by lease-to-own agreements are capitalized if the assets' fair value meets the state's capitalization thresholds described above.

Purchased capital assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Capital asset costs include the purchase price plus those costs necessary to place the asset in its intended location and condition for use (ancillary costs). Normal maintenance and repair costs that do not materially add to the value or extend the life of the state's capital assets are not capitalized.

Donated capital assets, works of art, and historical treasures are valued at their estimated acquisition value on the date of donation, plus all appropriate ancillary costs. When the acquisition value is not practically determinable due to lack of sufficient records, estimated cost is used. Where necessary, estimates of value are derived by factoring price levels from the current period to the time of acquisition.

State agencies are not required to capitalize art collections, library reserve collections, and museum and historical collections that are considered inexhaustible, in that their value does not diminish over time, if all of the following conditions are met:

- The collection is held for public exhibition, education, or research in furtherance of public service, rather than financial gain.
- The collection is protected, kept unencumbered, cared for, and preserved.
- The collection is subject to policy requirements that the proceeds from sales of collection items be used to acquire other items for the collection.

Depreciation/amortization is calculated using the straight-line method over the estimated useful lives of the assets.

Generally, estimated useful lives are as follows:

Buildings & building components	5-50 years
Furnishings, equipment, and collections	3-50 years
Other improvements	3-50 years
Intangibles	3-50 years
Infrastructure	20-50 years

The cost and related accumulated depreciation/amortization of disposed capital assets are removed from the accounting records.

The state capitalizes the state highway system as a network but does not depreciate it since the system is being preserved approximately at or above a condition level established by the state. That condition level is documented and disclosed in the Required Supplementary Information. Additionally, the highway system is managed using an asset management system that includes:

- Maintenance of an up-to-date inventory of system assets.
- Performance of condition assessments of the assets at least every three years with summarization of the results using a measurement scale.

- Annual estimation of the amount to maintain and preserve the assets at the condition level established and disclosed.

All state highway system expenditures that preserve the useful life of the system are expensed in the period incurred. Additions and improvements that increase the capacity or efficiency of the system are capitalized. This approach of reporting condition instead of depreciating the highway system is called the modified approach.

For government-wide financial reporting purposes, capital assets of the state are reported as assets in the applicable governmental or business-type activities column on the Statement of Net Position. Depreciation/amortization expense related to capital assets is reported in the Statement of Activities.

Capital assets and the related depreciation/amortization expense are also reported in the proprietary fund financial statements.

In governmental funds, capital assets are not capitalized in the accounts that acquire or construct them. Instead, capital acquisitions and construction are reflected as expenditures in the year assets are acquired or construction costs are incurred. No depreciation/amortization is reported.

6. Leases

Lessee Activities. The state is a lessee for various noncancellable leases of land, buildings, equipment, and vehicles.

For leases that meet the capitalization threshold, at lease commencement, the state recognizes a lease liability and an intangible right-to-use lease asset on the Statement of Net Position in the government-wide and proprietary and trust fund financial statements.

For governmental fund financial reporting, the initial value of the lease liability is reported as other financing sources with a corresponding capital outlay at lease commencement.

The lease liability is initially measured at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the amount of the lease liability, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. If the state is reasonably

certain of exercising a purchase option contained in a lease, the lease asset will be amortized over the useful life of the underlying asset.

Generally, the state's incremental borrowing rate is used as the discount rate for leases unless the rate that the lessor charges is known. The incremental borrowing rate for leases is based on the rate of interest the state would be charged if it issued certificates of participation to borrow an amount equal to the lease payments for a similar asset type and under similar terms at the commencement or remeasurement date. The University of Washington's incremental borrowing rate is used as the discount rate for lease contracts where the university is the lessee.

The lease terms include the noncancellable period of the lease plus any additional periods covered by either a lessee or lessor option to (1) extend for which it is reasonably certain to be exercised, or (2) terminate for which it is reasonably certain not to be exercised. Periods in which both the lessee and the lessor have a unilateral option to terminate (or if both parties have to agree to extend) are excluded from the lease term.

Certain payments are evaluated to determine if they should be included in the measurement of the lease liabilities, including those payments that require a determination of whether they are reasonably certain of being made, such as residual value guarantees, purchase options, payments for termination penalties, and other payments.

The state monitors changes in circumstances that may require remeasurement of a lease liability. When certain changes occur that are expected to significantly affect the amount of the lease, the liability is remeasured and a corresponding adjustment is made to the lease asset.

For leases below the capitalization threshold and leases with a maximum possible term of 12 months or less at commencement, an expense/expenditure is recognized based on the provisions of the lease contract.

Lessor Activities. The state is a lessor for various noncancellable leases of land, buildings, and other assets such as communication towers.

For leases that meet the capitalization threshold, at lease commencement, the state recognizes a lease receivable and a deferred inflow of resources on the Statement of Net Position in the government-wide and proprietary and trust fund financial statements and on the governmental funds Balance Sheet.

The lease receivable is initially measured at the present value of payments expected to be received during the

lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments made. The deferred inflow of resources is initially measured as the amount of the lease receivable, plus lease payments made at or before the lease commencement date, less any lease incentives paid to, or on behalf of, the lessee at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as lease revenue on a straight-line basis over the lease term.

Generally, the state's incremental borrowing rate for leases is used as the discount rate for lease receivables. The University of Washington's incremental borrowing rate is used as the discount rate for lease contracts where the university is the lessor.

The lease terms include the noncancellable period of the lease plus any additional periods covered by either a lessee or lessor option to (1) extend for which it is reasonably certain to be exercised, or (2) terminate for which it is reasonably certain not to be exercised. Periods in which both the lessee and the lessor have a unilateral option to terminate (or if both parties have to agree to extend) are excluded from the lease term.

The state monitors changes in circumstances that may require remeasurement of a lease receivable. When certain changes occur that are expected to significantly affect the amount of the lease, the receivable is remeasured and a corresponding adjustment is made to the deferred inflow of resources.

For leases below the capitalization threshold and leases with a maximum possible term of 12 months or less at commencement, revenue is recognized based on the provisions of the lease contract.

7. Deferred Outflows/Inflows of Resources

In addition to assets, the Balance Sheet and Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Balance Sheet and Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Refer to Note 9 for a disaggregation of deferred outflows of resources and deferred inflows of resources.

Unavailable revenue arises only under the modified accrual basis of accounting, and so is reported only on the governmental funds Balance Sheet. Governmental funds report deferred inflows for unavailable revenues primarily from two sources: taxes and long-term receivables. These amounts are recognized as inflows of resources in the periods that the amounts become available.

8. Compensated Absences

State employees accrue vested vacation leave at a variable rate based on years of service. In general, accrued vacation leave cannot exceed 240 hours at the employee's anniversary date.

Employees accrue sick leave at the rate of one day per month without limitation on the amount that can be accumulated. Sick leave is not vested (i.e., the state does not pay employees for unused sick leave upon termination except upon employee death or retirement). At death or retirement, the state is liable for 25 percent of the employee's accumulated sick leave. In addition, the state has a sick leave buyout option in which, each January, employees who accumulate sick leave in excess of 480 hours may redeem sick leave earned but not taken during the previous year at the rate of one day's pay in exchange for each four days of sick leave.

It is the state's policy to liquidate its compensated absences obligations with future resources rather than advance funding it with available spendable financial resources.

For government-wide reporting purposes, the state reports compensated absences obligations as liabilities in the applicable governmental or business-type activities columns on the Statement of Net Position.

For fund statement reporting purposes, governmental funds recognize an expenditure for annual and sick leave when it is payable (i.e., upon employee's use, resignation, death or retirement). Proprietary and trust funds recognize the expense and accrue a liability for annual leave and estimated sick leave buyout, including related payroll taxes and benefits, as applicable, as the leave is earned.

9. Long-Term Liabilities

In the government-wide and proprietary fund financial statements, long-term obligations of the state are reported as liabilities on the Statement of Net Position. Bonds payable are reported net of applicable original issuance premiums or discounts. When material, bond premiums and discounts are deferred and amortized over the life of the bonds.

For governmental fund financial reporting, the face (par) amount of debt issued is reported as other financing sources. Premiums and discounts on original debt issuance are also reported as other financing sources and uses, respectively. Issuance costs are reported as debt service expenditures.

10. Net Position/ Fund Balance

In governmental fund type accounts, the difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources is called fund balance. Fund balance is reported in classifications which reflect the extent to which the state is bound to honor constraints on the purposes for which the amounts can be spent. Classifications include:

- **Nonspendable** fund balance represents amounts that are either not in a spendable form or are legally or contractually required to remain intact.
- **Restricted** fund balance represents amounts for which constraints are placed on their use by the state Constitution, enabling legislation, or external resource providers such as creditors, grantors, or laws or regulations of other governments.
- **Committed** fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by state law as adopted by the state Legislature. The commitment remains in place until the Legislature changes or eliminates the state law.
- **Assigned** fund balance represents amounts that are intended for a specific purpose by management, but are neither restricted nor committed. Generally, assignment is expressed by joint legislative and executive staff action.
- **Unassigned** fund balance represents the residual amount for the General Fund that is not contained in the other classifications. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

When resources meeting more than one of the classifications (excluding nonspendable) are comingled in an account, assuming that the expenditure meets the constraints of the classification, the assumed order of spending is restricted first, committed second, and finally assigned.

For government-wide reporting as well as in proprietary funds, the difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources is called net position. Net position is comprised of three

components: net investment in capital assets, restricted, and unrestricted.

- **Net investment in capital assets** consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- **Restricted** net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- **Unrestricted** net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the state's policy to use restricted resources first and then use unrestricted resources as they are needed.

In fiduciary funds, net position is held in trust for individuals and external organizations.

E. OTHER INFORMATION

1. Insurance Activities

Workers' Compensation. Title 51 RCW establishes the state of Washington's Workers' Compensation Program. The statute requires all employers to secure coverage for job-related injuries and diseases, with few exceptions, through the Workers' Compensation Fund or through self-insurance.

Direct private insurance is not authorized, although self-insurers are permitted to reinsure up to 80 percent of their obligations through private insurers.

The Workers' Compensation Fund, an enterprise fund, is used to account for the Workers' Compensation Program which provides time-loss, medical, vocational, disability, and pension benefits to qualifying individuals sustaining work-related injuries or illnesses. The main benefit plans of the Workers' Compensation Program are funded based on rates that will keep these plans solvent in accordance with recognized actuarial principles. The supplemental pension plan supports cost-of-living adjustments

(COLAs) granted for time-loss and disability payments; however, these are funded on a pay-as-you-go basis. By statute, the state is only allowed to collect enough revenue to fund the current COLA payments.

Premiums are based on individual employers' reported payroll hours and insurance rates based on each employer's risk classification(s) and past experience, except for the Supplemental Pension Fund premiums which are based on a flat rate per hours worked independent of risk class or past experience. In addition to its regular premium plan which is required for all employers, the Workers' Compensation Fund offers a voluntary retrospective premium-rating plan under which premiums are subject to three annual adjustments based on group and individual employers' loss experience. Initial adjustments to the standard premiums are paid to or collected from the groups and individual employers approximately ten months after the end of each plan year.

The Department of Labor and Industries, as administrator of the Workers' Compensation Program, establishes claims liabilities based on estimates of the ultimate cost of claims (including future claims adjustment expenses) that have already occurred. The length of time for which such costs must be estimated varies depending on the benefit involved. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liabilities, claims adjudication, and judgments, the process used in computing claims liabilities does not necessarily result in an exact amount.

Claims payable are recomputed quarterly using a variety of actuarial and statistical techniques. These techniques are used to produce current estimates that reflect recent settlements, claim frequency, expected inflation, and other economic, legal, and social factors. Adjustments to claims payable are charged or credited to claims expense in the periods in which they are made.

The Workers' Compensation Program purchases catastrophe reinsurance for risks in excess of its retention on the workers' compensation insurance policy to reduce its exposure to the financial risks associated with a catastrophe. Reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Workers' Compensation Program as direct insurer of the risks reinsured.

Amounts that are recoverable from reinsurers and that relate to paid claims and claim adjustment expenses are classified as assets, with an allowance for estimated uncollectible amounts. Estimated amounts recoverable from reinsurers that relate to the liabilities for unpaid claims and claims adjustment expenses are deducted from those liabilities. Ceded unearned premiums are netted with related unearned premiums. Receivables and payables from the same reinsurer, including amounts

withheld, are netted. Reinsurance premiums ceded and reinsurance recoveries on claims are netted against related earned premiums and incurred claims costs in the Statement of Revenues, Expenses, and Changes in Net Position.

The Department of Labor and Industries prepares a stand-alone financial report for its Workers' Compensation Program. Copies of the report that include financial statements and required supplementary information may be obtained by writing to Washington State Department of Labor and Industries, PO Box 44000, Olympia, WA 98504-4000 or by visiting their website at: <https://lni.wa.gov/insurance/state-fund-financial-reports>.

Risk Management. The state of Washington operates a self-insurance liability program pursuant to RCW 4.92.130. The state's policy is generally not to purchase commercial insurance for the risk of losses to which it is exposed. Instead, the state's management believes it is more economical to manage its risks internally and set aside assets for claims settlement in the Risk Management Fund, an internal service fund. Coverage is provided up to \$10 million for each claim with no deductible. Commercial insurance is purchased for various liabilities and to limit the exposure to catastrophic losses. Otherwise, the self-insurance liability program services all claims against the state for injuries and property damage to third parties. The majority of state funds and agencies participate in the self-insurance liability program in proportion to their anticipated exposure to liability losses.

Health Insurance. The state of Washington, through the Public Employees Benefits Board (PEBB) and School Employees Benefits Board (SEBB) Programs, administers and provides medical, vision, dental, life, and long-term disability insurance benefits for eligible state employees, school employees, retirees, and their dependents. Employer groups, comprised of counties, municipalities, political subdivisions, tribal governments, the Washington Health Benefit Exchange, and employee organizations representing state civil service employees are allowed to contract with the state to provide these benefits to their employees through the PEBB Program. The state establishes eligibility requirements and approves the plan design of all participating insurers.

The Health Insurance Fund is accounted for as an enterprise fund.

The state and the employee contribute to the total monthly premium for benefits. The state's share of the cost of benefits is based on a per capita amount determined annually by the Legislature, which is allocated to state agencies and school districts. The employee's share is determined by the benefit coverages elected by the employee.

The Health Care Authority (HCA), as administrator of the PEBB and SEBB Programs, collects the total monthly premium. State agencies and school districts submit payment for each eligible employee. Separated employees, employees who lose eligibility, and employees who are temporarily not in pay status are able to continue benefits on a self-pay basis for medical and dental benefits. Retirees also pay for benefits on a self-pay basis. Employer groups submit payment to HCA for the total cost of their employees' benefits. For additional information, refer to Note 14.

The state secures commercial insurance for certain coverage offered in addition to plans offered via the Uniform Medical Plan, the state's self-insured offering. The Uniform Medical Plan enrolled approximately 57 percent of the eligible subscribers in fiscal year 2022. Claims are paid from premiums collected, and claims adjudication is contracted through a third-party administrator.

Considerations in calculating liabilities include frequency of claims, administrative costs, industry inflation trends, advances in medical technology, and other social and economic factors. Liabilities include an amount for claims incurred but not reported.

2. Postemployment Benefits

COBRA. In compliance with federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the state offers health and dental benefits on a temporary basis to qualified beneficiaries whose benefit coverage would otherwise end because of a qualifying event such as loss of employment. COBRA coverage is available on a self-paid basis and is the same medical and dental coverage available to state employees.

Medical Expense Plan. As disclosed in Note 1.D, at the time of separation from state service due to retirement or death, the state offers a 25 percent buyout of an employee's accumulated sick leave. Individual state

agencies may offer eligible employees a medical expense plan (MEP) that meets the requirements of the Internal Revenue Code. Agencies offering an MEP deposit the retiring employee's sick leave buyout in the MEP for reimbursement of medical expenses.

Retirement Benefits. Refer to Note 13 Retirement Plans and Note 14 Other Postemployment Benefits.

3. Interfund/Interagency Activities

The state engages in two major categories of interfund/interagency activity: reciprocal and nonreciprocal. Reciprocal interfund/interagency activity is the internal counterpart to exchange and exchange-like transactions and includes both interfund loans and services provided and used. Nonreciprocal activity is nonexchange in nature and includes both transfers and reimbursements.

4. Donor-restricted Endowments

The state of Washington reports endowments in higher education endowment and other permanent accounts. These accounts are established outside of the state treasury for use by the higher education institutions. There is no state law that governs endowment spending; rather, the policies of individual university and college boards govern the spending of net appreciation on investments.

Under the current spending policies, distributions to programs approximate an annual percentage rate of 3.76 percent of a five-year rolling average of the endowments' market valuation.

The net appreciation available for authorization for expenditure by governing boards totaled \$1.09 billion. This amount is reported as restricted for expendable endowment funds on the government-wide Statement of Net Position.

Note 2

Accounting and Reporting Changes

Reporting Changes. Effective for fiscal year 2022, the state adopted the following new standards issued by the Governmental Accounting Standards Board (GASB):

Statement No. 87, *Leases.* This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an asset. This statement applies to contracts that convey the right to use a non-financial asset in an exchange or exchange-like transaction for a term exceeding 12 months. Examples of non-financial assets including buildings, land, and equipment. Lessees are required to recognize a lease liability and an intangible right-to-use asset, and lessors are required to recognize a lease receivable and a deferred inflow of resources.

Statement No. 89, *Accounting for Interest Costs Incurred before the End of a Construction Period.* This statement establishes accounting requirements for interest cost incurred before the end of a construction period. This statement requires costs to be recognized as an expense in the period in which the cost is incurred, regardless of fund type. This statement is to be applied prospectively, therefore there was no impact on beginning net position.

Fund Reclassification.

The Public Stadium Authority was reclassified from a major component unit to a nonmajor component unit.

Prior Period Adjustments. The state recorded an increase to the beginning fund balance in the following funds as a result of implementing GASB Statement No. 87:

- Major Governmental Funds: Higher Education Special Revenue Fund \$10.3 million.
- Nonmajor Governmental Funds: Motor Vehicle Fund \$7 thousand, Central Administrative and Regulatory Fund \$75 thousand, Human Services Fund \$34 thousand, Wildlife and Natural Resource Fund \$159 thousand and Higher Education Facilities Fund \$510 thousand.

The state recorded a decrease to the beginning net position in the following funds as a result of implementing GASB Statement No. 87:

- Major Enterprise Funds: Workers' Compensation Fund \$445 thousand, Higher Education Student Services Fund \$5.1 million, and Health Insurance Fund \$130 thousand.

- Nonmajor Enterprise Funds: Lottery Fund \$95 thousand, Guaranteed Education Tuition Program Fund \$1 thousand, Paid Family and Medical Leave Compensation Fund \$105 thousand, and Other Activities Fund \$47 thousand.
- Internal Service Funds: General Services Fund \$7.3 million, Data Processing Fund \$5 thousand, and Higher Education Revolving Fund \$731 thousand.
- Fiduciary Funds: Private-Purpose Trust Funds \$46 thousand, and Custodial Funds \$53 thousand.

The state recorded an increase in the beginning fund balance in the Higher Education Special Revenue fund of \$80.6 million and a decrease in beginning fund balance in the Higher Education Endowment Fund of \$196.1 million, both major governmental funds. This was a result of the implementation of GASB Statement No. 87, due to the significance of the lease receivables and deferred inflows attributable to the University of Washington Metropolitan Tract lessor activities.

The state recorded a decrease of \$8.7 million in beginning fund balance in the General Fund to establish a liability for the Skilled Nursing Civil Money Penalty for amounts received in prior periods from the Center for Medicare and Medicaid Services but not yet spent.

The state recorded a decrease of \$28.1 million in beginning fund balance in the General Fund to establish a liability for the non-entitlement units for amounts received in prior periods from the U.S. Department of the Treasury but not yet spent.

It was determined that certain activity recorded by Washington State University as a governmental activity should have been recorded as an enterprise type activity. As a result, the state recorded an increase in the beginning net position in the Higher Education Student Services Fund, a major enterprise fund, of \$18.6 million and a decrease in beginning fund balance in the Higher Education Special Revenue Fund, a major governmental fund, of \$18.6 million.

The state reclassified \$321 thousand in liabilities increasing net position by the same amount in the Other Custodial Funds for activities that should have previously been recorded as custodial per GASB Statement No. 84, Fiduciary Activities.

The state recorded a decrease of \$133.5 million in beginning net position in the Unemployment Compensation Fund, a major enterprise fund, to establish a liability for claims benefit payments incurred but not paid during prior periods.

The state recorded an increase of \$163.0 million in beginning net position in the Guaranteed Education Tuition Program Fund, a nonmajor enterprise fund, as a result of a change in the actuarial valuation of the future obligations for tuition payments that should have been recorded in the prior period.

The members of the Seattle Cancer Care Alliance, a joint venture of the University of Washington, agreed to merge to create the Fred Hutchinson Cancer Center. As part of the new arrangement, the University of Washington no longer holds a membership interest in the Seattle Cancer Care Alliance. The Fred Hutchinson Cancer Center is now considered a major component unit of the state.

The Public Stadium Authority, a nonmajor component unit, recorded a decrease in beginning net position of \$3.5 million for transactions recorded in the component unit's fiscal year 2021 financial statements after the state of Washington's fiscal year 2021 Annual Comprehensive Financial Report was published.

The Valley Medical Center, a major component unit, recorded a decrease in beginning net position of \$5.1 million for transactions recorded in the component unit's fiscal year 2021 financial statements after the state of Washington's fiscal year 2021 Annual Comprehensive Financial Report was published.

In fiscal year 2021, the state inappropriately classified \$2.9 billion of the fund balance in the general fund as restricted instead of unrestricted. There is no net effect on the total ending fund balance, therefore a restatement is not required.

Governmental Capital Assets and Long-term Obligations. The state recorded an increase to the beginning balance of governmental capital assets of \$1.25 billion and an increase to the beginning balance of long-term obligations associated with governmental funds of \$1.31 billion as a result of implementing GASB Statement No. 87.

The state recorded an increase to the beginning balance of governmental capital assets of \$144.5 million and an increase to the beginning balance of long-term obligations associated with governmental funds of \$29.0 million as a result of the changes in reporting for the University of Washington Metropolitan Tract as discussed above.

The state recorded an increase to the beginning balance of long-term obligations associated with governmental funds of \$127.6 million due to a mathematical error in the calculation of the liability for unclaimed property refunds.

The state recorded a decrease to the beginning balance of long-term obligations associated with governmental funds of \$114.4 million to establish a liability for a federal disallowance determined by federal grantors and not yet paid.

Net position/fund balance at July 1, 2021, has been restated as follows (expressed in thousands):

	Net position/fund balance (deficit) at June 30, 2021, as previously reported	Fund Reclassification	Prior Period Adjustment	Net position/fund balance (deficit) at July 1, 2021, as restated
Governmental Funds:				
General	\$ 6,901,060	\$ —	\$ (36,826)	\$ 6,864,234
Higher Education Special Revenue	4,227,504	—	72,308	4,299,812
Higher Ed. Endowment & Other Permanent Funds	5,789,769	—	(196,145)	5,593,624
Nonmajor Governmental	7,235,090	—	785	7,235,875
Proprietary Funds:				
Enterprise Funds				
Workers' Compensation	(12,867,003)	—	(445)	(12,867,448)
Unemployment Compensation	2,403,740	—	(133,483)	2,270,257
Higher Education Student Services	1,138,311	—	13,470	1,151,781
Health Insurance	417,768	—	(130)	417,638
Nonmajor Enterprise	1,066,287	—	162,751	1,229,038
Internal Service Funds	(955,368)	—	(8,060)	(963,428)
Fiduciary Funds:				
Private-Purpose Trust Fund	9,977	—	(46)	9,931
Local Government Investment Pool	20,052,267	—	—	20,052,267
Pension (and Other Employee Benefit) Trust Funds	163,514,248	—	—	163,514,248
Custodial Funds	1,072,199	—	268	1,072,467
Component Units:				
Fred Hutchinson Cancer Center	—	—	1,068,542	1,068,542
Public Stadium Authority	222,935	(222,935)	—	—
Health Benefit Exchange	14,868	—	—	14,868
Valley Medical Center	288,195	—	(5,149)	283,046
Nonmajor Component Units	647,375	222,935	(3,543)	866,767

Note 3

Deposits and Investments

A. DEPOSITS

Custodial Credit Risk. Custodial credit risk is the risk associated with the failure of a depository financial institution. In the event of a depository financial institution's failure, it is the risk that the state would not be able to recover its deposits or collateralized securities that are in the possession of the outside parties.

The state minimizes custodial credit risk by restrictions set forth in state law. Statutes require state agencies to deposit funds in financial institutions that are physically located in Washington unless otherwise expressly permitted by statute and authorized by the Washington Public Deposit Protection Commission (PDPC). The PDPC, established under chapter 39.58 of the Revised Code of Washington (RCW), makes and enforces regulations and administers a collateral pool program to ensure public funds are protected if a financial institution becomes insolvent. Securities pledged are held by a trustee agent for the benefit of the collateral pool.

At June 30, 2022, \$1.47 billion of the state's deposits with financial institutions were insured or collateralized, with the remaining \$382 thousand uninsured/uncollateralized.

B. INVESTMENTS - PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS (PENSION TRUST FUNDS)

1. Summary of Investment Policies

Under RCW 43.33A.030, trusteeship of the pension trust funds is vested within the voting members of the Washington State Investment Board (WSIB). The Legislature has established a standard of care for investment of these funds in RCW 43.33A.140. Additionally, the WSIB and its staff must comply with other state laws, such as the Ethics in Public Service Act, chapter 42.52 RCW, in making investment decisions and seeking to meet investment objectives.

The pension trust funds consist of retirement contributions from employer and employee participants in the Washington State Retirement System and related earnings on those contributions. The Retirement System is administered by the Department of Retirement Systems. The WSIB has exclusive control of the investment of all money invested in the pension trust funds.

In accordance with RCW 43.33A.110, the WSIB manages the pension fund portfolio to achieve maximum return at a prudent level of risk. The WSIB establishes asset

allocation targets that must be considered at all times when making investment decisions. The asset mix may deviate from the target. Deviations greater than predetermined acceptable levels require rebalancing back to the target. When an asset class exceeds its range, the goal of rebalancing is to meet the target allocation within consideration of the other remaining asset classes.

Eligible Investments. The WSIB is authorized by statute as having investment management responsibility for pension trust funds. The WSIB is authorized to invest as provided by statute (chapter 43.33A RCW) and WSIB policy in the following: U.S. treasury bills; discount notes; repurchase agreements; reverse repurchase agreements; banker's acceptances; commercial paper; guaranteed insurance contracts; U.S. government and agency (government sponsored corporations eligible for collateral purposes at the Federal Reserve) securities; non-U.S. dollar bonds; investment grade corporate bonds; non-investment grade corporate bonds; publicly traded mortgage-backed securities; privately placed mortgages; private placements of corporate debt; U.S. and foreign common stock; U.S. preferred stock; convertible securities; private equity including but not limited to investment corporations, partnerships, and limited liability companies for venture capital, leveraged buy-outs, real estate and other tangible assets, or other forms of private equity; asset-backed securities; and derivative instrument securities including futures, options, options on futures, forward contracts, and swap transactions. There were no violations of these investment restrictions during fiscal year 2022.

Commingled Trust Fund. Pension trust funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments used as an investment vehicle for 20 separate retirement plans. These plans hold shares in the CTF which represent a percentage ownership in the pool of investments. Plans are allowed to purchase or sell shares in the CTF, based on the fair value of the underlying assets, on the first business day of each month.

In addition to share ownership in the CTF, most retirement plans hold short-term investments that are used to manage the cash needs of each retirement plan.

The CTF consists of the Public Employees' Retirement System (PERS) Plans 1 and 2/3; Teachers' Retirement System (TRS) Plans 1 and 2/3; School Employees' Retirement System (SERS) Plan 2/3; Law Enforcement Officers' and Fire Fighters' Retirement Plans 1 and 2 and the Benefits Improvement Fund; Washington State Patrol Retirement System Plans 1 and 2; Public Safety Employees' Retirement System Plan 2; Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund; and the Higher Education Retirement Pension (HERP) Supplemental Benefit Fund, which consists of plans for seven higher education entities: University of

Washington, Washington State University, Eastern Washington University, Central Washington University, The Evergreen State College, Western Washington University, the State Board for Community and Technical Colleges, and the Retirement Strategy Fund (RSF). The CTF includes both the defined benefit and defined contribution portions of PERS Plan 3, TRS Plan 3, and SERS Plan 3, which are hybrid defined benefit/defined contribution plans. The CTF is a component of each RSF vintage years' glide path. The RSF is a self-directed investment option for the defined contribution and deferred compensation plans and programs. The participants of those plans have the option to direct their contributions to the CTF or invest their defined contributions in other external options not managed by the WSIB.

CTF Investment Policies and Restrictions. The CTF is comprised of public markets equities, fixed income securities, private equity investments, real estate, tangible assets, and an innovation portfolio. The CTF's performance objective is to exceed the return of two custom benchmarks, each consisting of public indices weighted according to asset allocation targets.

The asset allocation for the CTF is formally reviewed at least every four years. The allocation policy is reviewed more frequently if there has been a fundamental change in the structure of the capital markets or in the underlying cash flow or liability structure of the pension trust funds.

When market values fall outside policy ranges, assets are rebalanced first by using normal cash flows and then through reallocations of assets across asset classes. In cases of a major rebalancing, the pension trust funds can utilize futures, forward contracts, and options in order to maintain exposure within each asset class and reduce transaction costs. Major rebalancing can occur to bring asset classes within their target ranges or when the pension trust funds are transitioning managers.

Public Markets Equity. To achieve the performance and diversification objectives of the pension trust funds, the public markets equity program seeks to achieve the highest return possible consistent with prudent risk management and the desire for downside protection, with passive equity strategies as the default whenever strategies with better risk/return profiles cannot be identified; provide diversification to the pension trust funds' overall investment program; maintain liquidity in public equity; and maintain transparency into all public equity strategies to the extent possible.

The public markets equity portion of the pension trust funds invests in publicly traded equities globally, including

equity securities in the U.S., developed non-U.S. markets, and emerging markets. The program has a global benchmark, currently the Morgan Stanley Capital International (MSCI) All Country World Investable Market Index. A mix of external managers approved by the WSIB is used to manage the program. Passive management delivers broad diversified equity market exposure at low cost and is used when active managers cannot be identified and monitored appropriately. Passive management is also used when it is considered an appropriate alternative to active management, typically in more efficient markets. Active management is used when the pension trust funds can identify, access, and monitor successful managers in markets that are less efficient. Active management seeks to enhance the risk/return profile of the program.

Fixed Income. The fixed income segment is managed to achieve the highest return possible consistent with the desire to manage interest rate and credit risk, provide diversification to the overall investment program, provide liquidity to the pension trust fund investment program, and to meet or exceed the return of the Bloomberg Barclays U.S. Universal Index. Sources of outperformance are expected to include interest rate anticipation, sector rotation, credit selection, and diversification.

RCW 43.33A.140 prohibits a corporate fixed income issues cost from exceeding 3 percent of the CTF's market value at the time of purchase and 6 percent of its market value thereafter. However, the WSIB manages with a more restrictive concentration constraint, limiting exposure to any corporate issuer to 3 percent of the CTF fixed income portfolio's market value at all times.

The fixed income portfolio is constrained by policy from investing more than 1 percent of the portfolio's par value in any single issuer with a quality rating below investment grade (as defined by Bloomberg Barclays Global Family of Fixed Income Indices). Total market value of below investment grade credit bonds shall not exceed 15 percent of the market value of the fixed income portfolio. Although below investment grade mortgage-backed, asset-backed, or commercial mortgage-backed securities may not be purchased, portfolio holdings that are downgraded to those levels or are no longer rated may continue to be held. The total market value of below investment grade mortgage-backed, asset-backed, and commercial mortgage-backed securities shall not exceed 5 percent of the market value of the fixed income portfolio. The duration of the portfolio is targeted to be within plus or minus 25 percent of the duration of the Bloomberg Barclays U.S. Universal Index.

The major sector allocations of the fixed income portfolio are limited to the following ranges:

U.S. treasuries and government agencies	10% - 45%
Credit bonds	10% - 80%
Asset-backed securities	0% - 10%
Commercial mortgage-backed securities	0% - 10%
Mortgage-backed securities	5% - 45%

Asset allocation policy constraints may, from time to time, place unintended burdens on the portfolios. Therefore, policy exceptions are allowed under certain circumstances. These events include changes in market interest rates, portfolio rebalancing to strategic targets, and bond rating downgrades. The portfolio can remain outside of policy guidelines until it can be rebalanced without harming the portfolio.

Private Equity. Pension trust funds can be invested in any appropriate private equity investment opportunity that has the potential for returns superior to traditional investment opportunities and which is not prohibited by the WSIB's policies or by law. These investment types are generally divided into venture capital, corporate finance, growth equity, special situations, distressed, mezzanine, and other investments. Private equity investments are made through limited partnership or direct investment vehicles.

The private equity investment portfolio is managed to exceed the returns of the MSCI All Country World Index Investable Market Index, lagged by one calendar quarter, by 300 basis points in the long run. To meet the return and plan objectives, the private equity portfolio has diversified investments in companies in a variety of growth stages. The portfolio also includes a broad cross-section of opportunities in different industries and geographic regions.

Real Estate. The WSIB's real estate program is an externally managed pool of selected partnership investments intended to provide alternative portfolio characteristics when compared to traditional stock and bond investments. The majority of the WSIB's partnerships invest in institutional-quality real estate assets that are leased to third parties. The income generated from bond-like lease payments coupled with the hard asset qualities of commercial real estate combine to generate returns that are expected to fall between the return expectations for fixed income and equities over the long term. The real estate portfolio is managed to deliver risk-adjusted returns that are consistent with the WSIB's long-term return expectations for the asset class.

The pension trust funds' real estate partnerships typically invest in private real estate assets that are held for long-term income and appreciation. Many of the pension trust

funds' investment partnerships do not involve co-investment with other financial entities, thereby providing the WSIB with control provisions, related transactions, and ongoing operational decisions for annual capital expenditures.

The pension trust funds may invest in any real estate opportunity demonstrating acceptable risk-adjusted returns, provided it is not prohibited by state law or WSIB policy. Investment structures may include real estate operating companies, joint ventures, commingled funds (closed or open-ended), and co-investments with existing WSIB real estate partners. Diversification within the real estate program is achieved through consideration of property type, capital structure, life cycle, geographic region, partner concentration, and property capital level.

The WSIB's real estate portfolio current benchmark seeks to earn an 8 percent annual investment return over a rolling 10-year period.

Tangible Assets. The primary goal of the tangible asset portfolio is to generate a long-term, predictable, and persistent income stream. The secondary goal is to generate appreciation approximately commensurate with inflation. The structure of the investments is primarily targeted to those publicly traded securities, private funds, or separate accounts providing the WSIB with the most robust governance provisions related to acquisitions, dispositions, debt levels, and ongoing operational decisions for annual capital expenditures. For diversification purposes, the tangible asset portfolio focuses on income-producing physical assets in the upstream and midstream segments of four main industries: minerals and mining, energy, agriculture, and society essentials.

The WSIB's current return objective for tangible assets calls for a target benchmark of 400 basis points above the U.S. Consumer Price Index over a long-term investment horizon defined as at least five years.

Innovation Portfolio. The innovation portfolio investment strategy is to provide the WSIB with the ability to invest in assets that fall outside of traditional asset classes and to provide the WSIB with comfort and demonstrated success before committing large dollar amounts to the strategy. The overall benchmark for the innovation portfolio is the weighted average of the underlying benchmark for each asset in the portfolio.

Currently, there are 10 investment strategies in the innovation portfolio involving private partnerships.

2. Valuation of Investments

The pension trust fund reports investments at fair value and categorizes its fair value measurements within the fair

value hierarchy established by generally accepted accounting principles. Unrealized gains and losses are included in the Statement of Changes in Net Position.

The following table presents fair value measurements as of June 30, 2022:

Pension Trust Funds		Fair Value Measurements Using			
Investments Measured at Fair Value					
June 30, 2022					
<i>(expressed in thousands)</i>					
Investments by Fair Value Level	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	
Debt Securities					
Mortgage and other asset-backed securities	\$ 1,514,774	\$ —	\$ 1,514,774	\$ —	
Corporate bonds	16,009,172	—	16,009,172	—	
U.S. and foreign government and agency securities	6,664,179	—	6,664,179	—	
Total Debt Securities	24,188,125	—	24,188,125	—	
Equity Securities					
Common and preferred stock	19,596,499	19,544,585	49,442	2,472	
Depository receipts and other miscellaneous	821,724	821,722	2	—	
Mutual funds and exchange traded funds	25,239	25,239	—	—	
Real estate investment trusts	250,656	250,656	—	—	
Total Equity Securities	20,694,118	20,642,202	49,444	2,472	
Alternative Investments					
Real estate	1,046,009	—	—	1,046,009	
Tangible assets	235,354	227,937	—	7,417	
Total Alternative Investments	1,281,363	227,937	—	1,053,426	
Total Investments by Fair Value Level	46,163,606	\$ 20,870,139	\$ 24,237,569	\$ 1,055,898	
Investments Measured at Net Asset Value (NAV)					
Collective investment trust funds (equity securities)	15,492,714				
Private equity	41,858,720				
Real estate	31,659,488				
Tangible assets	9,093,242				
Innovation	1,153,351				
Total Investments Measured at the NAV	99,257,515				
Total Investments Measured at Fair Value	\$ 145,421,121				
Other Assets (Liabilities) at Fair Value					
Collateral held under securities lending agreements	\$ 285,526	\$ —	\$ 285,526	\$ —	
Net foreign exchange contracts receivable-forward and spot	174,355	—	174,355	—	
Margin variation payable-futures contracts	(15,135)	(15,135)	—	—	
Obligations under securities lending agreements	(285,526)	—	(285,526)	—	
Total Other Assets (Liabilities) Measured at Fair Value	\$ 159,220	\$ (15,135)	\$ 174,355	\$ —	

Investments classified as level 1. Investments classified as level 1 in the previous table are exchange traded equity securities whose values are based on published market prices and quotations from national security exchanges as of the appropriate market close, as of each reporting period end.

Investments classified as level 2. Investments classified as level 2 in the previous table are primarily comprised of publicly traded debt securities and exchange traded stocks traded in inactive markets. Publicly traded debt securities are sourced from reputable pricing vendors using models that are market-based measurements representing their good faith opinion as to the exit value of a debt security in an orderly transaction under current market conditions. Such models take into account quoted prices, nominal yield spreads, benchmark yield curves, prepayment speeds, and other market corroborated inputs.

Investments classified as level 3. Investments classified as level 3 in the previous table are publicly traded equity securities that have noncurrent or “stale” values and are included in the table at the last traded price. The stale pricing occurred due to trading suspensions, delisting from an active exchange, or lack of investor demand. The current market values of these securities are unknown.

Investments measured at net asset value (NAV). Investments measured at net asset value in the pension trust funds are the collective investment trust funds and alternative investments, including private equity, real estate, tangible assets, and innovation.

Collective Investment Trust Funds. The pension trust fund invests in three separate collective investment trust funds (fund). Each fund determines a fair value by obtaining fair values of the underlying holdings using reputable pricing sources and computing an overall net asset value per share. The holdings within each fund are publicly traded equity securities.

Two funds are passively managed to approximate the capitalization weighted total rates of return of the MSCI U.S. Investable Market Index and the MSCI Emerging Markets Investable Market Index. Each fund has daily openings and contributions, and withdrawals can be made on any business day. The fund managers, at their discretion, may require withdrawal proceeds to be made partially or wholly in kind. Under certain circumstances, the fund managers may choose to suspend valuation and/

or the right to make contributions and withdrawals from the fund. Such circumstances include actual or anticipated closure, restriction, or suspension of trading activity in any markets or exchanges where the fund investments are traded; where the purchase, sale, or pricing of the fund’s investments would not be reasonably practicable or advisable; or where suspending contributions or withdrawals would be in the best interest of the fund or participants.

The third fund seeks to achieve long-term capital appreciation through active investment management in emerging market countries. The index against which the fund compares its performance is the MSCI Emerging Market Index. The pension trust funds may redeem some or all of their holdings on each monthly valuation date. The fund manager may delay redemption proceeds if it determines that it is reasonably necessary to prevent a material adverse impact on the fund or other investors. The fund manager, at their discretion, may require withdrawal proceeds to be made partially or wholly in kind.

Alternative Assets. The fair value of investments that are organized as limited partnerships and have no readily ascertainable fair value is determined by using the net asset value per share (or its equivalent) of the pension trust funds’ ownership interest in partners’ capital. These values are based on the individual investee’s capital account balance reported at fair value by the general partner at the closest available reporting period, adjusted for subsequent contributions, distributions, management fees, changes in values of foreign currency, and published market prices for certain securities.

The limited partnerships’ annual financial statements are audited by independent auditors. These investments are valued at approximately \$83.76 billion as of June 30, 2022. Because of the inherent uncertainties in estimating fair values, it is possible that the estimates will change in the near-term or the subsequent sale of assets will be different than the June 30, 2022, reported net asset value.

These investments can never be redeemed. Instead, the nature of these investments provides for distributions through the sale or liquidation of the underlying assets or from net operating cash flows. It is anticipated that the various investments within each asset class will be liquidated over the following periods:

Pension Trust Funds
Alternative Assets Expected Liquidation Periods
June 30, 2022
(expressed in thousands)

Liquidation Periods	Investment Type					Total	Percentage of Total
	Private Equity	Real Estate	Tangible Assets	Innovation			
Less than 3 years	\$ 46,673	\$ 3,567	\$ —	\$ 966	\$ 51,206	0.1 %	
3 to 9 years	4,377,259	2,019,928	440,883	—	6,838,070	8.2 %	
10 or more years	37,434,788	29,635,993	8,652,359	1,152,385	76,875,525	91.7 %	
Total	\$ 41,858,720	\$ 31,659,488	\$ 9,093,242	\$ 1,153,351	\$ 83,764,801	100.0 %	

Private Equity. This includes 298 private equity limited liability partnerships that invest primarily in the United States, Europe, and Asia in leveraged buyouts, venture capital, distressed debt, and growth equity. The fair value of individual capital account balances is based on the valuation reported by private equity partnerships using the following methodologies to value the underlying portfolio companies:

- Valuations of publicly traded portfolio companies are based on active exchanges using quoted market prices as of the close of trading for each month end.
- When a portfolio company investment does not have a readily available market price but has a return that is determined by reference to an asset for which a market price is readily available, valuations are based on the closing market price of the reference asset on the valuation date, adjusted for unique factors that affect the fair value of the investment held.
- When the portfolio company investments are private holdings and are not traded on active security exchanges, valuation methodologies consist primarily of income and market approaches. The income approach involves a discounted cash flow analysis based on portfolio companies' projections. The market approach involves valuing a company at a multiple of a specified financial measure, generally earnings before interest, taxes, depreciation, and amortization, based on multiples of comparable publicly traded companies.

Real Estate. This includes 22 real estate investments. Targeted investment structures within the real estate portfolio include real estate operating companies, limited liability companies, joint ventures, commingled funds, and co-investments. Real estate partnerships provide quarterly valuations to the pension trust fund management based on the most recent capital account balance. Individual properties are valued by the investment management at least annually and are adjusted as frequently as quarterly if material market or operational changes have occurred. Properties are externally appraised

generally every one to five years, depending upon the investment. Structured finance investments receive quarterly adjustments by the partners, generally applying the assumption that all such positions will be held to maturity. Annual audits of most partnerships include a review of compliance with the partnership's valuation policies.

Tangible Assets. This includes 60 limited liability structures and funds. Valuation practices of general partners and asset managers are consistent with private equity limited partnerships.

Innovation. This includes 10 limited liability structures and funds. Valuation practices of general partners and asset managers are consistent with private equity limited partnerships.

Other assets and liabilities measured at fair value. Forward exchange contracts are valued by interpolating a value using the spot foreign exchange rate and forward points (based on the spot rate and currency interest rate differentials), which are all inputs that are observable in active markets (level 2).

Cash collateral held and the offsetting obligations under securities lending agreements are valued by the pension trust funds' lending agent and sourced from reputable pricing vendors using models that are market-based measurements representing their good faith opinion as to the exit value of a security in an orderly transaction under current market conditions. Such models take into account quoted prices, nominal yield spreads, benchmark yield curves, prepayment speeds, and other market corroborated inputs.

Gains and losses on futures contracts are settled daily, based on a notional (underlying) principal value, and do not involve an actual transfer of the specific instrument. The margin variation represents the current gain or loss remaining to be settled from the prior day. The custodial bank provides quoted prices for these securities from a reputable pricing vendor.

3. Unfunded Commitments

The WSIB has entered into a number of agreements that commit the pension trust funds, upon request, to make additional investment purchases up to predetermined amounts. As of June 30, 2022, the pension trust funds had total unfunded commitments of \$34.91 billion in the following asset classes: \$20.44 billion in private equity, \$9.20 billion in real estate, \$4.26 billion in tangible assets, and \$1.00 billion in innovation.

4. Securities Lending

State law and WSIB policy permit the pension trust funds to participate in securities lending programs to augment investment income. The WSIB has entered into an agreement with State Street Corporation to act as agent for the pension trust funds in securities lending transactions. As State Street Corporation is the custodian bank for the pension trust funds, it is counterparty to securities lending transactions.

The fair value of the securities on loan at June 30, 2022, was approximately \$328.6 million. The pension trust funds report securities on loan in their respective categories in the Statement of Net Position. At June 30, 2022, cash collateral received totaling \$285.5 million is reported as securities lending obligation, and the fair value of the reinvested cash collateral totaling \$285.5 million is reported as security lending collateral in the Statement of Net Position. Securities received as collateral for which the pension trust funds do not have the ability to pledge or sell unless the borrower defaults are not reported as assets and liabilities in the Statement of Net Position. Total securities received as collateral at June 30, 2022, was \$60.2 million.

During the fiscal year, debt and equity securities were loaned and collateralized by the pension trust funds' agent with cash and U.S. government or U.S. agency securities including U.S. agency mortgage-backed securities (exclusive of letters of credit). When the loaned securities had collateral denominated in the same currency, the collateral requirement was 102 percent of the fair value, including accrued interest, of the securities loaned. All other securities were required to be collateralized at 105 percent of the fair value, including accrued interest, of the loaned securities.

The following table summarizes the securities held by the pension trust funds from reinvestment of cash collateral and securities received as collateral at June 30, 2022 (in millions):

Repurchase agreements	163.1
U.S. treasuries	60.2
Yankee CD	42.3
Commercial paper	60.5
Cash equivalents and other	19.6
Total Collateral Held	\$ 345.7

During fiscal year 2022, securities lending transactions could be terminated on demand by either the pension trust funds or the borrower. As of June 30, 2022, the cash collateral held had an average duration of 3.57 days and an average weighted final maturity of 55.68 days.

Because the securities lending agreements were terminable at will, their duration did not generally match the duration of the investments made with the cash collateral. Non-cash collateral could not be pledged or sold absent borrower default. No more than 20 percent of the total on loan value could be held by a specific borrower. Collateral investment guidelines specifically prohibit European domiciled holdings. There are no restrictions on the amount of securities that can be lent.

Securities were lent with the agreement that they would be returned in the future for exchange of the collateral. State Street Corporation indemnified the pension trust funds by agreeing to purchase replacement securities or return the cash collateral in the event a borrower failed to return the loaned securities or pay distributions thereon. State Street Corporation's responsibilities included performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral, and complying with applicable federal regulations concerning securities lending.

During fiscal year 2022, there were no significant violations of legal or contractual provisions and no failures by any borrowers to return loaned securities or to pay distributions thereon. Further, the pension trust funds incurred no losses during fiscal year 2022 resulting from a default by either the borrowers or the securities lending agents.

5. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates over time will adversely affect the fair value of an investment. The risk is managed within the portfolios using effective duration, which is the measure of a debt investment's exposure to fair value changes arising from changes in interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of fixed income investments.

While the pension trust funds do not have a formal policy relating to interest rate risk, the pension trust funds' fixed income investments are actively managed to meet or exceed the return of the Bloomberg Barclays U.S. Universal Index, with volatility similar to or less than the index. The fixed income portfolio's duration is targeted within plus or minus 25 percent of the duration of the portfolio's performance benchmark. As of June 30, 2022, the duration of the pension trust funds' fixed income investments was within the duration target of this index.

The two following schedules provide information about the interest rate risks associated with the pension trust funds' investments as of June 30, 2022. The schedules display various asset classes held by maturity in years, effective durations, and credit ratings. All debt securities are reported using the average life within the portfolio. The average life is a calculated estimate of the average time (in years) until maturity for these securities, taking into account possible prepayments of principal.

Pension Trust Funds
Schedule of Maturities and Effective Duration
June 30, 2022
(expressed in thousands)

Investment Type	Total Fair Value	Maturity				Effective Duration (in years)*
		Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years	
Mortgage and other asset-backed securities	\$ 1,497,945	\$ 41,908	\$ 1,240,018	\$ 216,019	\$ —	4.1
Corporate bonds	16,009,172	884,040	6,416,894	5,689,249	3,018,989	6.5
U.S. government and agency securities	4,348,571	98,859	3,054,019	493,189	702,504	5.4
Foreign government and agency securities	2,315,608	168,419	1,006,385	706,011	434,793	5.9
Total internally managed fixed income	24,171,296	1,193,226	11,717,316	7,104,468	4,156,286	6.1
Mortgage-backed TBA forwards	16,829	16,829	—	—	—	—
Total Investments Categorized	24,188,125	\$ 1,210,055	\$ 11,717,316	\$ 7,104,468	\$ 4,156,286	6.1

Investments Not Required to be Categorized:

Cash and cash equivalents	3,450,857
Equity securities	36,186,833
Alternative investments	85,046,164
Total investments not categorized	124,683,854
Total Investments	\$148,871,979

* Excludes cash and cash equivalents

Credit ratings of investments are presented using the Moody's rating scale as follows:

Pension Trust Funds				
Investment Credit Ratings				
June 30, 2022				
<i>(expressed in thousands)</i>				
Moody's Equivalent Credit Rating	Investment Type			Total Fair Value
	Mortgage and Other Asset-Backed Securities	Corporate Bonds	Foreign Government and Agency Securities	
Aaa	\$ 1,514,521	\$ 517,868	\$ 90,550	\$ 2,122,939
Aa1	—	155,716	309,721	465,437
Aa2	—	133,606	27,033	160,639
Aa3	—	753,163	163,982	917,145
A1	—	1,185,662	483,580	1,669,242
A2	—	1,723,148	116,985	1,840,133
A3	—	2,414,226	—	2,414,226
Baa1	—	1,950,902	5,126	1,956,028
Baa2	253	2,667,945	511,369	3,179,567
Baa3	—	2,014,289	114,845	2,129,134
Ba1 or lower	—	2,492,647	492,417	2,985,064
Total	\$ 1,514,774	\$ 16,009,172	\$ 2,315,608	\$ 19,839,554

6. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The pension trust funds' investment policies limit the fixed income securities to investment grade or higher at the time of purchase. Investment grade securities are those fixed income securities with a Moody's rating of Aaa to Baa or a Standard and Poor's rating of AAA to BBB. The rated debt investments of the pension trust funds as of June 30, 2022, were rated by Moody's and/or an equivalent national rating organization.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The policy of the pension trust funds states no corporate fixed income issue shall exceed 3 percent of cost at the time of purchase or 6 percent of fair value thereafter of the fund, and no high yield issues shall exceed 1 percent of cost. There was no concentration of credit risk exceeding these policy guidelines as of June 30, 2022.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event a depository institution or counterparty fails, the pension trust funds would not be able to recover the value of their deposits, investments, or collateral securities. The pension trust funds do not have a policy relating to custodial credit risk. The WSIB mitigates custodial credit risk by having its investment securities (excluding cash, cash equivalents, and repurchase agreements held as securities lending collateral) registered and held in the name of the WSIB for the benefit of the pension trust funds.

7. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The pension trust funds do not have a formal policy to limit foreign currency risk. The WSIB manages their exposure to fair value loss by requiring their international securities investment managers to maintain diversified portfolios by sector and by issuer, to limit foreign currency and security risk.

The following schedule presents the exposure of the pension trust funds' investments to foreign currency risk. The schedule provides information on deposits and investments held in various foreign currencies. Private equity, real estate, and tangible assets are presented according to the financial reporting currency of the individual funds. This is not a presentation of currency exposure relating to the underlying holdings. The schedule is stated in U.S. dollars. In addition, the CTF has foreign currency exposure at June 30, 2022, of \$740.3 million invested in one emerging market commingled equity investment trust fund.

Pension Trust Funds

Foreign Currency Exposure by Country

June 30, 2022

(expressed in thousands)

Foreign Currency Denomination	Investment Type in U.S. Dollar Equivalent					Open Foreign Exchange Contracts-Net	Total
	Cash and Cash Equivalents	Debt Securities	Equity Securities	Alternative Assets			
Australia-Dollar	\$ 2,556	\$ 52,687	\$ 473,424	\$ 418,967	\$ (15,209)	\$ 932,425	
Brazil-Real	2,112	—	294,104	—	(16,974)	279,242	
Canada-Dollar	8,083	—	691,898	—	(2,492)	697,489	
China-Yuan Renminbi	4,510	13,190	359,578	—	(9,173)	368,105	
Denmark-Krone	250	—	251,155	—	3,186	254,591	
E.M.U.-Euro	4,424	—	3,066,839	4,711,655	70,943	7,853,861	
Hong Kong-Dollar	9,185	—	876,819	—	(6)	885,998	
India-Rupee	409	—	372,789	—	(1,427)	371,771	
Indonesia-Rupiah	892	—	81,686	—	(17)	82,561	
Japan-Yen	17,981	—	2,239,738	—	157,222	2,414,941	
Mexico-Peso	11	—	109,806	—	1,373	111,190	
New Taiwan-Dollar	1,269	—	347,607	—	2,554	351,430	
Norway-Krone	708	—	85,948	—	1,107	87,763	
Singapore-Dollar	1,009	—	132,591	—	—	133,600	
South Africa-Rand	331	—	46,793	34,516	(3,268)	78,372	
South Korea-Won	620	—	405,540	—	14,487	420,647	
Sweden-Krona	649	—	356,059	—	12,328	369,036	
Switzerland-Franc	509	—	815,210	—	9,230	824,949	
United Kingdom-Pound	6,028	—	1,747,254	—	(3,703)	1,749,579	
Other	3,187	83,193	270,130	—	(45,806)	310,704	
Total	\$ 64,723	\$ 149,070	\$ 13,024,968	\$ 5,165,138	\$ 174,355	\$ 18,578,254	

8. Derivative Instruments

Pension trust funds are authorized to utilize various derivative instrument financial instruments including financial futures, forward contracts, interest rate swaps, credit default swaps, equity swaps, and options. Derivative instrument transactions involve, to varying degrees, market and credit risk. At June 30, 2022, the pension trust funds held investments in financial futures, forward currency contracts, and total return swap contracts that are recorded at fair value with changes in value recognized in investment income in the Statement of Changes in Net Position in the period of change. The derivative instruments are considered investment derivative instruments and not hedging derivative instruments.

Derivative instruments are generally used to achieve the desired market exposure of a security, index, or currency; adjust portfolio duration; or rebalance the total portfolio to the target asset allocation. Derivative instrument contracts are instruments that derive their value from underlying assets, indices, reference interest rates, or a combination of these factors.

A derivative instrument could be a contract negotiated on behalf of the pension trust funds and a specific counterparty. This would typically be referred to as an over the counter (OTC) contract, such as forward and total return swap contracts. Alternatively, a derivative instrument, such as futures, could be listed and traded on an exchange and referred to as “exchange traded.”

Inherent in the use of OTC derivative instruments, the pension trust funds are exposed to counterparty credit risk on all open OTC positions. Counterparty credit risk is the risk that a derivative instrument counterparty may fail to meet its payment obligation under the derivative instrument contract. As of June 30, 2022, the pension trust funds counterparty risk was approximately \$598.2 million. The majority of the counterparties (60 percent) held a credit rating of Aa3 or higher on Moody’s rating scale. All counterparties held investment grade credit ratings of Baa2 and above.

Futures contracts are standardized, exchange-traded contracts to purchase or sell a specific financial instrument at a predetermined price. As such, gains and losses on futures contracts are settled daily based on a

notional (underlying) principal value and do not involve an actual transfer of the specific instrument. The exchange assumes the risk that the counterparty will not pay and requires margin payments to minimize such risk. Futures are generally used to achieve the desired market exposure of a security or index or to rebalance the total portfolio. Derivative instruments, which are exchange traded, are not subject to credit risk.

Forward currency contracts are agreements to exchange the currency of one country for the currency of another country at an agreed-upon price and settlement date in the future. These forward commitments are not standardized and carry counterparty credit risk due to the possible nonperformance by a counterparty. The maximum potential loss is the aggregate face value in U.S. dollars at the time the contract was opened; however, the likelihood of such loss is remote.

At June 30, 2022, the pension trust funds had outstanding forward currency contracts with a net unrealized gain of \$174.4 million. The aggregate forward currency exchange contracts receivable and payable were \$16.49 billion and \$16.31 billion, respectively. The contracts have varying maturity dates ranging from July 1, 2022, to June 20, 2024.

Total return swap contracts are agreements where one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of the underlying or reference asset. Total return swaps allow the party receiving the total return to gain exposure and benefit from a reference asset without physically owning the security. The pension trust funds swap total bond market index returns for total equity index returns as the reference asset in emerging markets. The values of these contracts are highly sensitive to interest rate changes. As of June 30, 2022, the pension trust funds held no total return swap contracts.

At June 30, 2022, the pension trust funds' fixed income portfolio held derivative instrument securities consisting of collateralized mortgage obligations with a fair value of \$64.7 million. Domestic and foreign commingled investment trust fund managers may also utilize various derivative instrument securities to manage exposure to risk and increase portfolio returns. Information on the extent of use and holdings of derivative instrument securities by these funds is unavailable.

The following schedule presents the significant terms for derivative instruments held as investments by the pension trust funds:

Pension Trust Funds			
Derivative Instrument Investments			
June 30, 2022			
<i>(expressed in thousands)</i>			
	Changes in Fair Value - Included in Investment Income (Loss) Amount	Fair Value - Investment Derivative Instrument Amount	Notional
Futures Contracts:			
Bond index futures	\$ (217,221)	\$ (12,963)	2,165,700
Equity index futures	(11,180)	(2,172)	444
Total	\$ (228,401)	\$ (15,135)	2,166,144
Forward Currency Contracts			
	\$ 98,106	\$ 174,358	16,808,712

C. INVESTMENTS - WORKERS' COMPENSATION FUND

1. Summary of Investment Policies

Under RCW 43.33A.030, trusteeship of the Workers' Compensation Fund investments is vested in the voting members of the Washington State Investment Board (WSIB). The Legislature established a standard of care for investment of these funds in RCW 43.33A.140. Additionally, the WSIB and its staff must comply with other state laws, such as the Ethics in Public Service Act, chapter 42.52 RCW, in making investment decisions and seeking to meet investment objectives.

The Workers' Compensation Fund consists of contributions from employers and their employees participating in the state workers' compensation program and related earnings on those contributions. The workers' compensation program provides medical, time-loss, and disability benefit payments to qualifying individuals sustaining work-related injuries.

In accordance with state laws, the Workers' Compensation Fund investments are managed to limit fluctuations in the industrial insurance premiums. Subject to this purpose, these portfolios seek to achieve a maximum return at a prudent level of risk. Based on this requirement, the order of the objectives is:

- Maintain the solvency of the funds.
- Maintain premium rate stability.
- Ensure sufficient assets are available to fund the expected liability payments.
- Subject to the objectives above, achieve a maximum return at a prudent level of risk.

Eligible Investments. Eligible investments are securities and deposits that are in accordance with the WSIB's investment policy and chapter 43.33A RCW. Eligible investments include:

- U.S. equities.
- International equities.
- U.S. treasuries and government agencies.
- Credit bonds.
- Mortgage-backed securities rated investment grade, as defined by Bloomberg Global Family of Fixed Income Indices.
- Asset-backed securities rated investment grade, as defined by Bloomberg Global Family of Fixed Income Indices.
- Commercial mortgage-backed securities rated investment grade, as defined by Bloomberg Global Family of Fixed Income Indices.
- Investment grade non-U.S. dollar bonds.
- Real estate.

Investment Policies and Restrictions. To meet stated objectives, investments of the Workers' Compensation Fund are subject to the following constraints:

- All assets under the management of the WSIB are to be invested to maximize return at a prudent level of risk in accordance with RCW 43.33A.110 and RCW 43.33A.140.
- No corporate fixed income issue cost shall exceed 3 percent of the fund's fair market value at the time of purchase, nor shall its market value exceed 6 percent of the fund's market value at any time.
- Asset allocations are to be reviewed every four years or sooner if there are significant changes in funding levels or the liability durations.
- Assets are to be rebalanced across asset classes when the fair value of the assets falls outside the policy

ranges. The timing of any rebalancing will be based on market opportunities, cash flows, and the consideration of transaction costs; therefore, they need not occur immediately.

Equity. The benchmark and structure for global equities will be the Morgan Stanley Capital International (MSCI) All Country World Investable Market Index net with U.S. gross. The global equity portfolio will be passively managed in commingled index funds. The commingled fund managers may use futures for hedging or establishing a long position.

Fixed Income. It is the goal of the fixed income portfolios to match the target durations. The fixed income portfolios' required duration targets are to be reviewed every three years or sooner if there are significant changes in the funding levels or the liability durations.

Sector allocation of fixed income investments must be managed within the ranges presented below. Deviations may occur in the short term as a result of interim market conditions. However, if a range is exceeded, the portfolios must be rebalanced to the target allocations as soon as it is practical.

Target Allocations for the Fixed Income Sectors:

U.S. treasuries and government agencies	5% - 25%
Credit bonds	20% - 80%
Asset-backed securities	0% - 10%
Commercial mortgage-backed securities	0% - 10%
Mortgage-backed securities	0% - 25%

Total market value of below investment grade credit bonds (as defined by Bloomberg Global Family of Fixed Income Indices) shall not exceed 5 percent of the total market value of the funds. Although below investment grade mortgage-backed, asset-backed, and commercial mortgage-backed securities may not be purchased, portfolio holdings that are downgraded to those levels or are no longer rated may continue to be held. Total market value of below investment grade mortgage-backed, asset-backed, and commercial mortgage-backed securities shall not exceed 5 percent of total market value of the funds.

Real Estate. The objectives and characteristics of the real estate portfolio are as follows:

- To generate a 6 percent annual investment return over a rolling 10-year period. This objective also serves as the total net return benchmark for the portfolio.
- The return will be generated by current income, and the portfolio will be intentionally constructed to focus on yield rather than total return.
- The portfolio will be diversified across geography and property type.

- No more than 15 percent of the long-term target allocation for the real estate portfolio will be invested in the equity position for a single property at the time of acquisition.

2. Valuation of Investments

The Workers' Compensation Fund reports investments at fair value and categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Unrealized gains and losses are included in the Statement of Revenues, Expenses, and Changes in Net Position. The following table presents fair value measurements as of June 30, 2022:

Workers' Compensation Fund					
Investments Measured at Fair Value					
June 30, 2022					
<i>(expressed in thousands)</i>					
		Fair Value Measurements Using			
Investments by Fair Value Level	Fair Value	Level 1	Level 2	Level 3	
		Inputs	Inputs	Inputs	
Debt securities					
Mortgage and other asset-backed securities	\$ 711,942	\$ —	\$ 711,942	\$ —	—
Corporate bonds	10,449,765	—	10,449,765	—	—
U.S. and foreign government and agency securities	3,857,444	—	3,857,444	—	—
Total Investments by Fair Value Level	15,019,151	\$ —	15,019,151	\$ —	—
Investments Measured at Net Asset Value (NAV)					
Commingled equity investment trusts	3,069,050				
Real estate	38,561				
Total investments measured at the NAV	3,107,611				
Total Investments Measured at Fair Value	\$ 18,126,762				

Investments classified as level 2. Investments classified as level 2 in the above table are comprised of publicly traded debt securities. Publicly traded debt securities are sourced from reputable pricing vendors using models that are market-based measurements representing their good faith opinion as to the exit value of a security, in an orderly transaction under current market conditions. Such models take into account quoted prices, nominal yield spreads, benchmark yield curves, prepayment speeds, and other market corroborated inputs.

Investments measured at net asset value (NAV). Investments measured at net asset value in the Workers' Compensation Fund include collective investment trust funds and alternative investments.

Collective Investment Trust Funds. The Workers' Compensation Fund invests in a single collective investment trust fund (fund). The fund is passively managed to track the investment of a broad, global equity index, the MSCI All Country World Investable Market Index net with U.S. gross. The fund determines a fair value by obtaining the values of underlying holdings using reputable pricing sources and computing an overall net asset value per share. The holdings are publicly traded equity securities.

The fund has daily openings, and contributions and withdrawals can be made on any business day. The fund manager, at their discretion, may require withdrawal proceeds to be made partially or wholly in kind. Under certain circumstances, the fund manager may choose to suspend valuation and/or the right to make contributions and withdrawals from the fund. Such circumstances include actual or anticipated closure, restriction, or suspension of trading activity in any markets or exchanges where the fund investments are traded; where the purchase, sale, or pricing of the fund's investments would not be reasonably practicable or advisable; or where suspending contributions or withdrawals would be in the best interest of the fund or participants.

Alternative Investments. The fair value of investments that are organized as limited partnerships and have no readily ascertainable fair value is determined by using the net asset value per share (or its equivalent) of the Workers' Compensation Funds' ownership interest in partners' capital. These values are based on the individual investee's capital account balance reported at fair value by the general partner at the most recently available reporting period, adjusted for subsequent contributions, distributions, management fees, changes in values of foreign currency, and published market prices for certain securities.

The limited partnerships' annual financial statements are audited by independent auditors. These investments are valued at approximately \$38.6 million as of June 30, 2022. Because of the inherent uncertainties in estimating fair values, it is possible these estimates will change in the near-term or the subsequent sale of assets will be different than the June 30, 2022, reported net asset value.

These investments can never be redeemed. Instead, the nature of these investments provides for distributions through the sale or liquidation of the underlying assets and from net operating cash flows. It is anticipated that the investments will be held for at least ten years or longer.

Real Estate. This includes three real estate investments. Targeted investment structures within the Workers' Compensation Fund real estate portfolio include limited liability companies, limited partnerships, joint ventures, commingled funds, and co-investments. Real estate partnerships generally provide quarterly valuations based on the most recent capital account balance. Individual properties are valued by the investment management at least annually and are adjusted as frequently as quarterly if material market or operational changes have occurred. Properties are externally appraised generally at least every five years, depending upon the investment. Annual audits of most partnerships include a review of compliance with the partnership's valuation policies.

3. Securities Lending

State law and WSIB policy permit the Workers' Compensation Fund to participate in securities lending programs to augment investment income. The WSIB has entered into an agreement with State Street Corporation to act as agent for the Workers' Compensation Fund in securities lending transactions. As State Street Corporation is the custodian bank for the Workers' Compensation Fund, it is counterparty to securities lending transactions.

When debt securities are loaned during the fiscal year, they are collateralized by the Workers' Compensation Fund's agent with cash and U.S. government or U.S. agency securities including U.S. agency mortgage-backed securities (exclusive of letters of credit). When the loaned securities have collateral denominated in the same currency, the collateral requirement is 102 percent of the fair value, including accrued interest, of the securities loaned. All other securities are required to be collateralized at 105 percent of the fair value, including accrued interest, of the loaned securities. No securities were lent by the Workers' Compensation Fund during the current fiscal year and, accordingly, no collateral was held at June 30, 2022.

Securities lending transactions can be terminated on demand by either the Workers' Compensation Fund or the borrower. Non-cash collateral cannot be pledged or sold absent borrower default. No more than 20 percent of the total on-loan value can be held by a specific borrower. Collateral investment guidelines specifically prohibit European domiciled holdings. There are no restrictions on the amount of securities that can be lent.

Securities are lent with the agreement that they will be returned in the future for exchange of the collateral. State Street Corporation indemnified the Workers' Compensation Fund by agreeing to purchase replacement securities or return the cash collateral in the event a borrower failed to return the loaned securities or pay distributions thereon. State Street Corporation's responsibilities included performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral, and complying with applicable federal regulations concerning securities lending.

During fiscal year 2022, no securities were lent and, accordingly, there were no significant violations of legal or contractual provisions, and no failures by any borrowers to return loaned securities or to pay distributions thereon. Further, the Workers' Compensation Fund incurred no losses during fiscal year 2022 resulting from a default by either the borrowers or the securities lending agents.

4. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates over time will adversely affect the fair value of an investment. While the Workers' Compensation Fund does not have a formal policy relating to interest rate risk, the risk is managed within the Workers' Compensation Fund portfolio using effective duration, which is the measure of a debt investment's exposure to fair value changes arising from changes in interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of fixed income investments. As of June 30, 2022, the Workers' Compensation Fund portfolio durations were within the prescribed duration targets.

The following two schedules provide information about the interest rate risks associated with the Workers' Compensation Fund investments as of June 30, 2022. The schedules display various asset classes held by maturity in years, effective durations, and credit ratings. All debt securities are reported using the average life within the portfolio. The average life is a calculated estimate of the average time (in years) until maturity for these securities, taking into account possible prepayments of principal.

Workers' Compensation Fund
Schedule of Maturities and Effective Duration
June 30, 2022
(expressed in thousands)

Investment Type	Total Fair Value	Maturity				Effective Duration (in years)*
		Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years	
Mortgage and other asset-backed securities	\$ 711,942	\$ 8,570	\$ 574,080	\$ 129,292	\$ —	4.1
Corporate bonds	10,449,765	521,210	3,835,289	3,003,391	3,089,875	7.3
U.S. government and agency securities	2,518,774	122,427	1,207,057	467,386	721,904	7.3
Foreign government and agencies	1,338,670	151,660	580,510	413,848	192,652	5.7
Total Investments Categorized	15,019,151	\$ 803,867	\$ 6,196,936	\$ 4,013,917	\$ 4,004,431	7.0

Investments Not Required to be Categorized:

Commingled investment trusts	3,069,050
Cash and cash equivalents	280,526
Real estate	38,561
Total investments not categorized	3,388,137
Total Investments	\$ 18,407,288

* Excludes cash and cash equivalents

Investments with multiple credit ratings are presented using the Moody's rating scale as follows:

Workers' Compensation Fund
Investment Credit Ratings
June 30, 2022
(expressed in thousands)

Moody's Equivalent Credit Rating	Investment Type			Total Fair Value
	Mortgage and Other Asset-Backed Securities	Corporate Bonds	Foreign Government and Agencies	
Aaa	\$ 711,942	\$ 475,730	\$ 161,586	\$ 1,349,258
Aa1	—	196,557	306,629	503,186
Aa2	—	143,790	102,054	245,844
Aa3	—	887,171	147,467	1,034,638
A1	—	1,341,324	369,490	1,710,814
A2	—	1,855,056	78,211	1,933,267
A3	—	1,787,425	—	1,787,425
Baa1	—	1,748,013	—	1,748,013
Baa2	—	1,383,373	137,936	1,521,309
Baa3	—	426,805	8,182	434,987
Ba1 or lower	—	204,521	27,115	231,636
Total	\$ 711,942	\$ 10,449,765	\$ 1,338,670	\$ 12,500,377

5. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Workers' Compensation Fund investment policies limit the fixed income securities to investment grade or higher at the time of purchase. Investment grade securities are those fixed income securities with a Moody's rating of Aaa to Baa or a Standard and Poor's rating of AAA to BBB.

The rated debt investments of the Workers' Compensation Fund as of June 30, 2022, were rated by Moody's and/or an equivalent national rating organization.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Workers' Compensation Fund policy states that no corporate fixed income issues cost shall exceed 3 percent of the fund's fair value at the time of purchase, nor shall its fair value exceed 6 percent of the fund's fair value at any time. There was no concentration of credit risk as of June 30, 2022.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event a depository institution or counterparty fails, the Workers' Compensation Fund would not be able to recover the value of its deposits, investments, or collateral securities. The Workers' Compensation Fund does not have a policy relating to custodial credit risk. The WSIB mitigates custodial credit risk by having its investment securities (excluding cash, cash equivalents, and repurchase agreements held as securities lending collateral) registered and held in the name of the WSIB for the benefit of the Workers' Compensation Fund.

6. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Workers' Compensation Fund does not have a formal policy to limit foreign currency risk. At June 30, 2022, the only securities held by the Workers' Compensation Fund with foreign currency exposure were \$1.22 billion (excludes U.S. dollar denominated securities) invested in international commingled equity index funds.

The following schedule presents the exposure of the Workers' Compensation Fund to foreign currency risk. The schedule is stated in U.S. dollars.

Workers' Compensation Fund

Foreign Currency Exposure by Country

June 30, 2022

(expressed in thousands)

Foreign Currency Denomination	Equity Securities
Australia-Dollar	\$ 62,726
Brazil-Real	17,978
Canada-Dollar	98,756
China-Yuan Renminbi	17,736
Denmark-Krone	20,423
E.M.U.-Euro	227,109
Hong Kong-Dollar	111,159
India-Rupee	49,836
Japan-Yen	181,385
New Taiwan-Dollar	54,454
Saudi Arabia - Riyal	15,135
Singapore - Dollar	10,758
South Africa-Rand	12,935
South Korea-Won	41,708
Sweden-Krona	28,989
Switzerland-Franc	74,498
United Kingdom-Pound	123,489
Miscellaneous Foreign Currencies	66,208
Total	\$ 1,215,282

7. Derivative Instruments

To manage its exposure to fluctuations in interest and currency rates while increasing portfolio returns, the Workers' Compensation Fund is authorized to utilize various derivative financial instruments including collateralized mortgage obligations, financial futures, forward contracts, interest rate and equity swaps, and options. Derivative instrument transactions involve, to varying degrees, market and credit risk. The Workers' Compensation Fund mitigates market risks arising from derivative instrument transactions by requiring collateral in cash and investments to be maintained equal to the securities' positions outstanding, thereby prohibiting the use of leverage or speculation. Credit risks arising from derivative instrument transactions are mitigated by selecting and monitoring creditworthy counterparties and collateral issuers.

Domestic and foreign passive equity index fund managers may also utilize various derivative instrument securities to manage exposure to risk and increase portfolio returns. Information on the extent of use and holdings of derivative instrument securities by passive equity index fund managers is unavailable.

At June 30, 2022, the only derivative instrument securities held directly by the Workers' Compensation Fund were collateralized mortgage obligations of \$261.3 million.

D. INVESTMENTS - LOCAL GOVERNMENT INVESTMENT POOL

1. Summary of Investment Policies

The Local Government Investment Pool (LGIP) is managed and operated by the Office of the State Treasurer (OST). The State Finance Committee is the administrator of the statute that created the pool and adopts appropriate rules. The State Treasurer is responsible for establishing the investment policy for the pool and reviews the policy annually. Any proposed changes are reviewed by the LGIP Advisory Committee. The terms of the policy are designed to ensure the safety and liquidity of the funds deposited in the LGIP.

The State Treasurer and designated investment officers shall adhere to all restrictions on the investment of funds established by law and by policy.

The LGIP portfolio is invested in a manner that meets the requirements set forth by the Governmental Accounting Standards Board for the maturity, quality, diversification, and liquidity for external investment pools that elect to measure, for financial reporting purposes, all of its investments at amortized costs. The funds are limited to high quality obligations with regulated maximum and average maturities, the effect of which is to minimize both market and credit risk. The LGIP transacts with its participants at a stable net asset value per share of one dollar, which results in the amortized cost reported equaling the number of shares in the LGIP.

The OST prepares a stand-alone LGIP financial report. A copy of the report is available from the OST, PO Box 40200, Olympia, WA 98504-0200, online at: <https://tre.wa.gov/partners/for-local-governments/local-government-investment-pool-lgip/lgip-comprehensive-annual-financial-report/>, or phone number (360) 902-9000. TTY users dial 711 to be connected to the state TTY operator.

Investment Objectives. In priority order, the objectives of the LGIP investment policy are safety, liquidity, and return on investment.

Safety of principal is the primary objective. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio.

The investment portfolio will remain liquid to enable the State Treasurer to meet all cash requirements that might reasonably be anticipated.

The LGIP will be structured with the objective of attaining a market rate of return throughout budgetary and economic cycles, commensurate with the investment risk parameters and the cash flow characteristics of the pool.

Eligible Investments. Eligible investments are only those securities and deposits authorized by statute (chapters 39.58 and 39.59 RCW, and RCW 43.84.080). Eligible investments include:

- Obligations of the U.S. government.
- Obligations of U.S. government agencies or of corporations wholly owned by the U.S. government.
- Obligations of supranational institutions provided that, at the time of investment, the institution has the U.S. government as its largest shareholder.
- Obligations of government-sponsored corporations that are or may become eligible as collateral for advances to member banks as determined by the board of governors of the Federal Reserve.
- Certificates of deposit or demand deposits with financial institutions qualified by the Washington Public Deposit Protection Commission.

Investment Restrictions. To provide for safety and liquidity of funds, the LGIP policy places the following restrictions on the investment portfolio:

- Investments are restricted to fixed rate securities that mature in 397 days or less, except securities utilized in repurchase agreements and U.S. government and supranational floating or variable rate securities which may have a maximum maturity of 762 days, provided they have reset dates within one year and that on any reset date can reasonably be expected to have a market value that approximates their amortized cost.
- The weighted average maturity of the portfolio will not exceed 60 days.
- The weighted average life of the portfolio will not exceed 120 days.
- The purchase of investments in securities other than those issued by the U.S. government or its agencies will be limited.
- Cash generated through securities lending or reverse repurchase agreement transactions will not increase the dollar amount of specified investment types beyond stated limits.

Participant Transactions. The LGIP transacts with its participants at a stable net asset value per share of one

dollar, the same method used for reporting. Participants of the LGIP may contribute and withdraw funds on a daily basis and must inform the OST of any contribution or withdrawal over one million dollars no later than 9:00 a.m. on the same day the transaction is made. Contributions or withdrawals for one million dollars or less can be requested at any time prior to 10:00 a.m. on the day of the transaction. However, participants may complete transactions greater than one million dollars when notification is made between 9:00 a.m. and 10:00 a.m., at the sole discretion of the OST. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

2. Valuation of Investments

Investments are stated at amortized cost which approximates fair value. For bank deposits and repurchase agreements, the cost-based measure equals their carrying amount.

Monthly, the fair value net asset value per share is calculated and compared to the amortized cost net asset value per share to verify that the LGIP's shadow price does not deviate by more than one half of 1 percent from the amortized cost of the portfolio.

3. Securities Lending

State statutes permit the LGIP to lend its securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The LGIP has contracted with Northern Trust as a lending agent and Northern Trust receives a share of income earned from this activity. The lending agent lends securities and receives collateral, which can be in the form of cash or other securities. The collateral, which must be valued at 102 percent of the fair value of the loaned securities, is priced daily and, if necessary, action is taken to maintain the collateralization level at 102 percent. Cash collateral received from the lending of non-coupon-bearing securities shall not be valued at less than 102 percent of fair value, not to exceed par.

The cash is invested by the lending agent in accordance with investment guidelines approved by the LGIP. The securities held as collateral and the securities underlying the cash collateral are held by the LGIP's custodian. One option available to the lending agent is to invest cash collateral with the LGIP. Maturities of investments made with cash collateral are generally matched to maturities of securities loaned.

During fiscal year 2022, the LGIP lent U.S. agency and U.S. treasury securities while other securities were received as collateral. At June 30, 2022, the fair value of securities on loan was \$916.4 million and the fair value of securities received for collateral was \$935.0 million.

The LGIP investment policy requires that any securities on loan be made available by the lending agent for next day liquidity at the option of the LGIP. During fiscal year 2022, the LGIP had no credit risk exposure to borrowers because the amounts owed to the borrowers exceeded the amounts the borrowers owed the LGIP. Furthermore, contracts require the lending agent to indemnify the LGIP if the borrowers fail to return securities and if collateral is inadequate to replace the securities lent, or if the borrowers fail to pay the LGIP for income distribution by the securities' issuers while the securities are on loan.

The LGIP cannot pledge or sell collateral securities received unless the borrower defaults. The LGIP investment policy limits the amount of reverse repurchase agreements and securities lending to 30 percent of the total portfolio. There were no violations of legal or contractual provisions and no losses resulting from a default of a borrower or lending agent during the fiscal year.

4. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt instruments will adversely affect the fair value of an investment. To mitigate the effect of interest rate risk, the LGIP portfolio is invested in high quality, highly liquid obligations with limited maximum and average maturities. The LGIP's policy establishes weighted average maturity and weighted average life limits not to exceed 60 and 120 days, respectively. As of June 30, 2022, the LGIP had a weighted average maturity of 14 days and a weighted average life of 106 days.

The following schedule presents the LGIP investments and related maturities, and provides information about the associated interest rate risks as of June 30, 2022:

Local Government Investment Pool (LGIP)**Schedule of Maturities****June 30, 2022***(expressed in thousands)*

Investment Type	Amortized Cost	Maturity	
		Less than 1 Year	1-5 Years
U.S. agency securities	\$ 8,189,184	\$ 5,473,304	\$ 2,715,880
Repurchase agreements	6,200,000	6,200,000	—
U.S. treasury securities	10,095,127	9,720,303	374,824
Interest bearing bank accounts	1,537,054	1,537,054	—
Supranational securities	549,089	549,089	—
Certificates of deposit	59,625	59,625	—
Total Investments	\$ 26,630,079	\$ 23,539,375	\$ 3,090,704

5. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The LGIP investment policy limits the types of securities available for investment to obligations of the U.S. government or its agencies, obligations of supranational institutions, obligations of government-sponsored corporations, and deposits with qualified public depositories.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event a depository institution or counterparty fails, the LGIP will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of an outside party. The LGIP investment policy requires that securities purchased be held by the master custodian, acting as an independent third party, in its safekeeping or trust department.

Securities utilized in repurchase agreements are subject to additional restrictions. These restrictions are designed to limit the LGIP's exposure to risk and ensure the safety of the investment. All securities utilized in repurchase agreements were rated Aaa by Moody's and AA+ by Standard & Poor's. The fair value of securities utilized in repurchase agreements must be at least 102 percent of the value of the repurchase agreement.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The LGIP mitigates concentration of credit risk by limiting the purchase of securities of any one issuer, with the exception of U.S. treasury and U.S. agency securities, to no more than 5 percent of the portfolio.

Repurchase agreements comprise 23.3 percent of the total portfolio as of June 30, 2022. The LGIP limits the securities utilized in repurchase agreements to U.S. treasury and U.S. agency securities. The LGIP requires delivery of all securities utilized in repurchase agreements and the securities are priced daily.

As of June 30, 2022, U.S. treasury securities comprised 37.9 percent of the total portfolio. U.S. agency securities comprised 30.7 percent of the total portfolio, including Federal Farm Credit Bank (15.1 percent) and Federal Home Loan Bank (15.6 percent). Supranational securities comprised 2.1 percent of the total portfolio.

6. Repurchase Agreements

The fair value plus accrued income of securities utilized in repurchase agreements will be 102 percent of the value of the repurchase agreement plus accrued interest.

The securities utilized in repurchase agreements are limited to government securities, are priced daily, and are held by the LGIP's custodian in the state's name. As of June 30, 2022, repurchase agreements totaled \$6.20 billion.

**E. INVESTMENTS - HIGHER EDUCATION
SPECIAL REVENUE, ENDOWMENT, AND
STUDENT SERVICES FUNDS**

1. Summary of Investment Policies

The investments of the University of Washington represent 80 percent of the total investments in Higher Education Special Revenue, Endowment, and Student Services Funds.

The University of Washington's Board of Regents is vested by statute with responsibility for the University's properties and investments, and for establishing investment policy. The University of Washington Investment Management Company (UWINCO), led by the chief investment officer, carries out the day-to-day activities of the investment portfolios. The UWINCO Board, which consists of both Board of Regents' members and external investment professionals, serves as an advisory board to UWINCO.

The majority of the University's investments are insured, registered, and held by the University's custodial bank as an agent for the University. Investments not held by the custodian include venture capital, private equity, opportunistic investments, marketable alternatives, mortgages, real assets, and miscellaneous investments.

The University combines most short-term investment balances in the Invested Funds Pool. At June 30, 2022, the Short-term and Intermediate-term Invested Funds Pools totaled \$2.46 billion. The Invested Funds Long-term Pool owns units in the Consolidated Endowment Fund valued at \$1.02 billion on June 30, 2022. In addition, the Long-term Pool owns a passive global equity index valued at \$143.0 million as of June 30, 2022.

By University policy, departments with qualifying funds in the Invested Funds Pool receive distributions based on their average balances and on the type of balance. Campus depositors received 0.75 percent in fiscal year 2022. University Advancement received 3.0 percent of the average balances in endowment operating and gift accounts in fiscal year 2022. The difference between the actual earnings of the Invested Funds Pool and the calculated distributions is used to support activities benefiting all University departments.

The majority of the endowed funds are invested in a pooled fund called the Consolidated Endowment Fund (CEF). Individual endowments purchase units in the pool on the basis of a per unit valuation of the CEF at fair value on the last business day of the calendar quarter. Income is distributed based on the number of units held. Chapter 24.55 RCW and the Uniform Prudent Management of Institutional Funds Act allow for total return expenditure in the CEF under comprehensive prudent standards.

In February 2019, the Board of Regents approved an amendment to the CEF Investment Policy to reduce the total spending rate from 5.0 percent to 4.5 percent. A three-year phased reduction was implemented to cushion the impact on University units, starting with a 4.9 percent spending rate in fiscal year 2020 followed by a 4.7 percent spending rate in fiscal year 2021, and reaching the 4.5

percent spending rate in fiscal year 2022. Under the CEF spending policy, quarterly distributions to programs are based on an annual percentage rate of 3.6 percent applied to the five-year rolling average of the CEF's market value.

Additionally, the policy allows for an administrative fee to support campus-wide fundraising and stewardship activities and to offset the internal cost of managing endowment assets.

The University records its permanent endowments at the lower of original gift value or current market value in the Restricted Nonexpendable Net Position category. Of the endowments recorded at current market value at June 30, 2022, the net deficiency from the original gift value was \$6.9 million.

Net appreciation (depreciation) in the fair value of investments includes both realized and unrealized gains and losses on investments. The University realized net gains of \$238.3 million in fiscal year 2022 from the sale of investments.

The calculation of realized gains and losses is independent of the net appreciation of the fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and are sold in the current year include the net appreciation (depreciation) of these investments reported in the prior year(s). The net appreciation (depreciation) in the fair value of investments during the year ended June 30, 2022, was \$(487.8) million.

2. Valuation of Investments

The University reports investments at fair value and categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The University holds significant amounts of investments that are measured at fair value on a recurring basis.

The following schedule presents the fair value of the University's investments by type at June 30, 2022:

University of Washington
Investments Measured at Fair Value
June 30, 2022
(expressed in thousands)

Investments by Fair Value Level	Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Fixed Income Securities				
U.S. treasury	\$ 1,572,728	\$ 19,570	\$ 1,553,158	\$ —
U.S. government agency	348,035	10,699	337,336	—
Mortgage-backed	197,531	—	197,531	—
Asset-backed	574,591	—	574,591	—
Corporate and other	147,280	18,737	128,543	—
Total Fixed Income Securities	2,840,165	49,006	2,791,159	—
Equity Securities				
Global equity investments	740,432	505,770	234,662	—
Real estate	19,407	16,599	—	2,808
Other	6,205	—	—	6,205
Total Equity Securities	766,044	522,369	234,662	9,013
Externally Managed Trusts	125,075	—	—	125,075
Total Investments by Fair Value Level	3,731,284	\$ 571,375	\$ 3,025,821	\$ 134,088
Investments Measured at Net Asset Value (NAV)				
Global equity investments	1,718,652			
Absolute return strategy funds	999,716			
Private equity and venture capital funds	990,630			
Real asset funds	189,364			
Other	32,583			
Total Investments Measured at the NAV	3,930,945			
Total Investments Measured at Fair Value	7,662,229			
Cash equivalents at amortized cost	572,100			
Total Investments	\$ 8,234,329			

Investments classified as level 1. Fixed income and equity securities classified in level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Investments classified as level 2. Fixed income and equity securities classified in level 2 are valued using other observable inputs including quoted prices for similar securities and interest rates.

Investments classified as level 3. Private equity, real asset, and other investments classified in level 3 are valued using either discounted cash flow or market comparable techniques.

Investments measured at net asset value. The University's interests in certain non-readily marketable alternative investments, such as hedge funds and private equity limited partnerships, are stated at fair value based on net asset value (NAV) estimates used as a practical expedient and reported to the University by investment fund managers.

The information related to investments measured at the NAV per share (or its equivalent) is presented in the following table:

University of Washington				
Investments Measured at the Net Asset Value				
June 30, 2022				
<i>(expressed in thousands)</i>				
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Global equity investments	\$ 1,718,652	\$ —	Monthly to annually	15-180 days
Absolute return strategy funds	999,716	—	Quarterly to annually	30-90 days
Private equity and venture capital funds	990,630	691,457	n/a	—
Real asset funds	189,364	104,447	n/a	—
Other	32,583	—	Quarterly to annually	30-95 days
Total Investments Measured at the NAV	<u>\$ 3,930,945</u>			

Global Equity. This investment category includes public equity investments in separately managed accounts, long-only commingled funds, unconstrained limited partnerships, and passive index funds. As of June 30, 2022, approximately 78 percent of the value of the investments in this category can be redeemed within 90 days, and approximately 93 percent can be redeemed within one year.

Absolute Return. This category includes investments in stable income and low-to-medium beta funds. Management of these funds seeks low correlation to broad equity markets by investing in assets that exhibit low volatility, deep discounts, and/or hedges against market downturns. As of June 30, 2022, approximately 92 percent of the value of the investments in this category can be redeemed within one year.

Private Equity and Venture Capital. This category includes buyout, venture, and special situations funds. These investments cannot be redeemed at the request of the University. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is expected that underlying assets of the funds will be liquidated over the next one to ten years.

Real Assets. This category includes real estate, natural resources, and other hard assets. These investments cannot be redeemed at the request of the University. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is expected that underlying assets of the funds will be liquidated over the next one to ten years.

Other. This category consists of opportunistic investments and includes various types of non-investment grade and non-rated credit plus nominal equity exposure. As of June 30, 2022, approximately 39 percent of the value of the investments in this category can be redeemed or anticipate distribution within one year. The remaining balance of these investments contain restrictions on

redemption within one year or will be distributed as underlying investments are liquidated. It is expected that the underlying assets of the funds will be liquidated over the next 10 years.

3. Funding Commitments

The University enters into contracts with investment managers to fund alternative investments. As of June 30, 2022, the University had outstanding commitments to fund alternative investments in the amount of \$795.9 million. These commitments are expected to be called over a multi-year timeframe, generally two to five years depending on the type of fund. The University believes it has adequate liquidity and funding sources to meet these obligations.

4. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of fixed income securities. The University manages interest rate risk through its investment policies and the investment guidelines established with each manager. Each fixed income manager is assigned a maximum boundary for duration as compared to the manager's relevant benchmark index. The goal is to allow ample freedom for the manager to perform while controlling the interest rate risk in the portfolio.

Effective duration is a commonly used measure of interest rate risk. The longer the duration, the more sensitive the portfolio is to changes in interest rates. The weighted average effective duration of the University's fixed income portfolio was 1.71 years at June 30, 2022.

5. Credit Risk

Fixed income securities are subject to credit risk, which is the risk that the issuer or other counterparty to a financial

instrument will not fulfill its obligations, or that negative perceptions of the issuer's ability to make these payments will cause prices to decline. The University's investment policies limit fixed income exposure to investment grade assets. The investment policy for the Invested Funds' short-term pool requires each manager to maintain an average quality rating of AA as issued by a nationally recognized rating organization. The investment policy for the Invested Funds' intermediate-term pool requires each manager to maintain an average quality rating of A and to hold at least 25 percent of their portfolios in government and government agency issues. The investment policy for the CEF reflects its long-term nature by specifying average quality rating levels by individual manager, but still restricting investments to investment grade credits.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of a failure of the counterparty to a transaction, the University will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The University does not have a formal policy regarding custodial credit risk. However, all University investments in the CEF and the Invested Funds Pool are held in the name of the University and are not subject to custodial credit risk.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The CEF investment policy limits concentration by manager, country (other than U.S.), and market sector. The University further mitigates concentration of credit risk through the due diligence of each manager and careful monitoring of asset concentrations.

Duration is a calculation of the number of years required to recover the true cost of a bond. The duration presented below represents a broad average across all fixed income securities held in the CEF, Invested Funds Pool (IF or operating funds), and debt service reserve funds. The CEF and IF portfolios are managed to have a duration below their policy benchmarks to protect principal and provide liquidity to the overall portfolio.

The following schedule summarizes the composition of the fixed income securities along with credit quality and effective duration measures at June 30, 2022. The schedule excludes \$30.6 million of fixed income securities held by component units. These amounts make up 1.08 percent of the University's fixed income investments.

University of Washington
Invested Funds Pool and Consolidated Endowment Fund
Fixed Income Credit Quality and Effective Duration
June 30, 2022
(expressed in thousands)

Investment Type	U.S. Government	Investment Grade*	Non-Investment Grade	Not Rated	Total	Effective Duration (in years)
U.S. treasury securities	\$ 1,553,157	\$ —	\$ —	\$ —	\$ 1,553,157	1.43
U.S. government agency	343,462	—	—	—	343,462	4.87
Mortgage-backed	—	76,365	53,824	67,342	197,531	1.34
Asset-backed	6,284	470,850	5,173	92,284	574,591	0.71
Corporate and other	—	56,125	359	84,373	140,857	1.30
Total	\$ 1,902,903	\$ 603,340	\$ 59,356	\$ 243,999	\$ 2,809,598	1.71

* Investment grade securities are those that are rated BBB and higher by Standard and Poor's or Baa and higher by Moody's.

6. Foreign Currency Risk

Foreign currency risk is the risk that investments denominated in foreign currencies may lose value due to adverse fluctuations in the value of the U.S. dollar relative to foreign currencies. The University's investment policies

permit investments in international equity and other asset classes that can include foreign currency exposure. To manage foreign currency exposure, the University also enters into foreign currency forward contracts, futures contracts, and options. The University held non-U.S. denominated securities at June 30, 2022, of \$1.55 billion.

The following schedule, stated in U.S. dollars, details the market value of foreign denominated securities by currency type:

University of Washington	
Consolidated Endowment Fund	
Foreign Currency Risk	
June 30, 2022	
<i>(expressed in thousands)</i>	
Foreign Currency	Amount
Australia-Dollar	\$ 18,609
Brazil-Real	69,487
Britain-Pound	166,650
China-Renminbi	381,690
E.M.U.-Euro	227,022
Hong Kong-Dollar	32,507
India-Rupee	138,301
Indonesia-Rupiah	29,844
Japan-Yen	169,356
Norway-Krone	20,215
Singapore-Dollar	32,415
South Africa-Rand	19,378
South Korea-Won	49,301
Sweden-Krona	30,841
Switzerland-Franc	38,152
Taiwan-Dollar	49,894
Remaining currencies	80,929
Total	\$ 1,554,591

7. Derivative Instruments

The University's investment policies allow investing in various derivative instruments, including futures, swaps, and forwards, to manage exposures within or across the portfolio and to improve the portfolio's risk/return profile. Derivative instruments are recorded on the contract date and are carried at fair value using listed price quotations or amounts that approximate fair value.

As of June 30, 2022, the University had outstanding futures contracts with notional amounts totaling \$55.2 million and accumulated unrealized losses on these contracts totaled \$364 thousand. These accumulated unrealized losses are included in investments on the Statement of Net Position.

Credit exposure represents exposure to counterparties relating to financial instruments where gains exceed collateral held by the University or losses are less than the collateral posted by the University. There was no credit exposure as of June 30, 2022. The University had no hedging derivative instruments or derivative instruments for investment purposes as of June 30, 2022.

Details on foreign currency derivative instruments are disclosed under Foreign Currency Risk.

F. INVESTMENTS - OFFICE OF THE STATE TREASURER CASH MANAGEMENT ACCOUNT

1. Summary of Investment Policies

The Office of the State Treasurer (OST) operates the state's Cash Management Account for investing Treasury/Trust funds in excess of daily requirements. Investment income earned is allocated based on average daily cash balance. Pursuant to state law, all earnings on investments of Treasury/Trust funds are credited to the General Fund except as specifically provided in RCW 43.79A.040 and RCW 43.84.092. In fiscal year 2022, a portion of the investment income reported by the General Fund was earned by other funds.

The State Treasurer and designated investment officers shall adhere to all restrictions on the investment of funds established by law and by policy.

Investment Objectives. All Treasury/Trust funds will be invested in conformance with federal, state, and other legal requirements. The primary objectives of the portfolio shall be safety and liquidity, with return on investment a secondary objective.

Investments shall be undertaken in a manner that seeks preservation of capital in the overall portfolio. Because the investment portfolio must remain liquid to enable the State Treasurer to meet all cash requirements that can reasonably be anticipated, investments will be managed to maintain cash balances needed to meet daily obligations of the state. After assuring needed levels of safety and liquidity, the investment portfolio will be structured to attain a market rate of return.

Eligible Investments. Eligible investments are only those securities and deposits authorized by statute (chapters 39.58, 43.250, and 43.84.080 RCW). Eligible investments include:

- Obligations of the U.S. government.
- Obligations of U.S. government agencies or of corporations wholly owned by the U.S. government.
- U.S. dollar denominated obligations of supranational institutions, provided that at the time of investment the institution has the U.S. government as its largest shareholder.
- Obligations of government-sponsored enterprises that are or may become eligible as collateral for advances to member banks as determined by the board of governors of the Federal Reserve.

- Commercial paper, provided that the OST adheres to policies and procedures of the Washington State Investment Board (WSIB) regarding commercial paper (RCW 43.84.080(5)).
- Corporate notes, provided that the OST adheres to the investment policies and procedures adopted by the WSIB (RCW 43.84.080(7)).
- General obligation municipal bonds that have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency.
- Investment deposits with financial institutions qualified by the Washington Public Deposit Protection Commission (RCW 39.58.010(9)) and deposits made pursuant to RCW 39.58.080.
- Local Government Investment Pool (LGIP).
- Obligations of the state of Washington or its political subdivisions.

Investment Restrictions. To provide for the safety and liquidity of Treasury/Trust funds, the Cash Management Account investment portfolio is subject to the minimum restrictions listed below. Certain investment instruments are subject to more restrictive limitations.

- The final maturity of any security will not exceed ten years.
- Purchase of collateralized mortgage obligations is not allowed.

- The allocation to investments subject to high price sensitivity or reduced marketability will not exceed 15 percent of the daily balance of the portfolio.

Additionally, investments in non-government securities, excluding collateral of repurchase agreements, must fall within prescribed limits.

Limitations and Restrictions on LGIP Participant Withdrawals. Participants of the LGIP may contribute and withdraw funds on a daily basis and must inform the OST of any contribution or withdrawal over one million dollars no later than 9:00 a.m. on the same day the transaction is made. Contributions or withdrawals for one million dollars or less can be requested at any time prior to 10:00 a.m. on the day of the transaction. However, participants may complete transactions greater than one million dollars when notification is made between 9:00 a.m. and 10:00 a.m., at the sole discretion of the OST. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

2. Valuation of Investments

The OST reports investments at fair value and categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The following table presents fair value measurements as of June 30, 2022:

Office of the State Treasurer
Cash Management Account
Investments Measured at Fair Value
June 30, 2022
(expressed in thousands)

Investments by Fair Value Level	Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Debt securities				
U.S. government securities	\$ 5,575,208	\$ —	\$ 5,575,208	\$ —
U.S. agency securities	2,331,165	—	2,331,165	—
Supranational securities	2,260,599	—	2,260,599	—
Corporate notes	527,739	—	527,739	—
Total Investments Measured at Fair Value	\$ 10,694,711	\$ —	\$ 10,694,711	\$ —

Investments classified as level 2. The debt securities classified as level 2 in the above table are valued using observable inputs including quoted prices for similar securities and interest rates.

3. Securities Lending

State statutes permit the OST to lend its securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities

in the future. The OST has contracted with Northern Trust as a lending agent and Northern Trust receives a share of income earned from this activity. The lending agent lends U.S. government, U.S. agency, and supranational securities and receives collateral, which can be in the form of cash or other securities. The collateral, which must be valued at 102 percent of the fair value of the loaned securities, is priced daily and, if necessary, action is taken to maintain the collateralization level at 102 percent.

The cash is invested by the lending agent in repurchase agreements, deposit accounts, or money market instruments, in accordance with investment guidelines approved by the OST. The securities held as collateral and the securities underlying the cash collateral are held by the custodian. During fiscal year 2022, there was no cash collateral from securities lending.

Contracts require the lending agent to indemnify the OST if the borrowers fail to return securities and if the collateral is inadequate to replace the securities lent, or if the borrower fails to pay the OST for income distribution by the securities' issuers while the securities are on loan. The OST cannot pledge or sell collateral securities received unless the borrower defaults. At June 30, 2022, the fair value of securities on loan totaled \$892.5 million.

The OST investment policy requires that any securities on loan be made available by the lending agent for next day

liquidity at the option of the OST. During fiscal year 2022, the OST had no credit risk exposure to borrowers because the amounts owed to the borrowers exceeded the amounts the borrowers owed the OST.

There were no violations of legal or contractual provisions, and there were no losses resulting from a default of a borrower or lending agent during the fiscal year.

4. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt instruments will adversely affect the fair value of an investment. The Treasury/Trust investments are separated into portfolios with objectives based primarily on liquidity needs.

The OST's investment policy limits the weighted average maturity of its investments based on cash flow expectations. Policy also directs due diligence to be exercised with timely reporting of material deviation from expectations and actions taken to control adverse developments as may be possible.

The following schedules present the OST investments and related maturities, and provide information about the associated interest rate risks as of June 30, 2022:

Office of the State Treasurer			
Cash Management Account			
Schedule of Maturities			
June 30, 2022			
<i>(expressed in thousands)</i>			
Investment Type	Total Fair Value	Maturity	
		Less than 1 Year	1-5 Years
U.S. government securities	\$ 7,114,266	\$ 3,932,558	\$ 3,181,708
U.S. agency securities	2,578,982	502,031	2,076,951
Supranational securities	2,410,299	744,199	1,666,100
Corporate notes	527,739	121,143	406,596
Investments with LGIP	6,050,340	6,050,340	—
Certificates of deposit	59,441	59,441	—
Interest bearing bank accounts	141,138	141,138	—
Total Investments	\$ 18,882,205	\$ 11,550,850	\$ 7,331,355

Credit ratings of investments are presented using the Standard and Poor's (S&P) rating scale as follows:

Office of the State Treasurer			
Cash Management Account			
Investment Credit Ratings			
June 30, 2022			
<i>(expressed in thousands)</i>			
S&P Credit Rating	Investment Type		Total Fair Value
	Corporate Notes	Supranationals	
AAA	\$ 16,476	\$ 2,246,709	\$ 2,263,185
AA+	60,308	37,372	97,680
AA	70,546	—	70,546
AA-	57,092	—	57,092
A+	91,181	—	91,181
A	170,563	—	170,563
A-	28,637	—	28,637
Unrated*	32,936	126,218	159,154
Total	\$ 527,739	\$ 2,410,299	\$ 2,938,038

*Investments are rated Aa3 by Moody's

5. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The OST limits credit risk by adhering to the OST investment policy which restricts the types of investments the OST can participate in to U.S. government and agency securities, U.S. dollar denominated obligations of supranational institutions, commercial paper, corporate notes, general obligation municipal bonds, and deposits with qualified public depositories. Investments in non-government securities may not exceed set percentages of the total daily portfolio size.

Custodial Credit Risk. The custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, a government will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The OST investment policy requires that securities purchased by the office be held by the master custodian, acting as an independent third party, in its safekeeping or trust department. Securities utilized in repurchase agreements are subject to additional restrictions. These restrictions are designed to limit the OST's exposure to risk and ensure the safety of the investment.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. For non-governmental securities, the OST adheres to the WSIB policy on commercial paper and corporate notes investments which limits its exposure to concentration of credit risk by restricting the amount of investments to no more than 3 percent of the portfolio to any single issuer.

6. Repurchase Agreements

Repurchase agreements and securities accepted for repurchase agreements are subject to the following additional restrictions:

- Transactions will be conducted under the terms of a written master repurchase agreement and only with primary dealers, the state's bank of record, or master custodial bank.
- Purchased securities utilized in repurchase agreements will be limited to government securities. Repurchase agreements with any single primary dealer or financial institution will not exceed 20 percent of the portfolio. The maximum term of repurchase agreements will be 180 days. The share of the portfolio allocated to repurchase agreements with maturities beyond 30 days will not exceed 30 percent of the total portfolio.
- Securities utilized in repurchase agreements with a maturity date longer than seven days are priced at least weekly and are held by the Treasury/Trust custodian in the state's name.
- The market value, plus accrued income, of securities utilized in repurchase agreements will be priced at 102 percent of the value of the repurchase agreement, plus accrued income.

The OST invested in repurchase agreements during fiscal year 2022. There were no repurchase agreements as of June 30, 2022.

Note 4

Receivables and Unearned/Unavailable Revenues

A. GOVERNMENTAL FUNDS

Taxes Receivable

Taxes receivable at June 30, 2022, consisted of the following (expressed in thousands):

Taxes Receivable	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Nonmajor Governmental Funds	Total
Property	\$ 2,165,941	\$ —	\$ —	\$ 11,303	\$ 2,177,244
Sales	2,176,495	5,393	—	33,987	2,215,875
Business and occupation	1,253,366	44,518	—	713	1,298,597
Estate	—	20,442	—	16,119	36,561
Fuel	—	—	—	156,078	156,078
Beer and wine	—	—	—	5,484	5,484
Cannabis	—	—	—	41,665	41,665
Real estate excise	28,525	4,722	—	8,277	41,524
Public utilities	52,907	2,091	—	—	54,998
Hazardous substance	—	—	—	29,677	29,677
Other	2,220	1	—	1,817	4,038
Subtotal	5,679,454	77,167	—	305,120	6,061,741
Less: Allowance for uncollectible receivables	572,636	3,041	—	3,558	579,235
Total Taxes Receivable	\$ 5,106,818	\$ 74,126	\$ —	\$ 301,562	\$ 5,482,506

Receivables

Receivables at June 30, 2022, consisted of the following (expressed in thousands):

Receivables	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Nonmajor Governmental Funds	Total
Public assistance ⁽¹⁾	\$ 407,411	\$ —	\$ —	\$ —	\$ 407,411
Accounts receivable	1,071,992	819,566	1,019	450,143	2,342,720
Interest	18,099	14,171	3,454	12,244	47,968
Investment trades pending	—	—	9	—	9
Loans ⁽²⁾	7,176	77,876	—	639,201	724,253
Long-term contracts ⁽³⁾	2,819	—	13,592	103,536	119,947
Leases receivable	333	386,865	—	17,317	404,515
Miscellaneous	1,441	1,154	—	484	3,079
Subtotal	1,509,271	1,299,632	18,074	1,222,925	4,049,902
Less: Allowance for uncollectible receivables	484,025	89,209	—	128,996	702,230
Total Receivables	\$ 1,025,246	\$ 1,210,423	\$ 18,074	\$ 1,093,929	\$ 3,347,672

Notes:

⁽¹⁾ Public assistance receivables mainly represent amounts owed to the state as part of the Support Enforcement Program at the Department of Social and Health Services for the amounts due from persons required to pay support for individuals currently on state assistance and have a low realization expectation. Accordingly, the receivable is offset by a large allowance for uncollectible receivables.

⁽²⁾ Significant long-term portions of loans receivable include \$62.3 million in the Higher Education Special Revenue Fund for student loans and \$598.7 million in Nonmajor Governmental Funds for low income housing, public works, and economic development/revitalization loans.

⁽³⁾ Long-term contracts in Nonmajor Governmental Funds are for timber sales contracts.

Unearned Revenue

Unearned revenue at June 30, 2022, consisted of the following (expressed in thousands):

Unearned Revenue	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Nonmajor Governmental Funds	Total
Other taxes	\$ 3,992	\$ —	\$ —	\$ —	\$ 3,992
Charges for services	176,649	273,263	—	31,725	481,637
Donable goods	—	—	—	5,191	5,191
Grants and donations ⁽¹⁾	3,009,098	9,471	—	6,280	3,024,849
Tolls	—	—	—	2,086	2,086
Transportation	—	—	—	43,869	43,869
Miscellaneous	20,194	10,512	—	12,631	43,337
Total Unearned Revenue	\$ 3,209,933	\$ 293,246	\$ —	\$ 101,782	\$ 3,604,961

Notes:

⁽¹⁾ Unearned revenue from grants and donations includes \$2.89 billion in federal stimulus funds received from the U.S. Department of the Treasury under the American Rescue Plan, but not yet spent.

Unavailable Revenue

Unavailable revenue at June 30, 2022, consisted of the following (expressed in thousands):

Unavailable Revenue	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Nonmajor Governmental Funds	Total
Property taxes	\$ 2,078,881	\$ —	\$ —	\$ 538	\$ 2,079,419
Other taxes	1,245,242	16,951	—	19,535	1,281,728
Timber sales	2,819	—	13,592	103,536	119,947
Transportation	—	—	—	3,683	3,683
Charges for services	12	—	—	7,297	7,309
Grants and donations	67	—	—	—	67
Miscellaneous	3,600	—	—	16,954	20,554
Total Unavailable Revenue	\$ 3,330,621	\$ 16,951	\$ 13,592	\$ 151,543	\$ 3,512,707

B. PROPRIETARY FUNDS

Receivables

Receivables at June 30, 2022, consisted of the following (expressed in thousands):

Receivables	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
Accounts receivable	\$ 1,062,467	\$ 1,941,000	\$ 410,690
Interest	115,376	—	721
Investment trades pending	—	—	—
Loans	—	—	6
Leases receivable	—	—	3,237
Miscellaneous	83	—	520
Subtotal	1,177,926	1,941,000	415,174
Less: Allowance for uncollectible receivables	240,000	626,175	19,322
Total Receivables	\$ 937,926	\$ 1,314,825	\$ 395,852

Unearned Revenue

Unearned revenue at June 30, 2022, consisted of the following (expressed in thousands):

Unearned Revenue	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
Charges for services	\$ —	\$ —	\$ 132,809
Premiums and assessments	2,740	—	—
Miscellaneous	3,920	—	—
Total Unearned Revenue	\$ 6,660	\$ —	\$ 132,809

Taxes Receivables

Taxes receivables at June 30, 2022, consisted of \$3.4 million for petroleum products, net of allowance.

C. FIDUCIARY FUNDS

Other Receivables

Receivables at June 30, 2022, consisted of \$22.0 million for interest and other miscellaneous amounts.

Unearned Revenue

Unearned revenue at June 30, 2022, consisted of \$1.3 million for service credit restorations reported in Pension and Other Employee Benefit Plans.

			Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$ 100,911	\$ 383,671	\$ 3,898,739	\$ 50,981	
261	1,641	117,999	71	
—	39	39	—	
—	—	6	3	
—	—	3,237	—	
—	—	603	106	
101,172	385,351	4,020,623	51,161	
528	110	886,135	1,425	
\$ 100,644	\$ 385,241	\$ 3,134,488	\$ 49,736	

			Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$ 2,171	\$ 911	\$ 135,891	\$ 4,981	
—	44,792	47,532	—	
—	3,813	7,733	132	
\$ 2,171	\$ 49,516	\$ 191,156	\$ 5,113	

Note 5

Interfund Balances and Transfers

A. INTERFUND BALANCES

Interfund balances as reported in the financial statements at June 30, 2022, consisted of the following (expressed in thousands):

Due To	Due From				
	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Nonmajor Governmental Funds	Workers' Compensation
General	\$ —	\$ 437,077	\$ —	\$ 978,518	\$ 98
Higher Education Special Revenue	79,248	—	812,840	21,319	437
Higher Education Endowment and Other Permanent Funds	—	—	—	15	—
Nonmajor Governmental Funds	82,669	1,115	2,383	417,936	33
Workers' Compensation	59	2	—	5	—
Unemployment Compensation	2,905	1,337	—	2,082	62
Higher Education Student Services	120	25,598	—	2	35
Health Insurance	228	—	—	—	—
Nonmajor Enterprise Funds	26,582	87	—	1,274	6
Internal Service Funds	68,857	3,055	—	25,177	4,649
Totals	\$ 260,668	\$ 468,271	\$ 815,223	\$ 1,446,328	\$ 5,320

Except as noted below, interfund balances are expected to be paid within one year from the date of the financial statements. These balances resulted from the time lag between the dates that (1) interfund goods and services were provided and when the payments occurred and (2) interfund transfers were accrued and when the liquidations occurred.

Interfund balances include: (1) a \$63.5 million loan from the General Fund to a nonmajor enterprise fund which is expected to be paid over the next two years, (2) \$125.0 million on a revolving loan from the Higher Education Special Revenue Fund to the Higher Education Student Services Fund, (3) \$5.1 million on a loan from the Higher Education Special Revenue Fund to the Higher Education Student Services Fund which is expected to be paid over the next 10 years, and (4) \$10.6 million on a loan from the Higher Education Special Revenue Fund to the Higher Education Student Services Fund which is expected to be paid over the next 30 years.

In addition to the interfund balances noted in the schedule above, there are interfund balances of \$89.3 million within the state's Pension Trust Funds.

Due From

Unemployment Compensation	Higher Education Student Services	Health Insurance	Nonmajor Enterprise Funds	Internal Service Funds	Local Government Investment Pool	Totals
\$ 45	\$ 1	\$ 7	\$ 72,171	\$ 243,558	\$ —	\$ 1,731,475
56	186,593	216	13	11,147	—	1,111,869
—	—	—	—	—	—	15
2,222	2	—	457	6,249	80	513,146
—	—	—	—	16	—	82
—	1	—	68	103	—	6,558
—	—	—	—	—	—	25,755
—	—	—	—	—	—	228
—	3	—	43,299	192	18	71,461
—	79	117	744	4,919	—	107,597
\$ 2,323	\$ 186,679	\$ 340	\$ 116,752	\$ 266,184	\$ 98	\$ 3,568,186

B. INTERFUND TRANSFERS

Interfund transfers as reported in the financial statements for the year ended June 30, 2022, consisted of the following (expressed in thousands):

Transferred From	Transferred To				
	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Nonmajor Governmental Funds	Workers' Compensation
General	\$ —	\$ 880	\$ 300	\$ 3,791,266	\$ 1,787
Higher Education Special Revenue	197,177	—	320,697	216,443	—
Higher Education Endowment and Other Permanent Funds	—	454,168	—	29,044	—
Nonmajor Governmental Funds	510,616	67,516	1,309	2,164,192	—
Workers' Compensation	—	—	—	—	—
Unemployment Compensation	—	—	—	—	—
Higher Education Student Services	—	511,979	—	4,504	—
Health Insurance	15,615	—	—	1,552	—
Nonmajor Enterprise Funds	263,553	—	—	434	—
Internal Service Funds	199	27,328	—	373	—
Private-Purpose Trust Funds	—	—	—	—	—
Totals	\$ 987,160	\$ 1,061,871	\$ 322,306	\$ 6,207,808	\$ 1,787

Except as noted below, transfers are used to (1) move revenues from the fund that statute requires to collect them to the fund that statute requires to expend them, (2) move receipts designated for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, (4) move profits from the Lottery Fund as required by law, and (5) transfer amounts to and from the General Fund as required by law.

On June 30, 2022, \$300.2 million was transferred from the General Fund Basic Account to the Budget Stabilization Account (BSA) in accordance with the provisions of the state Constitution. The state Constitution details a limited number of circumstances under which funds can be appropriated from the BSA, one of which is a favorable vote of at least three-fifths of the members of each house of the Legislature.

In addition to the transfers noted in the schedule above, there were transfers of \$126.1 million within the state's Pension Trust Funds.

Transferred To						
Unemployment Compensation	Higher Education Student Services	Health Insurance	Nonmajor Enterprise Funds	Internal Service Funds	Private-Purpose Trust Funds	Totals
\$ 499,970	\$ —	\$ 25	\$ 57,750	\$ 19,392	\$ 2,741	\$ 4,374,111
—	491,279	—	—	18,795	—	1,244,391
—	—	—	—	—	—	483,212
—	65	146	—	—	—	2,743,844
—	—	—	—	—	—	—
—	—	—	—	1,587	—	518,070
—	—	—	—	—	—	17,167
—	—	—	—	—	—	263,987
—	147	—	—	146	—	28,193
—	—	—	—	—	—	—
<u>\$ 499,970</u>	<u>\$ 491,491</u>	<u>\$ 171</u>	<u>\$ 57,750</u>	<u>\$ 39,920</u>	<u>\$ 2,741</u>	<u>\$ 9,672,975</u>

Note 6

Capital Assets

Capital assets at June 30, 2022, are reported by the state of Washington within governmental activities and business-type activities, as applicable.

A. GOVERNMENTAL CAPITAL ASSETS

The following is a summary of governmental capital asset activity for the year ended June 30, 2022 (expressed in thousands):

Capital Assets	Balances July 1, 2021*	Additions	Deletions/ Adjustments	Balances June 30, 2022
Capital Assets, Not Being Depreciated:				
Land	\$ 2,942,763	\$ 153,153	\$ (39,830)	\$ 3,056,086
Transportation infrastructure	26,575,230	453,320	—	27,028,550
Intangible assets - indefinite lives	37,163	58	—	37,221
Art collections, library reserves, and museum and historical collections	156,157	2,956	(28)	159,085
Construction in progress	1,490,253	740,141	(407,335)	1,823,059
Total Capital Assets, Not Being Depreciated	31,201,566			32,104,001
Capital Assets, Being Depreciated:				
Buildings	16,435,084	304,506	(84,068)	16,655,522
Accumulated depreciation	(7,407,116)	(402,070)	6,518	(7,802,668)
Net buildings	9,027,968			8,852,854
Other improvements	1,691,472	36,076	5,810	1,733,358
Accumulated depreciation	(984,457)	(50,346)	(641)	(1,035,444)
Net other improvements	707,015			697,914
Furnishings, equipment, and intangible assets	6,299,413	286,701	(145,998)	6,440,116
Accumulated depreciation	(4,175,010)	(324,859)	134,763	(4,365,106)
Net furnishings, equipment, and intangible assets	2,124,403			2,075,010
Infrastructure	1,383,923	74,948	—	1,458,871
Accumulated depreciation	(759,292)	(46,851)	—	(806,143)
Net infrastructure	624,631			652,728
Total Capital Assets, Being Depreciated, Net	12,484,017			12,278,506
Lease Assets, Net (see Note 8 for detail)	1,351,589	(5,332)	(2,015)	1,344,242
Governmental Activities Capital Assets, Net	\$ 45,037,172			\$ 45,726,749

*The beginning balances reflect prior period adjustments due to the implementation of GASB Statement No. 87, *Leases*, which resulted in an increase in capital assets of \$2.18 billion and an increase in accumulated amortization/depreciation of \$687.7 million.

B. BUSINESS-TYPE CAPITAL ASSETS

The following is a summary of business-type capital asset activity for the year ended June 30, 2022 (expressed in thousands):

Capital Assets	Balances July 1, 2021*	Additions	Deletions/ Adjustments	Balances June 30, 2022
Capital Assets, Not Being Depreciated:				
Land	\$ 74,721	\$ 27	\$ —	\$ 74,748
Intangible assets - indefinite lives	4,580	—	—	4,580
Art collections	40	—	—	40
Construction in progress	306,937	58,942	(131,370)	234,509
Total Capital Assets, Not Being Depreciated	386,278			313,877
Capital Assets, Being Depreciated:				
Buildings	4,663,207	151,317	3,804	4,818,328
Accumulated depreciation	(1,848,172)	(149,901)	282	(1,997,791)
Net buildings	2,815,035			2,820,537
Other improvements	156,519	449	26	156,994
Accumulated depreciation	(75,792)	(7,104)	—	(82,896)
Net other improvements	80,727			74,098
Furnishings, equipment, and intangible assets	901,981	165,487	(89,221)	978,247
Accumulated depreciation	(795,346)	(74,408)	86,688	(783,066)
Net furnishings, equipment, and intangible assets	106,635			195,181
Infrastructure	64,513	80	—	64,593
Accumulated depreciation	(37,826)	(1,290)	1,239	(37,877)
Net infrastructure	26,687			26,716
Total Capital Assets, Being Depreciated, Net	3,029,084			3,116,532
Lease Assets, Net (see Note 8 for detail)	276,338	(34,123)	(281)	241,934
Business-Type Activities Capital Assets, Net	\$ 3,691,700			\$ 3,672,343

*The beginning balances reflect prior period adjustments due to the implementation of GASB Statement No. 87, *Leases*, which resulted in an increase in capital assets of \$345.8 million and an increase in accumulated amortization/depreciation of \$69.7 million.

C. DEPRECIATION

Depreciation expense for the year ended June 30, 2022, was charged by the primary government as follows (expressed in thousands):

	Amount
Governmental Activities:	
General government	\$ 133,187
Education - elementary and secondary (K-12)	4,392
Education - higher education	514,473
Human services	129,730
Adult corrections	51,792
Natural resources and recreation	55,587
Transportation	125,082
Total Depreciation Expense - Governmental Activities *	\$ 1,014,243
Business-Type Activities:	
Workers' compensation	\$ 11,411
Unemployment compensation	—
Higher education student services	261,348
Health Insurance	926
Other	8,039
Total Depreciation Expense - Business-Type Activities	\$ 281,724

* Includes \$118.5 million internal service fund depreciation that was allocated to governmental activities as a component of net internal service fund activity.

D. CONSTRUCTION IN PROGRESS

Major construction commitments of the state at June 30, 2022, are as follows (expressed in thousands):

		Continued
Agency / Project Commitments	Construction in Progress June 30, 2022	Remaining Project Commitments
Office of the Secretary of State:		
Library-Archives building	\$ 4,846	\$ 145,086
Office of Financial Management:		
One Washington and other projects	44,875	187,040
Department of Enterprise Services:		
Legislative Campus Modernization and other projects	6,605	120,430
Liquor and Cannabis Board:		
Systems modernization project	5,466	19,971
Department of Labor and Industries:		
Division of Occupational Safety and Health Lab and Training Facility	27,704	25,499
Military Department:		
Thurston County and Tri-Cities Readiness Centers, and other projects	63,412	5,458
Department of Social and Health Services:		
Residential, rehabilitation, and other facilities	52,394	94,659
State hospitals / treatment centers	115,762	129,870
Department of Children, Youth, and Family:		
Green Hill school recreation center replacement and other projects	11,483	35,124
Department of Corrections:		
Correctional center units security and safety improvements	15,740	12,714
Other projects	24,052	7,378
Center for Deaf and Hard of Hearing Youth:		
Academic and physical education facility	4,918	50,201
Department of Transportation:		
Olympic and Dayton Ave Regional Headquarter building projects	105,007	4,783
State ferry vessels and terminals	589,390	65,759
Transportation infrastructure	—	3,664,029
Other projects	14,211	3,381
Department of Fish and Wildlife:		
Samish, Naselle, and Wallace River hatcheries, Deschutes watershed, and other projects	53,896	319,187
Employment Security Department:		
Long-Term Services and Support System and other projects	15,743	9,322

Agency / Project Commitments	Construction in Progress June 30, 2022	Remaining Project Commitments
Concluded		
University of Washington:		
Behavioral Health teaching facility, UW Bothell/Cascadia College STEM, Haring Center renovation, Founders Hall, UW Power Plant infrastructure renewal, and UW Tacoma renovation projects	\$ 429,584	\$ 332,032
Intramural Activities (IMA) locker rooms/pool upgrades and other projects	6,265	24,398
Student housing, campus bike house program, and other projects	254	751
UW Medical Center expansion, upgrades, and renovation projects	145,935	44,800
Washington State University:		
Chief Joseph building and other housing projects	2,651	43
Rogers Field re-turf	89	—
Vancouver Life Sciences building, Spokane Biomedical and Health Sciences building, and other facility projects	17,538	88,815
Campus upgrades and renovation projects	3,700	12,804
Eastern Washington University:		
Science Center renovation, energy plant, and other projects	19,577	51,773
Central Washington University:		
Health Education building and other projects	30,158	—
Western Washington University:		
Electrical Engineering & Computer Science Building and other projects	8,410	78,802
Community and Technical Colleges:		
Bellevue Center for Transdisciplinary Learning and other projects	1,194	39,744
Columbia Basin student recreation center	31,658	3,342
Edmonds Science, Technology, Engineering, Math (STEM) building	47,096	—
Everett Learning Resource Center and other projects	29,876	25,181
Pierce Science, Technology, Engineering, Math (STEM) building, Glacier building, and other projects	23,555	66,042
Seattle Library renovation, Automotive Technology building renovation, and other projects	45,321	23,158
Shoreline Allied Health Science Center and other projects	5,439	31,916
Other community college projects	34,904	20,581
Other Agency Projects:	18,860	17,771
Total Construction in Progress	<u>\$ 2,057,568</u>	<u>\$ 5,761,844</u>

Note 7

Long-Term Liabilities

A. BONDS AND NOTES PAYABLE

Bonds payable at June 30, 2022, include general obligation bonds, revenue bonds, and notes payable. They are reported by the state of Washington within governmental activities and business-type activities, as applicable.

The state Constitution and enabling statutes authorize the incurrence of state general obligation debt, to which the state's full faith, credit, and taxing power are pledged, either by the Legislature or by a body designated by statute (presently the State Finance Committee).

Authorization arises in the following situations:

- From an affirmative vote of 60 percent of the members of each house of the Legislature without voter approval, in which case the amount of such debt is generally subject to the constitutional debt limitation described below.
- When authorized by law for a distinct work or object and approved by a majority of the voters voting thereon at a general election or a special election called for that purpose, in which case the amount of the debt so approved is not subject to the constitutional debt limitations described below.
- By the State Finance Committee without limitation as to amount, and without approval of the Legislature or approval of the voters.

The State Finance Committee debt authorization does not require voter approval; however, it is limited to providing for: (1) meeting temporary deficiencies of the state treasury if such debt is discharged within 12 months of the date of incurrence and is incurred only to provide for appropriations already made by the Legislature; or (2) refunding of outstanding obligations of the state.

Legal Debt Limitation

The state Constitution limits the amount of state debt that may be incurred by restricting the amount of general state revenues which may be allocated to pay principal and interest on debt subject to these limitations. In November 2012, voters passed a constitutional amendment specifying that maximum annual payments of principal and interest on all debt subject to the limit may not exceed a percentage of the average of the prior six years' general state revenues; this percentage currently stands at 8.25 percent and will decline to 8.00 percent by July 1, 2034. This limitation restricts the incurrence of new debt and not the amount of debt service that may be paid by the state in future years. The state Constitution

requires the State Treasurer to certify the debt service limitation for each fiscal year. In accordance with these provisions, the debt service limitation for fiscal year 2022 is \$1.83 billion.

This computation excludes specific bond issues and types that are not secured by general state revenues. Of the \$20.71 billion general obligation bond debt principal outstanding at June 30, 2022, \$12.90 billion is subject to the limitation.

Based on the debt limitation calculation, the debt service requirements as of June 30, 2022, did not exceed the authorized debt service limitation.

For further information on the debt limit, refer to the Report on the State of Washington's Debt Limitation available from the Office of the State Treasurer at <https://www.tre.wa.gov/wp-content/uploads/Debt-Limit-Certification-2022.pdf> or to Schedule 11 in the Statistical Section of this report.

Authorized But Unissued

The state had a total of \$13.73 billion in general obligation bonds authorized but unissued as of June 30, 2022, for the purpose of capital construction, higher education, transportation, and various other projects throughout the state.

Interest Rates

Interest rates on fixed rate general obligation bonds range from 0.15 to 5.70 percent. Interest rates on revenue bonds range from 0.19 to 8.00 percent.

Debt Service Requirements to Maturity

General Obligations Bonds

General obligation bonds have been authorized and issued primarily to provide funds for the following purposes:

- Acquisition and construction of state and common school capital facilities.
- Transportation construction and improvement projects.
- Assistance to local governments for public works capital projects.
- Refunding of general obligation bonds outstanding.

Outstanding general obligation bonds are presented in the Washington State Treasurer's Annual Report. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, WA 98504-0200, phone number (360) 902-9000 or TTY 711, or by visiting their website at <http://www.tre.wa.gov/about-us/resources/annual-reports>.

Total debt service requirements to maturity for general obligation bonds as of June 30, 2022, are as follows (expressed in thousands):

General Obligation Bonds	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2023	\$ 1,119,732	\$ 997,310	\$ —	\$ —	\$ 1,119,732	\$ 997,310
2024	1,105,764	973,352	—	—	1,105,764	973,352
2025	1,113,070	923,744	—	—	1,113,070	923,744
2026	1,127,081	871,225	—	—	1,127,081	871,225
2027	1,126,754	819,996	—	—	1,126,754	819,996
2028-2032	5,557,874	3,224,802	—	—	5,557,874	3,224,802
2033-2037	4,557,795	1,810,835	—	—	4,557,795	1,810,835
2038-2042	3,591,995	804,985	—	—	3,591,995	804,985
2043-2047	1,410,360	153,449	—	—	1,410,360	153,449
Total Debt Service Requirements	\$ 20,710,425	\$ 10,579,698	\$ —	\$ —	\$ 20,710,425	\$ 10,579,698

Revenue Bonds

Revenue bonds are authorized under current state statutes which provide for the issuance of bonds that are not supported, or not intended to be supported, by the full faith and credit of the state.

investment income. General revenue bonds outstanding as of June 30, 2022, include \$899.1 million in governmental activities and \$1.89 billion in business-type activities.

General Revenue

The University of Washington and Washington State University issue general revenue bonds that are payable from general revenues, including student tuition, grant indirect cost recovery, sales and services revenue, and

Pledged Revenue

The remainder of the state's revenue bonds pledge income derived from acquired or constructed assets for retirement of the debt and payment of the related interest.

Total debt service requirements for revenue bonds to maturity as of June 30, 2022, are as follows (expressed in thousands):

Revenue Bonds	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2023	\$ 177,317	\$ 69,485	\$ 136,774	\$ 93,070	\$ 314,091	\$ 162,555
2024	159,525	64,032	82,326	90,255	241,851	154,287
2025	142,864	56,394	94,933	86,711	237,797	143,105
2026	52,223	52,062	98,133	83,162	150,356	135,224
2027	55,963	49,882	101,571	79,236	157,534	129,118
2028-2032	291,240	214,085	510,539	336,385	801,779	550,470
2033-2037	329,128	147,764	501,340	237,158	830,468	384,922
2038-2042	269,815	77,234	466,140	122,837	735,955	200,071
2043-2047	167,265	38,956	263,556	41,625	430,821	80,581
2048-2052	103,691	12,556	32,822	5,591	136,513	18,147
Total Debt Service Requirements	\$ 1,749,031	\$ 782,450	\$ 2,288,134	\$ 1,176,030	\$ 4,037,165	\$ 1,958,480

Governmental activities include revenue bonds outstanding at June 30, 2022, of \$60.1 million issued by the Tobacco Settlement Authority (TSA), which is a blended component unit of the state. In November 2002, the TSA issued \$517.9 million in bonds and transferred \$450.0 million to the state to be used for increased health care, long-term care, and other programs.

These bonds do not constitute either a legal or moral obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of these bonds. The bonds are obligations of the TSA and are secured solely by the TSA's right to receive 29.2 percent of the state's tobacco settlement revenues, restricted investments of the TSA, undistributed TSA bond proceeds, and the earnings thereon held under the indenture authorizing the bonds. Total principal and interest remaining on the bonds is \$70.2 million, payable through 2033. For the current year, both pledged revenue and debt service were \$37.0 million.

Governmental activities include grant anticipation revenue bonds outstanding at June 30, 2022, of \$274.9 million issued for the Washington State Department of Transportation. The bonds were issued to finance a portion of the cost of constructing the State Route 520 Floating Bridge and Eastside Project.

These bonds do not constitute either a legal or moral obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of these bonds. The bonds are payable solely from Federal-Aid Highway Program funds, including federal reimbursements of debt service on the bonds and federal reimbursements to the state for projects or portions of projects not financed with bond proceeds. Total principal and interest remaining on the bonds is \$293.7 million, payable through 2024. For the current year, both pledged revenue and debt service were \$99.6 million.

Governmental activities include the Transportation Infrastructure Finance and Innovation Act Bond (TIFIA Bond) outstanding at June 30, 2022, of \$283.6 million. The bonds were issued to finance a portion of the State Route 520 Corridor Program.

The TIFIA Bond is payable solely from toll revenues and does not constitute either a legal or moral obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of this bond. Total principal and interest remaining on the bond is \$478.9 million, payable through 2051. For the current year, both pledged revenue and debt service were \$12.7 million.

Governmental activities include revenue bonds outstanding at June 30, 2022, of \$27.9 million issued by TOP, which is a blended component unit of the state. The bonds, issued in 2004, are payable solely from the

trust estate pledged under the indenture, including rental payments. The bonds were used to construct an office building in Tumwater, Washington which the state occupied beginning in fiscal year 2006.

The bonds are not a general obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of these bonds. Total principal and interest remaining on the bonds is \$32.6 million, payable through 2029. For the current year, both pledged revenue and debt service were \$4.2 million.

Governmental activities include revenue bonds outstanding at June 30, 2022, of \$203.2 million issued by FYI Properties, a blended component unit of the state. The bonds, issued in 2009, are payable solely from the trust estate pledged under the indenture, including rental payments. The bonds were used to construct an office building in Olympia, Washington which the state occupied beginning in fiscal year 2012.

The bonds are not a general obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of these bonds. Total principal and interest remaining on the bonds is \$305.9 million, payable through 2039. For the current year, both pledged revenue and debt service were \$18.1 million.

Additionally, governmental activities include revenue bonds outstanding at June 30, 2022, of \$180 thousand issued by the City of Aberdeen. The bonds were used to extend utilities to the state Department of Corrections Stafford Creek Corrections Center. The Department of Corrections entered into an agreement with the City of Aberdeen to pay a system development fee sufficient to pay the debt service on the bonds. The bonds were issued in 1998 and 2002, and refunded by the city in 2010, and are payable solely from current operating appropriations.

The bonds are not a general obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of these bonds. Total principal and interest remaining on these bonds is \$189 thousand payable through 2023. For the current year, both pledged revenue and debt service were \$187 thousand.

The state's colleges and universities may issue bonds for the purpose of housing, dining, parking, and student facilities construction. These bonds are reported within business-type activities and are secured by a pledge of specific revenues. These bonds are not a general obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of these bonds.

The state colleges and universities may also enter into financing agreements, not offered for public sale, directly with investors or lenders.

Total pledged specific revenues for the state's colleges and universities to repay the principal and interest of revenue bonds as of June 30, 2022, are as follows (expressed in thousands):

Source of Revenue Pledged	Housing and Dining Revenues (Net of Operating Expenses)	Student Facilities Fees and Earnings on Invested Fees	Bookstore Revenues
Current revenue pledged	\$ 31,671	\$ 20,007	\$ 212
Current year debt service	5,735	10,675	202
Total future revenues pledged *	442,821	138,921	2,427
Description of debt	Housing and dining bonds issued in 2008-2020	Student facilities bonds issued in 2015-2022	Bookstore bonds issued in 2013
Purpose of debt	Construction and renovation of student housing and dining facilities	Construction and renovation of student activity and sports facilities	Bookstore remodel
Term of commitment	2026-2049	2028-2047	2034
Percentage of debt service to pledged revenues (current year)	18.11 %	53.36 %	95.38 %

* Total future principal and interest payments.

Other Notes Payable

Total debt service requirements for other notes payable to maturity as of June 30, 2022, are as follows (expressed in thousands):

Notes Payable	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2023	\$ 990	\$ 38	\$ 985	\$ 12	\$ 1,975	\$ 50
2024	524	17	—	—	524	17
2025	96	6	—	—	96	6
2026	96	3	—	—	96	3
2027	95	—	—	—	95	—
Total	\$ 1,801	\$ 64	\$ 985	\$ 12	\$ 2,786	\$ 76

B. CERTIFICATES OF PARTICIPATION

Certificates of participation at June 30, 2022, are reported by the state of Washington within governmental activities and business-type activities, as applicable.

Current state law authorizes the state to enter into long-term financing contracts for the acquisition of real or personal property and for the issuance of certificates of participation in the contracts. These certificates of

participation do not fall under the general obligation debt limitations and are generally payable only from annual appropriations by the Legislature.

Other specific provisions could also affect the state's obligation under certain agreements. The certificates of participation are recorded for financial reporting purposes if the possibility of the state not meeting the terms of the agreements is considered remote.

Total debt service requirements for certificates of participation to maturity as of June 30, 2022, are as follows (expressed in thousands):

Certificates of Participation	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2023	\$ 156,264	\$ 49,775	\$ 6,811	\$ 2,169	\$ 163,075	\$ 51,944
2024	53,969	22,138	17,279	7,087	71,248	29,225
2025	46,336	19,522	14,835	6,250	61,171	25,772
2026	44,198	17,262	14,150	5,527	58,348	22,789
2027	38,626	15,104	12,366	4,836	50,992	19,940
2028-2032	136,762	53,306	43,785	17,066	180,547	70,372
2033-2037	96,182	27,100	30,793	8,676	126,975	35,776
2038-2042	47,779	7,992	15,296	2,559	63,075	10,551
2043-2047	9,677	772	3,098	247	12,775	1,019
Total Debt Service Requirements	\$ 629,793	\$ 212,971	\$ 158,413	\$ 54,417	\$ 788,206	\$ 267,388

C. DEBT REFUNDINGS

When advantageous and permitted by statute and bond covenants, the State Finance Committee authorizes the refunding of outstanding bonds and certificates of participation. Colleges and universities may also refund revenue bonds.

When the state refunds outstanding bonds, the net proceeds of each refunding issue are used to purchase U.S. government securities that are placed in irrevocable trusts with escrow agents to provide for all future debt service payments on the refunded bonds.

As a result, the refunded bonds are considered defeased and the liability is removed from the government-wide statement of net position.

Current Year Defeasances

Bonds

Governmental Activities

On November 16, 2021, the state issued \$133.0 million in various purpose general obligation refunding bonds with an average interest rate of 4.35 percent to refund \$159.9 million of various purpose general obligation bonds with an average interest rate of 4.15 percent. The refunding resulted in \$35.9 million gross debt service savings over the next 15 years and an economic gain of \$32.2 million.

Also on November 16, 2021, the state issued \$133.4 million in motor vehicle fuel tax general obligation refunding bonds with an average interest rate of 4.24 percent to refund \$160.7 million of motor vehicle fuel tax general obligation bonds with an average interest rate of 4.09 percent. The refunding resulted in \$40.0 million

gross debt service savings over the next 20 years and an economic gain of \$34.9 million.

On January 4, 2022, Washington State University issued \$16.1 million in general revenue refunding bonds with an average interest rate of 5.00 percent to refund \$19.5 million of general revenue bonds to fund the construction of the Spokane Biomedical building with an average interest rate of 5.00 percent. The refunding resulted in \$5.4 million gross debt service savings over the next 16 years and an economic gain of \$346 thousand.

On May 11, 2022, the state issued \$860.7 million in various purpose general obligation refunding bonds with an average interest rate of 4.14 percent to refund \$896.6 million of various purpose general obligation bonds with an average interest rate of 4.08 percent. The refunding resulted in \$58.4 million gross debt service savings over the next 15 years and an economic gain of \$50.5 million.

Also on May 11, 2022, the state issued \$499.7 million in motor vehicle fuel tax general obligation refunding bonds with an average interest rate of 4.11 percent to refund \$522.3 million of motor vehicle fuel tax general obligation bonds with an average interest rate of 3.92 percent. The refunding resulted in \$31.7 million gross debt service savings over the next 20 years and an economic gain of \$24.1 million.

On June 30, 2022, the state issued \$118.2 million in federal highway grant anticipation revenue refunding bonds with an average interest rate of 5.00 percent to refund \$120.4 million of federal highway grant anticipation revenue bonds with an average interest rate of 4.95 percent. The refunding resulted in \$4.6 million gross debt service savings over the next 3 years and an economic gain of \$4.3 million.

Business-Type Activities

On February 1, 2022, Western Washington University issued \$16.0 million in student recreation fee revenue refunding bonds with an average interest rate of 4.00 percent to refund \$19.0 million of general revenue bonds to fund the construction of the Student Recreation Center with an average interest rate of 4.00 percent. The refunding resulted in \$2.9 million gross debt service savings over the next 15 years and an economic gain of \$2.6 million.

On March 8, 2022, the University of Washington issued \$90.5 million in general revenue refunding bonds with an average interest rate of 2.43 percent to refund \$87.4 million of general revenue bonds to fund various capital projects with an average interest rate of 4.81 percent. The refunding resulted in \$11.4 million gross debt service savings over the next 12 years and an economic gain of \$9.8 million.

Also on March 8, 2022, the University of Washington issued \$118.6 million in general revenue refunding bonds with an average interest rate of 3.06 percent to refund \$112.7 million of general revenue bonds to fund various capital projects with an average interest rate of 5.00 percent. The refunding resulted in \$22.4 million gross debt service savings over the next 20 years and an economic gain of \$16.7 million.

Also on March 8, 2022, the University of Washington issued \$90.7 million in general revenue refunding bonds with an average interest rate of 4.00 percent to refund \$100.0 million of general revenue bonds to fund various capital projects with an average interest rate of 4.50 percent. The refunding resulted in \$33.9 million gross debt service savings over the next 26 years and an economic gain of \$24.3 million.

Certificates of Participation

On November 17, 2021, the state issued \$5.8 million in refunding certificates of participation with an average interest rate of 5.00 percent to refund \$7.5 million of certificates of participation with an average interest rate of 4.10 percent. The refunding resulted in a \$1.1 million gross debt service savings over the next 10 years and a net present value savings of \$1.1 million.

On June 28, 2022, the state issued \$31.6 million in refunding certificates of participation with an average interest rate of 5.00 percent to refund \$39.0 million of certificates of participation with an average interest rate of 4.24 percent. The refunding resulted in a \$4.2 million gross debt service savings over the next 10 years and a net present value savings of \$3.3 million.

Current Year In-Substance Defeasances

Bonds

Governmental Activities

For the fiscal year ended June 30, 2022, the state deposited \$2.4 million of existing resources into an irrevocable escrow account for the defeasance of debt service coming due in future fiscal years.

Prior Year Defeasances

In prior years, the state defeased certain general obligation bonds, revenue bonds, and certificates of participation by placing the proceeds of new bonds and certificates of participation in an irrevocable trust to provide for all future debt service payments on the prior bonds and certificates of participation.

Accordingly, the trust account assets and the liability for the defeased bonds and certificates of participation are not included in the state's financial statements.

General Obligation Bond Debt

On June 30, 2022, \$1.59 billion of general obligation bond debt outstanding is considered defeased.

Revenue Bond Debt

On June 30, 2022, \$414.3 million of revenue bond debt outstanding is considered defeased.

Certificates of Participation Debt

On June 30, 2022, \$39.0 million of certificates of participation debt outstanding is considered defeased.

D. CLAIMS AND JUDGMENTS

Claims and judgments are materially related to three activities: workers' compensation, risk management, and health insurance. Workers' compensation and health insurance are business-type activities, and risk management is a governmental activity. A description of the risks to which the state is exposed by these activities and the ways in which the state handles the risks are presented in Note 1.E.

Workers' Compensation

At June 30, 2022, \$49.08 billion of unpaid claims and claim adjustment expenses are presented at their net present and settlement value of \$38.70 billion. These claims are discounted at assumed interest rates of 1.0 percent for non-pension and cost of living adjustments, 5.7 percent for all self-insured pension annuities, and 4.0 percent for state fund pension annuities to arrive at a settlement value.

The claims and claim adjustment liabilities of \$38.70 billion as of June 30, 2022, include \$23.00 billion for supplemental pension cost of living adjustments (COLAs) that by statute are not to be fully funded. These COLA payments are funded on a pay-as-you-go basis, and the workers' compensation actuaries have indicated that

future premium payments will be sufficient to pay these claims as they come due.

The remaining claims liabilities of \$15.70 billion are fully funded by long-term investments, net of obligations under securities lending agreements.

Changes in the balances of workers' compensation claims liabilities during fiscal years 2021 and 2022 were as follows (expressed in thousands):

Workers' Compensation Fund	Balances Beginning of Fiscal Year	Incurred Claims and Changes in Estimates	Claim Payments	Balances End of Fiscal Year
2021	\$ 32,793,141	4,304,760	(2,515,592)	\$ 34,582,309
2022	\$ 34,582,309	6,763,887	(2,643,440)	\$ 38,702,756

Risk Management

The Risk Management Fund administers tort and sundry claims filed against Washington state agencies, except the University of Washington. The fund reports a tort liability when it becomes probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an actuarially determined amount for tort claims that have been incurred but not reported. It also includes an actuarial estimate of loss adjustment expenses for tort defense.

take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

The state is a defendant in a significant number of lawsuits pertaining to general and automobile liability matters.

Because actual liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, it should be recognized that future loss emergence will likely deviate, perhaps materially, from the actuarial estimates. Liabilities are re-evaluated annually to

As of June 30, 2022, outstanding and actuarially determined claims against the state and its agencies, with the exception of the University of Washington, including actuarially projected defense costs were \$1.56 billion for which the state has recorded a liability. The state is restricted by law from accumulating funds in the Self Insurance Liability Program in excess of 50 percent of total outstanding and actuarially determined liabilities.

Changes in the balances of risk management claims liabilities during fiscal years 2021 and 2022 were as follows (expressed in thousands):

Risk Management Fund	Balances Beginning of Fiscal Year	Incurred Claims and Changes in Estimates	Claim Payments	Tort Defense Payments	Balances End of Fiscal Year
2021	\$ 1,194,078	129,509	(100,716)	(28,409)	\$ 1,194,462
2022	\$ 1,194,462	867,469	(481,502)	(24,331)	\$ 1,556,098

Health Insurance

The Health Insurance Fund establishes a liability when it becomes probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an actuarially determined amount for claims that have been incurred but not reported. Because actual claims liabilities depend on various complex factors, the process used in computing claims liabilities does not always result in an exact amount.

Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

At June 30, 2022, health insurance claims liabilities totaling \$241.2 million are fully funded with cash and investments, net of obligations under securities lending agreements.

Changes in the balances of health insurance claims liabilities during fiscal years 2021 and 2022 were as follows (expressed in thousands):

Health Insurance Fund	Balances Beginning of Fiscal Year	Incurred Claims and Changes in Estimates	Claim Payments	Balances End of Fiscal Year
2021	\$ 147,108	2,184,118	(2,156,685)	\$ 174,541
2022	\$ 174,541	2,438,098	(2,371,405)	\$ 241,234

E. POLLUTION REMEDIATION

The state reports pollution remediation obligations in accordance with GASB Statement No. 49. The liability reported involves estimates of financial responsibility and amounts recoverable as well as remediation costs.

The liability could change over time as new information becomes available and as a result of changes in remediation costs, technology, and regulations governing remediation efforts. Additionally, the responsibilities and liabilities discussed in this disclosure are intended to refer to obligations solely in the accounting context. This disclosure does not constitute an admission of any legal responsibility or liability. Further, it does not establish or affect the rights or obligations of any person under the law, nor does this disclosure impose upon the state any new mandatory duties or obligations.

The state and its agencies are participating as potentially responsible parties in numerous pollution remediation projects under the provisions of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA, generally referred to as Superfund) and the state Model Toxics Control Act.

There are 34 projects in progress for which the state has recorded a liability of \$98.0 million.

The state has also voluntarily agreed to conduct certain remediation activities to the extent of funding paid to the state by third parties for such purposes. At June 30, 2022, the state has recorded a liability of \$132.1 million for remaining project commitments.

Overall, the state has recorded a pollution remediation liability of \$230.1 million, measured at its estimated amount, using the expected cash flow technique. The overall estimate is based on professional judgment, experience, and historical cost data. For some projects, the state can reasonably estimate the range of expected outlays early in the process because the site situation is common or similar to other sites with which the state has experience. In other cases, the estimates are limited to an amount specified in a settlement agreement, consent decree, or contract for remediation services.

The pollution remediation activity at some sites for which the state would otherwise have a reportable obligation is at a point where certain costs are not reasonably estimable. For example, a site assessment, remedial investigation, or feasibility study is in progress and the cleanup methodology has not yet been determined; consequently, associated future costs cannot be estimated.

The state's reported liability does not include remediation costs for future activities where costs are not yet reasonably estimable.

F. ASSET RETIREMENT OBLIGATIONS

The state reports asset retirement obligations in accordance with GASB Statement No. 83. The liability reported is based on the best estimate, using all available evidence, of the current value of outlays expected to be incurred.

The state and its agencies have identified several legally enforceable liabilities associated with the retirement of tangible capital assets due to requirements included in state laws and contracts. The types of assets include nuclear radiation plants, communication towers, and medical equipment such as cyclotrons, magnetic resonance imaging machines, and tandem accelerators. The estimated remaining useful lives of the tangible capital assets range from 1-15 years.

The state has recorded an asset retirement obligation of \$30.5 million, measured at its current value. The overall estimate is based on professional judgment, experience, and historical cost data.

The liability could change over time as new information becomes available as a result of changes in technology, legal or regulatory requirements, and types of equipment, facilities, or services that will be used to meet the obligation to retire the tangible capital asset. Additionally, the responsibilities and liabilities discussed in this disclosure are referenced solely in the accounting context for purposes of this disclosure.

This disclosure does not constitute an admission of any legal responsibility or liability. Further, it does not establish or affect the rights or obligations of any person

under the law, nor does this disclosure impose upon the state any new mandatory duties or obligations.

Some tangible capital assets have been identified as having a legally enforceable liability associated with the retirement of a tangible capital asset, but the liability is not yet reasonably estimable. Some examples include dams, sewer lagoons, waste ponds, and state owned

communication towers. Estimates are not currently available as the state has no past experience decommissioning these types of assets, or the assets are maintained indefinitely so an estimated remaining useful life is unknown. Once the liability is reasonably estimable, the state will record a liability for the obligation.

G. LONG-TERM LIABILITY ACTIVITY

Long-term liability activity at June 30, 2022, is reported by the state of Washington within governmental activities and business-type activities, as applicable. Long-term liability activity for governmental activities for fiscal year 2022 is as follows (expressed in thousands):

	Beginning Balance July 1, 2021*	Additions	Reductions	Ending Balance June 30, 2022	Amounts Due Within One Year
Governmental Activities:					
Long-Term Debt:					
GO Bonds Payable:					
General obligation (GO) bonds	\$ 20,182,705	\$ 3,111,115	\$ 2,774,695	\$ 20,519,125	\$ 1,092,660
GO - zero coupon bonds (principal)	219,782	—	28,482	191,300	27,072
Subtotal - GO bonds payable	20,402,487	3,111,115	2,803,177	20,710,425	1,119,732
Accrued interest - GO - zero coupon bonds	327,579	—	15,224	312,355	46,208
Revenue bonds payable	1,917,873	149,070	317,912	1,749,031	177,317
Plus: Unamortized premiums on bonds sold	2,637,017	554,400	221,038	2,970,379	—
Less: Deferred issuance discounts	58	—	—	58	—
Total Bonds Payable	25,284,898	3,814,585	3,357,351	25,742,132	1,343,257
Other Liabilities:					
Certificates of participation	671,822	87,348	129,377	629,793	156,264
Plus: Unamortized premiums on COPs sold	20,769	2,882	4,625	19,026	—
Claims and judgments payable	1,598,359	523,106	144,866	1,976,599	399,261
Installment contracts	1,043	—	137	906	137
Right-to-use lease liabilities	1,410,769	176,536	173,702	1,413,603	169,016
Notes payable	2,069	611	879	1,801	990
Compensated absences	841,764	523,152	502,711	862,205	151,342
Net pension liability	2,189,263	1,066,157	2,421,029	834,391	—
Total OPEB liability	5,223,381	1,990,704	1,657,625	5,556,460	91,725
Pollution remediation obligations	228,470	7,623	5,998	230,095	—
Unclaimed property refunds	120,033	8,726	5,239	123,520	3,750
Asset retirement obligations	29,132	1,390	—	30,522	—
Other	389,227	118,012	99,148	408,091	41,713
Total Other Liabilities	12,726,101	4,506,247	5,145,336	12,087,012	1,014,198
Total Long-Term Debt	\$ 38,010,999	\$ 8,320,832	\$ 8,502,687	\$ 37,829,144	\$ 2,357,455

*The following changes have been made due to the implementation of GASB Statement No. 87, *Leases*: revenue bonds payable have been restated by \$29.0 million, deferred issuance discounts have been restated by \$58 thousand, right-to-use lease liabilities have been restated by \$1.41 billion, and leases have been renamed to notes payable and restated by \$163 thousand. Additionally, the beginning balance of unclaimed property refunds has been restated by \$127.6 million as a result of a prior year correction.

For governmental activities, certificates of participation are being repaid approximately 40.17 percent from the General Fund, 38.93 percent from the Higher Education Special Revenue Fund, and the balance from various other governmental funds. The claims and judgments liability will be liquidated approximately 78.73 percent by the Risk Management Fund, 12.24 percent by the Higher Education Revolving Fund (both are nonmajor internal service funds), and the balance by various other governmental funds. The right-to-use lease liability will be liquidated approximately 64.36 percent by the General Fund, 17.45 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The compensated absences liability will be liquidated approximately 45.67 percent by the General Fund, 32.41 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The net pension liability will be

liquidated approximately 48.61 percent by the General Fund, 29.87 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The other post employment benefits liability will be liquidated approximately 50.91 percent by the General Fund, 28.93 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The pollution remediation liability will be liquidated approximately 69.51 percent by the Wildlife and Natural Resources Fund (a nonmajor governmental fund), and the balance by various other governmental funds. The unclaimed property refunds will be liquidated against future unclaimed property deposited to the General Fund. Installment contract obligations, notes payable, asset retirement obligations, and other liabilities will be repaid from various other governmental funds.

Long-term liability activity for business-type activities for fiscal year 2022 is as follows (expressed in thousands):

Business-Type Activities	Beginning Balance July 1, 2021*	Additions	Reductions	Ending Balance June 30, 2022	Amounts Due Within One Year
Long-Term Debt:					
Revenue bonds payable	\$ 2,293,319	\$ 375,875	\$ 381,060	\$ 2,288,134	\$ 136,774
Plus: Unamortized premiums on bonds sold	182,126	3,309	13,013	172,422	—
Total Bonds Payable	2,475,445	379,184	394,073	2,460,556	136,774
Other Liabilities:					
Certificates of participation	166,262	51	7,900	158,413	6,811
Plus: Unamortized premiums on COPs sold	26,641	—	1,669	24,972	—
Claims and judgments payable	35,164,793	5,911,066	1,950,749	39,125,110	2,934,000
Installment contracts	2,865	—	697	2,168	710
Lottery prize annuities payable	118,886	9,674	17,847	110,713	15,688
Tuition benefits payable	1,088,000	147,082	84,083	1,150,999	95,001
Right-to-use lease liabilities	284,916	14,775	46,157	253,534	44,169
Notes payable	2,345	—	1,360	985	985
Compensated absences	125,839	39,439	38,979	126,299	87,533
Net pension liability	320,372	166,621	365,215	121,778	—
Total OPEB liability	827,710	344,423	261,253	910,880	15,037
Other	82,465	163,623	15,029	231,059	471
Total Other Liabilities	38,211,094	6,796,754	2,790,938	42,216,910	3,200,405
Total Long-Term Debt	\$ 40,686,539	\$ 7,175,938	\$ 3,185,011	\$ 44,677,466	\$ 3,337,179

*The following changes have been made due to the implementation of GASB Statement No. 87, *Leases*: right-to-use lease liabilities have been restated by \$284.9 million, leases have been renamed to notes payable and restated by \$418 thousand, and other liabilities have been restated by \$1.0 million. The beginning balances of claims and judgments payable and tuition benefits payable have been restated by \$382.2 million and \$163.0 million, respectively, as a result of prior year corrections.

Note 8 Leases

A. LESSEE ACTIVITY

The state leases land, facilities, office equipment, and other assets under a variety of long-term, non-cancelable lease agreements. In accordance with GASB Statement No. 87, *Leases*, the state of Washington

records right-to-use assets and lease liabilities based on the present value of expected payments over the lease term of the respective leases. The expected payments are discounted using the state's incremental borrowing rate.

Lease assets at June 30, 2022, are reported by the state of Washington within governmental activities and business-type activities, as applicable.

The following is a summary of governmental right-to-use lease asset activity for the year ended June 30, 2022 (expressed in thousands):

Governmental Activities	Balances		Deletions/ Adjustments	Balances	
	July 1, 2021	Additions		June 30, 2022	
Land lease assets	\$ 434,796	\$ —	\$ —	\$ 434,796	
Accumulated amortization	(22,117)	(10,450)	—	(32,567)	
Net land lease assets	<u>412,679</u>			<u>402,229</u>	
Building lease assets	1,349,386	184,188	(84,785)	1,448,789	
Accumulated amortization	(443,512)	(171,545)	82,770	(532,287)	
Net building lease assets	<u>905,874</u>			<u>916,502</u>	
Equipment and other lease assets	43,543	597	—	44,140	
Accumulated amortization	(10,507)	(8,122)	—	(18,629)	
Net equipment and other lease assets	<u>33,036</u>			<u>25,511</u>	
Total Governmental Activities Lease Assets, Net	<u>\$ 1,351,589</u>			<u>\$ 1,344,242</u>	

The following is a summary of business-type right-to-use lease asset activity for the year ended June 30, 2022 (expressed in thousands):

Business-Type Activities	Balances		Deletions/ Adjustments	Balances	
	July 1, 2021	Additions		June 30, 2022	
Building lease assets	\$ 283,551	\$ 14,204	\$ (1,211)	\$ 296,544	
Accumulated amortization	(57,534)	(32,610)	930	(89,214)	
Net building lease assets	<u>226,017</u>			<u>207,330</u>	
Equipment and other lease assets	66,796	694	—	67,490	
Accumulated amortization	(16,475)	(16,411)	—	(32,886)	
Net equipment and other lease assets	<u>50,321</u>			<u>34,604</u>	
Total Business-Type Activities Lease Assets, Net	<u>\$ 276,338</u>			<u>\$ 241,934</u>	

The following schedule presents future annual lease payments for governmental and business-type activities as of June 30, 2022 (expressed in thousands):

Right-to-Use Lease Agreements	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2023	\$ 169,016	\$ 25,229	\$ 44,169	\$ 5,021	\$ 213,185	\$ 30,250
2024	154,767	24,239	32,266	4,353	187,033	28,592
2025	132,021	23,721	32,629	3,742	164,650	27,463
2026	98,080	22,868	18,850	3,287	116,930	26,155
2027	70,017	21,809	15,896	2,956	85,913	24,765
2028-2032	196,991	103,753	57,893	10,497	254,884	114,250
2033-2037	87,946	102,241	36,102	4,992	124,048	107,233
2038-2042	78,378	100,277	14,490	1,261	92,868	101,538
2043-2047	56,186	76,999	1,239	12	57,425	77,011
Thereafter	370,201	135,979	—	—	370,201	135,979
Total	\$ 1,413,603	\$ 637,115	\$ 253,534	\$ 36,121	\$ 1,667,137	\$ 673,236

Variable lease payments, other than those payments that depend on an index or rate or are fixed in substance, and other payments that are not known or certain to be exercised are excluded from the measurement of the lease liability. During the fiscal year ending June 30, 2022, the state of Washington, recognized \$85.1 million for variable and other lease payments not included in the measurement of the lease liability.

As of June 30, 2022, the state of Washington has 12 leases for facilities that have not yet commenced with lease payments due on an undiscounted basis of \$167.2 million. These leases will commence in fiscal years 2023 and 2026, with lease terms ranging between 5 and 40 years.

B. LESSOR ACTIVITY

The state leases state-owned land, buildings, and communication towers to preserve land and generate

revenue for public services. In addition, the state subleases office building space. The state of Washington records lease receivables and deferred inflows of resources based on the present value of expected receipts over the term of the respective leases. The expected receipts are discounted using the state's incremental borrowing rate.

During the fiscal year ending June 30, 2022, the amount recognized as lease revenue and lease interest was \$49.4 million and \$12.4 million, respectively.

Variable lease receipts, other than those that depend on an index or rate or are fixed in substance, are excluded from the measurement of the lease receivable. During the fiscal year ended June 30, 2022, the state of Washington, recognized revenue of \$24.2 million for variable lease payments not included in the measurement of the lease receivable.

Note 9

Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources and deferred inflows of resources reported on the Statement of Net Position for governmental and business-type activities as of June 30, 2022, consisted of the following (expressed in thousands):

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Discrete Component Units
Deferred Outflows of Resources:				
Refundings of debt	\$ 3,041	\$ 27,507	\$ 30,548	\$ 12,926
Pensions	1,406,497	220,745	1,627,242	3,331
Other postemployment benefits	656,350	198,764	855,114	955
Asset retirement obligations	13,050	—	13,050	—
Total Deferred Outflows of Resources	\$ 2,078,938	\$ 447,016	\$ 2,525,954	\$ 17,212
Deferred Inflows of Resources:				
Refundings of debt	\$ 387	\$ 175	\$ 562	\$ —
Pensions	7,536,760	991,770	8,528,530	17,862
Other postemployment benefits	1,238,849	184,545	1,423,394	2,286
Irrevocable split interest agreements	30,443	—	30,443	—
Right-to-use lease agreements	388,494	67,866	456,360	28,053
Hedging derivatives	8,904	—	8,904	18,075
Other purposes	—	—	—	26,279
Total Deferred Inflows of Resources	\$ 9,203,837	\$ 1,244,356	\$ 10,448,193	\$ 92,555

Of the \$1.41 billion of deferred outflows of resources related to pensions reported in governmental activities, \$53.7 million is reported in the internal service funds.

Of the remaining \$672.4 million of deferred outflows of resources reported in governmental activities, \$34.2 million is reported in the internal service funds. This amount is comprised of \$31.6 million related to other postemployment benefits and \$2.6 million related to debt refunding.

Of the \$7.54 billion of deferred inflows of resources related to pensions reported in governmental activities, \$276.7 million is reported in the internal service funds.

Of the remaining \$1.67 billion of deferred inflows of resources reported in governmental activities, \$65.4 million is reported in the internal service funds. This amount is comprised of \$65.3 million related to other postemployment benefits and \$80 thousand related to debt refunding.

For both the governmental activities and business-type activities, pension and other postemployment benefits make up a significant portion of the deferred inflows of resources and the deferred outflows of resources. For more details on pension and other postemployment benefits, including deferred inflows of resources and deferred outflows of resources, refer to Note 13 and Note 14, respectively.

Under the modified accrual basis of accounting, governmental funds reported \$3.51 billion in unavailable revenue as deferred inflows of resources, consisting primarily of taxes received more than 30 days after the close of the current fiscal year. For more details about the unavailable revenue, refer to Note 4.

Note 10

No Commitment Debt

The Washington State Housing Finance Commission, Washington Higher Education Facilities Authority, Washington Health Care Facilities Authority, and Washington Economic Development Finance Authority (financing authorities) were created by the Legislature.

For financial reporting purposes, they are discretely presented as component units. These financing authorities issue bonds and other debt for the purpose of

making loans to qualified borrowers for capital acquisitions, construction, and related improvements.

The debt does not constitute either a legal or moral obligation of the state for these financing authorities, nor does the state or these financing authorities pledge their full faith and credit for the payment of such debt.

Debt service is payable solely from payments made by the borrowers pursuant to loan agreements. Due to their no commitment nature, the debt issued by these financing authorities is excluded from the state's financial statements.

The schedule below presents the June 30, 2022, balances for the "No Commitment" debt of the state's financing authorities (expressed in thousands):

Financing Authorities	Principal Balance
Washington State Housing Finance Commission	\$ 6,812,873
Washington Health Care Facilities Authority	5,059,797
Washington Higher Education Facilities Authority	734,192
Washington Economic Development Finance Authority	772,841
Total No Commitment Debt	\$ 13,379,703

Note 11

Governmental Fund Balances

A. GOVERNMENTAL FUNDS

The state's governmental fund balances are reported according to the relative constraints that control how amounts can be spent. Classifications include nonspendable, restricted, committed, and assigned, which are further described in Note 1.D.10.

A summary of governmental fund balances at June 30, 2022, is as follows (expressed in thousands):

Fund Balances	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Nonmajor Governmental Funds	Total
Nonspendable:					
Permanent funds	\$ —	\$ —	\$ 3,021,059	\$ 210,953	\$ 3,232,012
Consumable inventories and prepaids	18,502	48,653	—	59,108	126,263
Other receivables – long-term	41,859	—	—	—	41,859
Total Nonspendable Fund Balance	\$ 60,361	\$ 48,653	\$ 3,021,059	\$ 270,061	\$ 3,400,134
Restricted for: *					
Higher education	\$ —	\$ 43,719	\$ 2,078,886	\$ 35,068	\$ 2,157,673
Education	—	—	7,140	49,144	56,284
Transportation	—	—	—	1,731,425	1,731,425
Other purposes	30	—	—	3,588	3,618
Human services	—	—	—	687,725	687,725
Wildlife and natural resources	3,861	—	1	1,274,683	1,278,545
Local grants and loans	—	—	—	55	55
School construction	38	—	—	67,624	67,662
State facilities	—	—	—	70,843	70,843
Budget stabilization	334,741	—	—	—	334,741
Debt service	—	—	—	41,848	41,848
Pollution remediation	—	—	—	56,242	56,242
Operations and maintenance	—	—	—	11,856	11,856
Repair and replacement	—	—	—	28,058	28,058
Revenue stabilization	—	—	—	21,505	21,505
Deferred sales tax	—	—	—	9,000	9,000
Third tier debt service	—	—	—	3,182	3,182
Fourth tier debt service	—	—	—	1,943	1,943
Total Restricted Fund Balance	\$ 338,670	\$ 43,719	\$ 2,086,027	\$ 4,093,789	\$ 6,562,205
Committed for:					
Higher education	\$ 219,797	\$ 5,109,816	\$ —	\$ 54,899	\$ 5,384,512
Education	597	—	—	8,497	9,094
Transportation	—	—	—	1,777,415	1,777,415
Other purposes	45,948	—	—	437,071	483,019
Human services	921,597	—	—	1,349,703	2,271,300
Wildlife and natural resources	56,944	—	—	855,466	912,410
Local grants and loans	22,779	—	—	785,323	808,102
State facilities	—	—	—	53,323	53,323
Debt service	—	—	—	298,680	298,680
Total Committed Fund Balance	\$ 1,267,662	\$ 5,109,816	\$ —	\$ 5,620,377	\$ 11,997,855
Assigned for:					
Working capital	\$ 1,900,952	\$ 109,939	\$ —	\$ —	\$ 2,010,891
Total Assigned Fund Balance	\$ 1,900,952	\$ 109,939	\$ —	\$ —	\$ 2,010,891

*Net position restricted as a result of enabling legislation totaled \$10.5 million..

B. BUDGET STABILIZATION ACCOUNT

In accordance with Article 7, Section 12 of the Washington state Constitution, the state maintains the Budget Stabilization Account (“Rainy Day Fund”). The Budget Stabilization Account is reported in the General Fund.

By June 30 of each fiscal year, an amount equal to 1 percent of the general state revenues for that fiscal year is transferred to the Budget Stabilization Account.

The Budget Stabilization Account balance can only be used as follows: (a) if the Governor declares a state of emergency resulting from a catastrophic event that necessitates government action to protect life or public safety, then for that fiscal year money may be withdrawn and appropriated from the Budget Stabilization Account, via separate legislation setting forth the nature of the emergency and containing an appropriation limited to the above-authorized purposes as contained in the declaration, by a favorable vote of a majority of the members elected to each house of the Legislature; (b) if the employment growth forecast for

any fiscal year is estimated to be less than 1 percent, then for that fiscal year money may be withdrawn and appropriated from the Budget Stabilization Account by the favorable vote of a majority of the members elected to each house of the Legislature; (c) any amount may be withdrawn and appropriated from the Budget Stabilization Account at any time by the favorable vote of at least three-fifths of the members of each house of the Legislature.

When the balance in the Budget Stabilization Account, including investment earnings, equals more than 10 percent of the estimated general state revenues in that fiscal year, the Legislature by the favorable vote of a majority of the members elected to each house of the Legislature may withdraw and appropriate the balance to the extent that the balance exceeds 10 percent of the estimated general state revenues. These appropriations may be made solely for deposit to the Education Construction Fund.

At June 30, 2022, the Budget Stabilization Account had restricted fund balance of \$334.7 million.

Note 12

Deficit Net Position

Risk Management Fund

The Risk Management Fund, an internal service fund, had a deficit net position of \$1.79 billion at June 30, 2022. The Risk Management Fund is used to administer the Self-Insurance Liability Program (SILP). The SILP was initiated in 1990 and is intended to provide funds for the payment of all tort claims and defense expenses. The program investigates, processes, and adjudicates tort and sundry claims filed against Washington state agencies, with the exception of the University of Washington and the Department of Transportation Ferries Division.

The Risk Management Fund is supported by premium assessments to state agencies. The state is restricted by law from accumulating funds in the SILP in excess of 50 percent of total outstanding and actuarially determined claims. As a consequence, when outstanding and incurred but not reported claims are actuarially determined and accrued, the result is a deficit net position.

The following schedule details the change in net position for the Risk Management Fund during the fiscal year ended June 30, 2022 (expressed in thousands):

Risk Management Fund	Net Position
Balance, July 1, 2021	\$ (1,423,610)
Fiscal year 2022 activity	(363,472)
Balance, June 30, 2022	<u>\$ (1,787,082)</u>

Lottery Fund

The Lottery Fund, an enterprise fund, had a deficit net position of \$22.2 million at June 30, 2022. The Lottery Fund is primarily used to record lottery ticket revenues and to account for activities such as administrative and operating expenses of the Lottery Commission and the distribution of revenues.

The Lottery Fund is supported by operating revenue which is comprised of sales from Draw and Scratch games, as well as administration fees charged to retailers. Operating expenses include cost of sales and administrative expenses.

The Lottery Fund is statutorily required to distribute the majority of its net income to fund education.

The implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* and Statement No. 75, *Accounting and Financial Reporting for Other Postemployment Benefits Other Than Pensions* required the assignment of the state's proportionate share of these liabilities to each fund. Recording these unfunded liabilities resulted in deficit net position.

The following schedule details the change in net position for the Lottery Fund during the fiscal year ended June 30, 2022 (expressed in thousands):

Lottery Fund	Net Position
Balance, July 1, 2021, as restated	\$ (9,849)
Fiscal year 2022 activity	(12,383)
Balance, June 30, 2022	\$ (22,232)

General Obligation Bond Fund

The General Obligation Bond Fund, a debt service fund, had a deficit net position of \$23.3 million at June 30, 2022. The General Obligation Bond Fund is primarily used to account for the accumulation of resources for, and the payment of, non-transportation related general obligation bond principal and interest.

In accordance with state law, authorized transfers in excess of debt service were made from the General Obligation Bond Fund resulting in the deficit fund balance.

The following schedule details the change in net position for the General Obligation Bond Fund during the fiscal year ended June, 30, 2022 (expressed in thousands):

General Obligation Bond Fund	Net Position
Balance, July 1, 2021	\$ 12,571
Fiscal year 2022 activity	(35,833)
Balance, June 30, 2022	\$ (23,262)

Note 13

Retirement Plans

A. GENERAL

Washington’s pension plans were created by statutes rather than through trust documents. They are administered in a way equivalent to pension trust arrangements as defined by the Governmental Accounting Standards Board (GASB).

In accordance with GASB Statement No. 68, the state has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities.

The state Legislature establishes and amends laws pertaining to the creation and administration of all state public retirement systems. Additionally, the state Legislature authorizes state agency participation in plans other than those administered by the state.

Basis of Accounting. Pension plans administered by the state are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, employee and employer contributions are recognized in the period in which employee services are performed; investment gains and losses are recognized as incurred; and benefits and refunds are recognized when due and payable in accordance with the terms of the applicable plan. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of all plans, and additions to/deductions from all plan fiduciary net position have been determined in all material respects on the same basis as they are reported by the plans.

The following table represents the aggregate pension amounts for all plans for the state as an employer, for fiscal year 2022 (expressed in thousands):

Aggregate Pension Amounts - All Plans	
Pension liabilities	\$ 956,169
Pension assets	\$ (10,878,819)
Deferred outflows of resources on pensions	\$ 1,627,242
Deferred inflows of resources on pensions	\$ 8,528,529
Pension expense/expenditures	\$ 1,997,185

Investments. The Washington State Investment Board (WSIB) has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). Established on July 1, 1992, the

CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate, and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of written WSIB-adopted investment policies for the various asset classes.

Further information about the investment of pension funds by the WSIB, their valuation, classifications, concentrations, and maturities can be found in Note 3.B.

Department of Retirement Systems. As established in chapter 41.50 of the Revised Code of Washington (RCW), the Department of Retirement Systems (DRS) administers eight retirement systems covering eligible employees of the state and local governments. The Governor appoints the director of the DRS.

The DRS administered systems are comprised of 12 defined benefit pension plans and 3 defined benefit/defined contribution plans as follows:

- Public Employees’ Retirement System (PERS)
 - Plan 1 - defined benefit
 - Plan 2 - defined benefit
 - Plan 3 - defined benefit/defined contribution
- Teachers’ Retirement System (TRS)
 - Plan 1 - defined benefit
 - Plan 2 - defined benefit
 - Plan 3 - defined benefit/defined contribution
- School Employees’ Retirement System (SERS)
 - Plan 2 - defined benefit
 - Plan 3 - defined benefit/defined contribution
- Law Enforcement Officers’ and Fire Fighters’ Retirement System (LEOFF)
 - Plan 1 - defined benefit
 - Plan 2 - defined benefit
- Public Safety Employees’ Retirement System (PSERS)
 - Plan 2 - defined benefit
- Washington State Patrol Retirement System (WSPRS)
 - Plan 1 - defined benefit
 - Plan 2 - defined benefit
- Judicial Retirement System (JRS)
 - Defined benefit plan
- Judges’ Retirement Fund (JRF)
 - Defined benefit plan

Although some assets of the plans are commingled for investment purposes, each plan’s assets may be used only for the payment of benefits to the members of that plan in accordance with the terms of the plan.

Administration of the PERS, TRS, SERS, LEOFF, PSERS, and WSPRS systems and plans is funded by an employer rate of 0.18 percent of employee salaries. Administration of the JRS and JRF plans is funded by means of legislative appropriations.

Pursuant to RCW 41.50.770, the state offers its employees and employees of political subdivisions that elect to participate a deferred compensation program in accordance with Internal Revenue Code Section 457. The deferred compensation is not available to employees until termination, retirement, disability, death, or unforeseeable financial emergency. This deferred compensation plan is administered by the DRS.

The DRS prepares a stand-alone financial report that is compliant with the requirements of GASB Statement No. 67. Copies of the report may be obtained by contacting the Washington State Department of Retirement Systems, PO Box 48380, Olympia, WA 98504-8380 or online at <http://www.drs.wa.gov/news/>.

State Board for Volunteer Fire Fighters and Reserve Officers. As established in chapter 41.24 RCW, the State Board for Volunteer Fire Fighters and Reserve Officers administers the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund (VFFRPF), a defined benefit plan. Administration of the VFFRPF is funded through legislative appropriation.

Administrative Office of the Courts. As established in chapter 2.14 RCW, the Administrative Office of the Courts administers the Judicial Retirement Account (JRA), a defined contribution plan. Administration of JRA is funded through member fees.

Higher Education. As established in chapter 28B.10 RCW, eligible higher education state employees may participate in higher education retirement plans. These plans include a defined contribution plan administered by a third party with a supplemental defined benefit component (funded on a pay-as-you-go basis) which is administered by the state.

The state has elected to use the current fiscal year end as the measurement date for reporting net pension liabilities for the Higher Education Supplemental Retirement Plan.

B. STATE PARTICIPATION IN PLANS ADMINISTERED BY DRS

1. DRS Plans - Employer Disclosures

The state is not an employer in SERS Plan 2/3 nor LEOFF Plan 1.

Plan Descriptions

Public Employees' Retirement System. The Legislature established the Public Employees' Retirement System (PERS) in 1947. PERS retirement benefit provisions are established in chapters 41.34 and 41.40 RCW and may be amended only by the Legislature. Membership in the system includes: elected officials; state employees; employees of the Supreme Court, Court of Appeals, and Superior Courts (other than judges currently in a judicial retirement system); employees of legislative committees; community and technical colleges, college, and university employees not in national higher education retirement programs; judges of district and municipal courts; and employees of local governments.

PERS is a cost-sharing, multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a combination defined benefit/defined contribution plan. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered a single defined benefit plan for reporting purposes. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members.

PERS members who joined the system by September 30, 1977, are Plan 1 members. Plan 1 is closed to new entrants. Those who joined on or after October 1, 1977, and by February 28, 2002, for state and higher education employees, or August 31, 2002, for local government employees, are Plan 2 members unless they exercised an option to transfer their membership to PERS Plan 3.

PERS participants joining the system on or after March 1, 2002, for state and higher education employees, or September 1, 2002, for local government employees, have the irrevocable option of choosing membership in either PERS Plan 2 or PERS Plan 3. The option must be exercised within 90 days of employment. Employees who fail to choose within 90 days default to PERS Plan 2.

Refer to Note 13.E for a description of the defined contribution component of PERS Plan 3.

Teachers' Retirement System. The Legislature established the Teachers' Retirement System (TRS) in 1938. TRS retirement benefit provisions are established in chapters 41.32 and 41.34 RCW and may be amended only by the Legislature. Eligibility for membership requires service as a certificated public school employee working in an instructional, administrative, or supervisory capacity. TRS is comprised principally of non-state agency employees.

TRS is a cost-sharing, multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered a single defined benefit plan for reporting purposes. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members.

TRS members who joined the system by September 30, 1977, are Plan 1 members. Plan 1 is closed to new entrants. Those who joined on or after October 1, 1977, and by June 30, 1996, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. TRS members joining the system on or after July 1, 1996, are members of TRS Plan 3.

Legislation passed in 2007 gives TRS members, hired on or after July 1, 2007, 90 days to make an irrevocable choice to become a member of TRS Plan 2 or Plan 3. At the end of 90 days, any member who has not made a choice becomes a member of Plan 2.

Refer to Note 13.E for a description of the defined contribution component of TRS Plan 3.

Law Enforcement Officers' and Fire Fighters'. The Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) was established in 1970 by the Legislature. LEOFF retirement benefit provisions are established in chapter 41.26 RCW and may be amended only by the Legislature. Membership includes all full-time, fully compensated, local law enforcement commissioned officers, fire fighters, and as of July 24, 2005, emergency medical technicians. LEOFF membership is comprised primarily of non-state employees with the exception of Department of Fish and Wildlife enforcement officers who were included effective July 27, 2003.

LEOFF is a cost-sharing, multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF members who joined the system by September 30, 1977, are Plan 1 members. Plan 1 is closed to new entrants. Those who joined on or after October 1, 1977, are Plan 2 members.

Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established by Initiative 790 to provide governance of LEOFF Plan 2. The Board's duties include adopting contribution rates and recommending policy changes to the Legislature.

Public Safety Employees' Retirement System. The Public Safety Employees' Retirement System (PSERS) was created by the 2004 Legislature and became effective July 1, 2006. PSERS retirement benefit provisions are established in chapter 41.37 RCW and may be amended only by the Legislature. PSERS membership includes full-time employees meeting specific eligibility criteria that are employed by Department of Corrections; Department of Natural Resources; Gambling Commission; Liquor and Cannabis Board; Parks and Recreation Commission; Washington State Patrol; Washington state counties; corrections departments of Washington state cities except for Seattle, Tacoma, and Spokane; or correctional entities formed by PSERS employers under the Interlocal Cooperation Act.

PSERS is a cost-sharing, multiple-employer retirement system comprised of a single defined benefit plan, PSERS Plan 2.

Washington State Patrol Retirement System. The Washington State Patrol Retirement System (WSPRS) was established by the Legislature in 1947. WSPRS benefits are established in chapter 43.43 RCW and may be amended only by the Legislature. Any commissioned employee of the Washington State Patrol is eligible to participate.

WSPRS is a single-employer, defined benefit retirement system. WSPRS members who joined the system by December 31, 2002, are Plan 1 members. Plan 1 is closed to new entrants. Those who joined on or after January 1, 2003, are Plan 2 members. For financial reporting and investment purposes, however, both plans are accounted for in the same pension fund.

Effective June 7, 2012, those WSPRS members who have service credit within PERS Plan 2 have options to transfer their service credit earned as commercial vehicle enforcement officers or as communications officers into the WSPRS, provided the member pays the full actuarial cost of the transfer.

At retirement, these members also have the option of selecting an actuarially reduced benefit in order to provide for post-retirement survivor benefits.

For membership information refer to the table presented in Note 13.B.3.

Judicial Retirement System. The Judicial Retirement System (JRS) was established by the Legislature in 1971. The JRS retirement benefit provisions are established in chapter 2.10 RCW and may be amended only by the Legislature. Membership includes judges elected or appointed to the Supreme Court, Court of Appeals, and Superior Courts on or after August 9, 1971.

The JRS is a single-employer, defined benefit retirement system. There are no active members remaining in the Judicial Retirement System.

For membership information refer to the table presented in Note 13.B.3.

Judges' Retirement Fund. The Judges' Retirement Fund (JRF) was created by the Legislature on March 22, 1937, to provide retirement benefits to judges elected or appointed to the Supreme Court, Court of Appeals, and Superior Courts of the state of Washington. Judges' retirement benefit provisions are established in chapter 2.12 RCW and may be amended only by the Legislature.

The JRF is a single-employer, defined benefit retirement system. There are currently no active members in this plan.

For membership information refer to the table presented in Note 13.B.3.

Benefits Provided

PERS. PERS plans provide retirement, disability, and death benefits to eligible members.

PERS Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The monthly benefit is 2 percent of the average final compensation (AFC) per year of service, capped at 60 percent. The AFC is the average of the member's 24 highest consecutive service months.

PERS Plan 1 members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits. Plan 1 members may elect to receive an optional cost of living allowance (COLA) that provides an automatic annual adjustment based on the

Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 2 members are vested after completing five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is 2 percent of the AFC per year of service. There is no cap on years of service credit and a COLA is granted based on the Consumer Price Index, capped at 3 percent annually. The AFC is the average of the member's 60 highest paid consecutive months. PERS Plan 2 members have the option to retire early with reduced benefits.

PERS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service; or after five years of service, if 12 months of that service are earned after age 44. The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. There is no cap on years of service credit. Plan 3 provides the same COLA as Plan 2. The AFC is the average of the member's 60 highest paid consecutive months. PERS Plan 3 members have the option to retire early with reduced benefits.

PERS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors, with reduced benefits.

TRS. TRS plans provide retirement, disability, and death benefits to eligible members.

TRS Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement at any age after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The monthly benefit is 2 percent of the average final compensation (AFC) for each year of service credit, up to a maximum of 60 percent. The AFC is the total earnable compensation for the two consecutive highest-paid fiscal years, divided by two.

TRS Plan 1 members may elect to receive an optional cost of living allowance (COLA) amount based on the Consumer Price Index, capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

TRS Plan 2 members are vested after completing five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is 2 percent of the AFC per year of service. A COLA is granted based on the Consumer Price Index, capped at 3 percent annually. The AFC is the average of the member's 60 highest

paid consecutive months. TRS Plan 2 members have the option to retire early with reduced benefits.

TRS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service; or after five years of service, if 12 months of that service are earned after age 44. The defined benefit portion of TRS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. Plan 3 provides the same COLA as Plan 2. The AFC is the average of the member's 60 highest paid consecutive months. TRS Plan 3 members have the option to retire early with reduced benefits.

TRS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors, with reduced benefits.

PERS and TRS Judicial Benefit Multiplier: The Judicial Benefit Multiplier (JBM) Program gave eligible justices and judges an option to increase the benefit multiplier used in their retirement benefit calculation for their judicial service periods of employment. Beginning January 1, 2007, any justice or judge who was in a judicial position at that time could choose to join JBM. Any justice or judge elected or appointed to office on or after January 1, 2007, who elects to join DRS membership will also be mandated into JBM. If they have already established membership in PERS Plan 1 or TRS Plan 1 they will rejoin that plan, but if they have never had membership they will be enrolled as a member of both PERS Plan 2 and JBM.

LEOFF. LEOFF plans provide retirement, disability, and death benefits to eligible members.

LEOFF Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50. The benefit per year of service calculated as a percent of final average salary (FAS) is as follows:

Years of Service	Percent of FAS
20+	2.0%
10-19	1.5%
5-9	1.0%

Other benefits include a cost of living adjustment (COLA).

LEOFF Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for retirement at the age of 53 with at least five years of service, or at age 50 with 20 years of service. Plan 2 members receive a benefit of 2 percent of the FAS per year of service. FAS is based on the highest consecutive 60 months.

A COLA is granted based on the Consumer Price Index, capped at 3 percent annually. LEOFF Plan 2 members have the option to retire early with reduced benefits.

LEOFF members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors, generally with reduced benefits.

PSERS. PSERS provides retirement, disability, and death benefits to eligible members.

PSERS members are vested after an employee completes five years of eligible service. PSERS members may retire with a monthly benefit of 2 percent of the average final compensation (AFC) at the age of 65 with five years of service, or at the age of 60 with at least 10 years of PSERS service, or at age 53 with 20 years of service. A cost of living allowance is granted based on the Consumer Price Index, capped at 3 percent annually. The AFC is the average of the member's 60 highest paid consecutive months. PSERS members have the option to retire early with reduced benefits.

PSERS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors, generally with reduced benefits.

WSPRS. WSPRS plans provide retirement, disability, and death benefits to eligible members.

WSPRS members are vested after the completion of five years of eligible service. Active members are eligible for retirement at the age of 55 with no minimum required service credit, or at any age with 25 years of service credit, and must retire at age 65. This mandatory requirement does not apply to the Chief of the Washington State Patrol. Inactive members can retire at age 60 or at age 55 with a reduced benefit to account for the receipt of benefits over a longer period of time.

The monthly benefit is 2 percent of the average final salary (AFS) per year of service, capped at 75 percent. A cost of living allowance is granted based on the Consumer Price Index, capped at 3 percent annually.

WSPRS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors, generally with reduced benefits.

JRS. The JRS provides retirement, disability, and death benefits to eligible members.

JRS members are eligible for retirement at the age of 60 with 15 years of service; or are age 60 or older, left office involuntarily with 12 years of service credit, and at least 15 years have passed since the beginning of the initial term. The system was closed to new entrants on July 1, 1988, with new judges joining PERS.

The benefit per year of service calculated as a percent of final average salary (FAS) is shown in the table below. This benefit is capped at 75 percent of FAS, exclusive of cost-of-living increases.

Years of Service	Percent of FAS
15+	3.50%
10-14	3.00%

JRF. The JRF provides disability and retirement benefits to eligible members. The system was closed to new entrants on August 8, 1971, with new judges joining the JRS.

Members are eligible to receive a full retirement allowance at age 70 with 10 years of credited service, or at any age with 18 years of credited service. Members are eligible to receive a partial retirement allowance after 12 years of credited service as a judge.

Contributions

PERS, TRS, PSERS, WSPRS: Defined benefit retirement benefits are financed from a combination of investment earnings and employer and/or employee contributions.

PERS Plan 1 and TRS Plan 1 member contribution rates are established in statute. PERS Plan 2/3 and TRS Plans 2/3 employer and employee contribution rates are developed by the Office of the State Actuary (OSA) to fully fund Plan 2 and the defined benefit portion of Plan 3. PSERS Plans 2 and WSPRS Plan 1/2 employer and employee contribution rates are also developed by the OSA to fully fund the plans.

Each biennium, the state Pension Funding Council adopts employer contribution rates for PERS Plan 1 and 3 and for TRS Plan 1 and 3; employee and employer contribution rates for PERS Plan 2, TRS Plan 2, and PSERS Plan 2; and employee and state contribution rates for WSPRS Plans 1 and 2.

The methods used to determine contribution requirements are established under statute and are subject to change by the Legislature.

PERS and TRS JBM members and employers pay increased contributions that, along with investment earnings, fund the increased retirement benefits of those justices and judges who participate in the program.

Upon separation from covered employment, members can elect to withdraw total employee contributions and interest thereon, in lieu of any retirement benefit.

Required contribution rates for fiscal year 2022 are presented in the table in Note 13.B.3.

LEOFF: LEOFF retirement benefits are financed from a combination of investment earnings, employer and employee contributions, and a special funding situation in which the state pays through legislative appropriations.

Employer and employee contribution rates are developed by the Office of the State Actuary (OSA) to fully fund the plans. Starting on July 1, 2000, LEOFF Plan 1 employers and employees are not required to contribute as long as the plan remains fully funded. LEOFF Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. The methods used to determine contribution requirements are established under state statute.

Members in LEOFF Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon, in lieu of any retirement benefit, upon separation from LEOFF-covered employment.

The Legislature, by means of a special funding arrangement, appropriates money from the state General Fund to supplement the current service liability and fund the prior service costs of LEOFF Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. For fiscal year 2022, the state contributed \$81.4 million to LEOFF Plan 2.

Required contribution rates for fiscal year 2022 are presented in the table in Note 13.B.3.

The state is not an employer for LEOFF Plan 1; however, the state is a nonemployer contributing entity for LEOFF Plan 1. For LEOFF Plan 2, the state is both an employer and a nonemployer contributing entity.

Refer to Note 13.B.2 for nonemployer contributing entity disclosures.

JRS and JRF: The JRS and JRF have no active members; therefore, no employer or employee contributions are required. The state guarantees the solvency of the JRS and JRF on a pay-as-you-go basis from a combination of investment earnings and funding from the state.

Past contributions were made based on rates set in statute. By statute, JRF employees were required to

contribute 6.5 percent of covered payroll with an equal amount contributed by the state. JRS employees were required to contribute 7.5 percent of covered payroll with an equal amount contributed by the state.

Each biennium, the Legislature, through appropriations from the state General Fund, contributes amounts sufficient to meet the benefit payment requirements. For fiscal year 2022 the state contributed \$300 thousand for JRF and \$7.1 million for JRS.

Actuarial Assumptions

PERS, TRS, LEOFF, PSERS, and WSPRS: The total pension liability was determined by an actuarial valuation as of June 30, 2020, with the results rolled forward to the June 30, 2021, measurement date using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.75 %
Salary increases	3.50 %
Investment rate of return	7.40 %

Mortality rates were developed using the Society of Actuaries' Pub. H-2010 mortality rates which vary by member status (e.g. active, retiree, or survivor), as the base table. The Office of the State Actuary (OSA) applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Under "generational" mortality, a member is assumed to receive additional mortality improvements in each future year throughout their lifetime.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of the 2013-2018 Demographic Experience Study Report and the 2019 Economic Experience Study. Additional assumptions for subsequent events and law changes are current as of the 2020 actuarial valuation report.

The 7.40 percent long-term expected rate of return on pension plan investments was determined using a building-block method in which a best estimate of expected future rates of return (expected returns, net of pension plan investment expense, but including inflation) are developed for each major asset class by the WSIB. Refer to the 2019 Report on Financial Condition and Economic Experience Study located on the OSA website for additional information and background on the development of the long-term rate of return assumption.

The WSIB's Capital Market Assumptions (CMAs) contain the following three pieces of information for each class of assets the WSIB currently invests in:

- Expected annual return.
- Standard deviation of the annual return.
- Correlations between the annual returns of each asset class with every other asset class.

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	20 %	2.2 %
Tangible assets	7 %	5.1 %
Real estate	18 %	5.8 %
Global equity	32 %	6.3 %
Private equity	23 %	9.3 %
Total	100 %	

The inflation component used to create the above table is 2.20 percent, and represents the WSIB's most recent long-term estimate of broad economic inflation.

JRS and JRF: JRS and JRF are excluded from the actuarial valuations performed by OSA due to their small, closed populations and the plans have no remaining active members.

Mortality rates for JRS and JRF are consistent with those used for members of PERS. Members of JRS are assumed to receive a 2.75 percent annual COLA.

Discount rate

PERS, TRS, LEOFF, PSERS, and WSPRS: The discount rate used to measure the total pension liability was 7.40 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members.

Based on the assumptions in OSA's Certification Letter, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.40 percent on pension plan investments was applied to determine the total pension liability.

PERS Plan 2/3, PSERS Plan 2, and SERS Plan 2/3 employers' rates include a component for the PERS Plan 1 liability. TRS Plan 2/3 rates include a component for TRS Plan 1 liability.

JRS and JRF: Contributions are made to ensure cash is available to make benefit payments. Since these plans are operated on a pay-as-you-go basis, the discount rate used to measure the total pension liability was set equal to the Bond Buyer General Obligation 20-Bond Municipal Bond Index, or 2.16 percent for the June 30, 2021, measurement date.

Refer to the table in Note 13.B.3 for the change in net pension liability.

Pension Expense

The state recognized the following pension expense for the year ended June 30, 2022 (expressed in thousands):

Pension Expense	
Plans	
PERS Plan 1	\$ 51,561
PERS Plan 2/3	1,150,178
TRS Plan 1	494
TRS Plan 2/3	4,057
LEOFF Plan 2	6,800
PSERS Plan 2	5,896
WSPRS	55,395
JRS	(896)
JRF	287

Collective Net Pension Liability/(Asset)

PERS, TRS, LEOFF and PSERS: The following presents the state's proportionate share of the collective net pension liability/(asset), the state's proportionate share percentage, and the change in proportionate share as of June 30, 2022 (expressed in thousands):

	PERS Plan 1	PERS Plan 2/3	TRS Plan 1	TRS Plan 2/3	LEOFF Plan 2	PSERS Plan 2
Proportionate share of the collective net pension liability/(asset)	\$ 529,443	\$ (5,105,303)	\$ 8,798	\$ (35,165)	\$ (46,684)	\$ (152,955)
State's proportion	43.35%	51.25%	1.31%	1.28%	0.80%	66.58%
Increase/(decrease)	1.28%	0.67%	0.13%	0.12%	-0.08%	4.32%

Net Pension Liability/(Asset)

WSPRS, JRS, and JRF: The following presents the state's net pension liability/(asset) as of June 30, 2022 (expressed in thousands):

	WSPRS	JRS	JRF
Proportionate share of the collective net pension liability/(asset)	\$ (276,665)	\$ 61,873	\$ 123

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

PERS, TRS, LEOFF, PSERS, and WSPRS: The following presents the net pension liability/(asset) of the state as an employer, calculated using the discount rate of 7.40 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.40 percent) or 1 percentage point higher (8.40 percent) than the current rate (expressed in thousands):

Plans	Net Pension Liability (Asset)		
	1% Decrease	Current Discount Rate	1% Increase
PERS Plan 1	\$ 901,936	\$ 529,443	\$ 204,591
PERS Plan 2/3	(1,454,402)	(5,105,303)	(8,111,822)
TRS Plan 1	16,864	8,798	1,759
TRS Plan 2/3	6,132	(35,165)	(68,852)
LEOFF Plan 2	(29,439)	(46,684)	(60,804)
PSERS Plan 2	(23,981)	(152,955)	(255,033)
WSPRS	(67,026)	(276,665)	(447,285)

JRS and JRF: The following presents the net pension liability/(asset) of the state as an employer, calculated using the discount rate of 2.16 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage point lower (1.16 percent) or 1 percentage point higher (3.16 percent) than the current rate (expressed in thousands):

Plans	Net Pension Liability (Asset)		
	1% Decrease	Current Discount Rate	1% Increase
JRS	\$ 67,649	\$ 61,873	\$ 56,841
JRF	171	123	77

Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions

PERS, TRS, LEOFF, PSERS, WSPRS, JRS, and JRF: For the year ended June 30, 2022, the state reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

PERS Plan 1	Deferred Outflows of Resources	Deferred Inflows of Resources	PERS Plan 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ —	\$ —	Difference between expected and actual experience	\$ 247,957	\$ 62,586
Changes of assumptions	—	—	Changes of assumptions	7,460	362,561
Net difference between projected and actual earnings on pension plan investments	—	587,505	Net difference between projected and actual earnings on pension plan investments	—	4,266,836
Change in proportion	—	—	Change in proportion	24,491	—
State contributions subsequent to the measurement date	256,609	—	State contributions subsequent to the measurement date	410,023	—
Total	\$ 256,609	\$ 587,505	Total	\$ 689,931	\$ 4,691,983

TRS Plan 1	Deferred Outflows of Resources	Deferred Inflows of Resources	TRS Plan 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ —	\$ —	Difference between expected and actual experience	\$ 10,925	\$ 285
Changes of assumptions	—	—	Changes of assumptions	2,187	1,848
Net difference between projected and actual earnings on pension plan investments	—	13,189	Net difference between projected and actual earnings on pension plan investments	—	40,997
Change in proportion	—	—	Change in proportion	2,250	—
State contributions subsequent to the measurement date	6,681	—	State contributions subsequent to the measurement date	8,432	—
Total	\$ 6,681	\$ 13,189	Total	\$ 23,794	\$ 43,130

LEOFF Plan 2	Deferred Outflows of Resources	Deferred Inflows of Resources	PSERS Plan 2	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,117	\$ 247	Difference between expected and actual experience	\$ 15,695	\$ 605
Changes of assumptions	20	2,220	Changes of assumptions	24	15,640
Net difference between projected and actual earnings on pension plan investments	—	22,259	Net difference between projected and actual earnings on pension plan investments	—	109,562
Change in proportion	180	108	Change in proportion	1,308	253
State contributions subsequent to the measurement date	1,674	—	State contributions subsequent to the measurement date	29,196	—
Total	\$ 3,991	\$ 24,834	Total	\$ 46,223	\$ 126,060

WSPRS Plan 1/2	Deferred Outflows of Resources	Deferred Inflows of Resources	JRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 15,011	\$ 1,938	Difference between expected and actual experience	\$ —	\$ —
Changes of assumptions	1,558	6,962	Changes of assumptions	—	—
Net difference between projected and actual earnings on pension plan investments	—	250,927	Net difference between projected and actual earnings on pension plan investments	261	—
Change in proportion	—	—	Change in proportion	—	—
State contributions subsequent to the measurement date	19,284	—	State contributions subsequent to the measurement date	7,100	—
Total	\$ 35,853	\$ 259,827	Total	\$ 7,361	\$ —

JRF	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ —	\$ —
Changes of assumptions	—	—
Net difference between projected and actual earnings on pension plan investments	34	—
Change in proportion	—	—
State contributions subsequent to the measurement date	300	—
Total	\$ 334	\$ —

The amounts reported in the tables above as deferred outflows of resources related to pensions resulting from state contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the fiscal years ended June 30 (expressed in thousands):

PERS Plan 1		PERS Plan 2/3		TRS Plan 1		TRS Plan 2/3	
2023	\$ (155,630)	2023	\$ (1,160,374)	2023	\$ (3,495)	2023	\$ (8,919)
2024	\$ (142,614)	2024	\$ (1,083,713)	2024	\$ (3,198)	2024	\$ (8,233)
2025	\$ (134,847)	2025	\$ (1,038,358)	2025	\$ (3,027)	2025	\$ (7,672)
2026	\$ (154,414)	2026	\$ (1,122,878)	2026	\$ (3,469)	2026	\$ (8,850)
2027	\$ —	2027	\$ (11,556)	2027	\$ —	2027	\$ 1,764
Thereafter	\$ —	Thereafter	\$ 4,804	Thereafter	\$ —	Thereafter	\$ 4,142

LEOFF Plan 2		PSERS Plan 2		WSPRS Plan 1/2		JRS	
2023	\$ (5,939)	2023	\$ (28,455)	2023	\$ (63,059)	2023	\$ 116
2024	\$ (5,534)	2024	\$ (27,040)	2024	\$ (59,790)	2024	\$ 73
2025	\$ (5,228)	2025	\$ (25,651)	2025	\$ (55,481)	2025	\$ 50
2026	\$ (5,887)	2026	\$ (28,476)	2026	\$ (64,713)	2026	\$ 22
2027	\$ (82)	2027	\$ (22)	2027	\$ (215)	2027	\$ —
Thereafter	\$ 154	Thereafter	\$ 611	Thereafter	\$ —	Thereafter	\$ —

JRF	
2023	\$ 14
2024	\$ 10
2025	\$ 7
2026	\$ 3
2027	\$ —
Thereafter	\$ —

2. DRS Plans - Nonemployer Contributing Entity Disclosures

For fiscal year 2022, the state was considered a nonemployer contributing entity in special funding situations for two DRS-administered pension plans, LEOFF Plan 1 and LEOFF Plan 2. State contributions are required by statute to be made directly to these plans to fund pensions. Note 13.B.1 provides the detailed descriptions of these plans, their benefit terms, contribution requirements, significant assumptions used to measure pension liability and mortality, and the discount rate.

Basis for Nonemployer Contributing Entity Contributions. LEOFF Plan 1 has a net pension asset as of the June 30, 2021, measurement date. If needed, RCW 41.26.080 would require employer and employee contributions of 6 percent, and the remaining liabilities funded by the state pursuant to chapter 41.45 RCW. For fiscal year 2021, the nonemployer contributing entity's proportionate share of the net pension asset was considered substantial at 87.12 percent based on historical contributions to the plan.

LEOFF Plan 2 has a net pension asset as of the June 30, 2021, measurement date. In this plan, the state is an employer and a nonemployer contributing entity. RCW 41.26.725 limits the employee contributions to 50 percent, employer contributions to 30 percent, and the state contribution to 20 percent of the cost of benefits. In no instance shall the state contribution exceed four percent of payroll. For fiscal year 2021, the nonemployer contributing entity's proportionate share of the net pension asset was considered substantial at 39.21 percent based on total plan contributions received in fiscal year 2021.

Collective Net Pension Liability/(Asset). The following presents the proportionate share of the collective net pension liability/(asset), the proportionate share percentage, and the change in proportionate share of the state as a nonemployer contributing entity as of June 30, 2022 (expressed in thousands).

	LEOFF Plan 1	LEOFF Plan 2
Proportionate share of the collective net pension liability/(asset)	\$ (2,984,350)	\$ (2,277,698)
State's proportion	87.12%	39.21%
Increase/(decrease)	—%	0.21%

The proportion of the state nonemployer contributions related to LEOFF Plan 1 was based on historical contributions from the state and employers plus fiscal year 2021 retirement benefit payments. The proportion

of the state nonemployer contributions related to LEOFF Plan 2 was based on the state's contributions to the pension plan relative to the total state contributions and all participating employers.

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate. The following presents the net pension liability/(asset) of the nonemployer contributing entity calculated using the discount rate of 7.40 percent, as well as what the nonemployer contributing entity's net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.40 percent) or 1 percentage point higher (8.40 percent) than the current rate (expressed in thousands):

LEOFF Plan 1 Nonemployer Contributing Entity Proportionate Share of Net Pension Liability/(Asset)	
1% decrease	\$ (2,686,703)
Current discount rate	\$ (2,984,350)
1% increase	\$ (3,241,864)

LEOFF Plan 2 Nonemployer Contributing Entity Proportionate Share of Net Pension Liability/(Asset)	
1% decrease	\$ (1,436,318)
Current discount rate	\$ (2,277,698)
1% increase	\$ (2,966,620)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2022, the state as a nonemployer contributing entity recognized \$444.4 million pension expense for LEOFF Plan 1 and \$331.8 million pension expense for LEOFF Plan 2.

At June 30, 2022, the state as a nonemployer contributing entity reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

LEOFF Plan 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ —	\$ —
Changes of assumptions	—	—
Net difference between projected and actual earnings on pension plan investments	—	911,902
Change in proportion	—	—
State contributions subsequent to the measurement date	—	—
Total	\$ —	\$ 911,902

LEOFF Plan 2	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 103,308	\$ 12,037
Changes of assumptions	985	108,327
Net difference between projected and actual earnings on pension plan investments	—	1,086,023
Change in proportion and difference between state contributions and proportionate share of contributions	8,789	5,306
State contributions subsequent to the measurement date	81,669	—
Total	\$ 194,751	\$ 1,211,693

The amounts reported in the tables above as deferred outflows of resources related to pensions resulting from state contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the fiscal years ended June 30 (expressed in thousands):

LEOFF Plan 1	
2023	\$ (242,234)
2024	\$ (221,567)
2025	\$ (209,070)
2026	\$ (239,031)
2027	\$ —
Thereafter	\$ —

LEOFF Plan 2	
2023	\$ (289,772)
2024	\$ (270,019)
2025	\$ (255,094)
2026	\$ (287,234)
2027	\$ (4,024)
Thereafter	\$ 7,532

3. Tables for Plans Administered by the Department of Retirement Services

TABLE 1: Single Employer Plan Membership

Membership of the single employer plans administered by the Department of Retirement Systems consisted of the following at June 30, 2021, the date of the latest actuarial valuation for all plans:

Plans	Number of Participating Members			
	Inactive Members (or Beneficiaries) Currently Receiving Benefits	Inactive Members Entitled to But Not Yet Receiving Benefits	Active Members	Total Members
WSPRS 1	1,243	62	318	1,623
WSPRS 2	3	44	735	782
JRS	79	—	—	79
JRF	10	—	—	10
Total	1,335	106	1,053	2,494

TABLE 2: Change in Net Pension Liability/(Asset)

The following table presents the change in net pension liability/(asset) of the single employer plans administered by the Department of Retirement Systems at June 30, 2020, the date of the latest actuarial valuation for all plans, with the results rolled forward to the June 30, 2021, measurement date (expressed in thousands):

Change in Net Pension Liability/(Asset)	WSPRS	JRS	JRF
TOTAL PENSION LIABILITY			
Service cost	\$ 23,462	\$ —	\$ —
Interest	105,943	1,621	40
Changes of benefit terms	—	—	—
Differences between expected and actual experience	(2,368)	1,237	(322)
Changes of assumptions	—	(1,931)	4
Benefit payments, including refunds of member contributions	(72,786)	(7,553)	(257)
Net Change in Total Pension Liability	54,251	(6,626)	(535)
Total Pension Liability--Beginning	1,443,948	77,119	1,939
Total Pension Liability--Ending	\$ 1,498,199	\$ 70,493	\$ 1,404
PLAN FIDUCIARY NET POSITION			
Contributions--employer	\$ 20,882	\$ 7,600	\$ 400
Contributions--employee	12,189	—	—
Net investment income	429,171	79	11
Benefit payments, including refunds of member contributions	(72,786)	(7,553)	(257)
Administrative expense	(123)	—	—
Other	491	—	—
Net Change in Plan Fiduciary Net Position	389,824	126	154
Plan Fiduciary Net Position--Beginning	1,385,040	8,494	1,127
Plan Fiduciary Net Position--Ending	\$ 1,774,864	\$ 8,620	\$ 1,281
Plan's Net Pension Liability/(Asset)--Beginning	\$ 58,908	\$ 68,625	\$ 812
Plan's Net Pension Liability/(Asset)--Ending	\$ (276,665)	\$ 61,873	\$ 123

TABLE 3: Required Contribution Rates

Required contribution rates (expressed as a percentage of current year covered payroll) for all retirement plans administered by the Department of Retirement Systems at the close of fiscal year 2022 were as follows:

Required Contribution Rates	Employer			Employee		
	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 3
PERS						
Employees Not Participating in JBM						
State agencies, local governmental units	6.36 %	6.36 %	6.36 %	6.00 %	6.36 %	**
Administrative fee	0.18 %	0.18 %	0.18 %			
PERS Plan 1 UAAL	3.71 %	3.71 %	3.71 %			
Total	10.25 %	10.25 %	10.25 % *			
State govt elected officials	9.54 %	6.36 %	6.36 %	7.50 %	6.36 %	**
Administrative fee	0.18 %	0.18 %	0.18 %			
PERS Plan 1 UAAL	5.57 %	3.71 %	3.71 %			
Total	15.29 %	10.25 %	10.25 % *			
Employees Participating in JBM						
State agencies	8.86 %	8.86 %	8.86 %	9.76 %	13.40 %	7.50%***
Administrative fee	0.18 %	0.18 %	0.18 %			
PERS Plan 1 UAAL	3.71 %	3.71 %	3.71 %			
Total	12.75 %	12.75 %	12.75 % *			
Local governmental units	6.36 %	6.36 %	6.36 %	12.26 %	15.90 %	7.50%***
Administrative fee	0.18 %	0.18 %	0.18 %			
PERS Plan 1 UAAL	3.71 %	3.71 %	3.71 %			
Total	10.25 %	10.25 %	10.25 % *			
TRS						
Employees Not Participating in JBM						
State agencies, local governmental units	8.05 %	8.05 %	8.05 %	6.00 %	8.05 %	**
Administrative fee	0.18 %	0.18 %	0.18 %			
TRS Plan 1 UAAL	6.19 %	6.19 %	6.19 %			
Total	14.42 %	14.42 %	14.42 % *			
State govt elected officials	8.05 %	8.05 %	8.05 %	7.50 %	8.05 %	**
Administrative fee	0.18 %	0.18 %	0.18 %			
TRS Plan 1 UAAL	6.19 %	6.19 %	6.19 %			
Total	14.42 %	14.42 %	14.42 % *			
Employees Participating in JBM						
State agencies	8.05 %	N/A	N/A	9.76 %	N/A	N/A
Administrative fee	0.18 %	N/A	N/A			
TRS Plan 1 UAAL	6.19 %	N/A	N/A			
Total	14.42 %					
LEOFF						
Ports and universities	N/A	8.53 %	N/A	N/A	8.53 %	N/A
Administrative fee	0.18 %	0.18 %	N/A			
Total	0.18 %	8.71 %				
Local governmental units	N/A	5.12 %	N/A	N/A	8.53 %	N/A
Administrative fee	0.18 %	0.18 %	N/A			
Total	0.18 %	5.30 %				
State of Washington	N/A	3.41 %	N/A	N/A	N/A	N/A
WSPRS						
State agencies	17.66 %	17.66 %	N/A	8.61 %	8.61 %	N/A
Administrative fee	0.18 %	0.18 %	N/A			
Total	17.84 %	17.84 %				
PSERS						
State agencies, local governmental units	N/A	6.50 %	N/A	N/A	6.50 %	N/A
Administrative fee	N/A	0.18 %	N/A			
PSERS Plan 1 UAAL	N/A	3.71 %	N/A			
Total		10.39 %				

* Plan 3 defined benefit portion only.

** Variable from 5% to 15% based on rate selected by the member.

*** Minimum rate.

N/A indicates data not applicable.

C. PLAN ADMINISTERED BY THE STATE BOARD FOR VOLUNTEER FIRE FIGHTERS AND RESERVE OFFICERS

Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund

Plan Description. The Volunteer Fire Fighters’ Relief Act was created by the Legislature in 1935, and the pension portion of the act was added in 1945. As established in chapter 41.24 RCW, the Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund (VFFRPF) is a cost-sharing, multiple-employer defined benefit plan and is administered by the State Board for Volunteer Fire Fighters and Reserve Officers. The board is appointed by the Governor and is comprised of five members of fire departments covered by chapter 41.24 RCW. Administration costs of the VFFRPF are funded through legislative appropriation.

As of June 30, 2022, there were approximately 362 municipalities contributing to the plan. Additionally, the state, a nonemployer contributing entity, contributes 40 percent of the fire insurance premium tax.

Plan Members. Membership in the VFFRPF requires volunteer fire fighter service with a fire department of an electing municipality of Washington state, emergency work as an emergency medical technician with an emergency medical service district, or work as a commissioned reserve law enforcement officer.

At June 30, 2020, VFFRPF membership consisted of the following:

Plan Membership	
Inactive plan members or beneficiaries currently receiving benefits	4,669
Inactive plan members entitled to but not yet receiving benefits	6,148
Active plan members*	8,244
Total membership	19,061

**Does not include 1,661 active plan members who have chosen not to join the pension plan.*

Benefits Provided. VFFRPF provides retirement, disability, and death benefits to eligible members. Benefits are established in chapter 41.24 RCW which may be amended only by the Legislature.

Since retirement benefits cover volunteer service, benefits are paid based on years of service, not salary. Municipalities consist of fire departments, emergency medical service districts, and law enforcement agencies.

Normal retirement is available at the age of 65 with at least ten years of membership service. The monthly plan benefit formula is \$50 plus \$10 times the number of years the member made pension contributions times a membership service percentage. The maximum monthly pension benefit is \$300. Reduced pensions are available for members beginning at the age of 60 with at least 10 years of service.

Members are vested after ten years of service. VFFRPF members earn no interest on contributions and may elect to withdraw their contributions upon termination.

Death and active duty disability benefits are provided at no cost to the member. Death benefits in the line of duty consist of a lump sum of \$214 thousand. Funeral and burial expenses are also paid in a lump sum of \$2 thousand for members on active duty. Members receiving disability benefits at the time of death shall be paid \$500.

Effective June 7, 2012, at any time prior to retirement or at the time of retirement, a member of the VFFRPF may purchase retirement pension coverage for years of eligible service prior to the member’s enrollment in the system or for years of service credit lost due to the withdrawal of the member’s pension fee contributions. A member choosing to purchase such retirement pension coverage must contribute to the system an amount equal to the actuarial value of the resulting benefit increase.

There were no material changes in VFFRPF benefit provisions for the fiscal year ended June 30, 2022.

Contributions. VFFRPF retirement benefits are financed from a combination of investment earnings, member contributions, municipality contributions, and state contributions. In accordance with chapter 41.24 RCW, the state contribution is set at 40 percent of the fire insurance premium tax. The state is considered a nonemployer contributing entity; however, this is not considered a special funding situation. For fiscal year 2022, the fire insurance premium tax contribution was \$6.7 million.

The municipality rate for emergency medical service districts (EMSD) and law enforcement agencies is set each year by the State Board for Volunteer Fire Fighters and Reserve Officers, based on the actual cost of participation as determined by the Office of the State Actuary (OSA). All other contribution rates are set by the Legislature. Municipalities may opt to pay the member’s fee on their behalf.

The contribution rates set for calendar year 2022 were the following:

	Fire Fighters		EMSD & Reserve Officers	
Member fee	\$	30	\$	30
Municipality fee		30		105
Total fee	\$	60	\$	135

Investments. The Washington State Investment Board (WSIB) has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

During the prior fiscal year, the VFFRPF liquidated their ownership in the Commingled Trust Fund and transferred the proceeds to short-term investment funds where the funds remained until November 2021. An asset allocation policy for the VFFRPF was approved in November 2021 and the investments were rebalanced to policy targets. The new policy has a 70 percent allocation to public equity and a 30 percent allocation to fixed income. VFFRPF invests in a global equity Collective Investment Trust Fund operated by a trust company that groups assets contributed into a commingled investment fund. In addition, the VFFRPF invests in the Daily Valued Bond Fund managed by the WSIB.

Further information about the VFFRPF investment balances is included in the plan specific sections of the WSIB financial statements and can be found at [Reports \(wa.gov\)](https://www.wa.gov).

The Office of the State Treasurer (OST) manages a small portion of the assets for the VFFRPF. By statute, balances in the accounts in the state treasury and in the custody of the treasurer may be pooled for banking and investment purposes.

The overall objective of the OST investment policy is to construct, from eligible investments noted below, an investment portfolio that is optimal or efficient. An optimal or efficient portfolio is one that provides the greatest expected return for a given expected level of risk, or the lowest expected risk for a given expected return. Eligible investments are only those securities and deposits authorized by statute.

Further information about the investment of pension funds by the OST, their valuation, classifications, concentrations, and maturities can be found in Note 3.F.

Rate of Return. The money-weighted rates of return are provided by the WSIB and OST. For the year ended June 30, 2022, the annual money-weighted rate of return on VFFRPF investments, net of pension plan investment expense, was (16.02) percent. This money-weighted rate of return expresses investment

performance, net of pension plan investment expense, and reflects both the size and timing of external cash flows.

Pension Liability/(Asset). The components of the net pension liability of the participating VFFRPF municipalities at June 30, 2022, were as follows (dollars expressed in thousands):

Pension Liability	
Total pension liability	\$ 249,015
Plan fiduciary net position	220,751
Participating municipality net pension liability/(asset)	<u>\$ 28,264</u>
Plan fiduciary net position as a percentage of the total pension liability	88.65%

Actuarial Assumptions. The VFFRPF has a long-term expected rate of return of 6.00 percent. For further details, see the *2020 VFF Actuarial Valuation Report*.

Inflation	2.25%
Salary increases	N/A
Investment rate of return	6.00%

The mortality assumptions used for this plan are consistent with assumptions used for the Public Employees' Retirement System.

The actuarial assumptions used in the June 30, 2021, valuation were based on the results of the 2021 Pension Experience Study, the 2021 Report on Financial Condition and Economic Experience Study, and the 2018 Relief Experience Study.

The OSA selected a 6.00 percent long-term expected rate of return on the WSIB pension plan investments using a building-block method. In selecting this assumption, OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMAs) and simulated expected investment returns provided by the WSIB.

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons. The CMAs contain the following three pieces of information for each class of asset the WSIB currently invests in:

- Expected annual return.
- Standard deviation of the annual return.
- Correlations between annual returns of each asset class with every other asset class.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target

asset allocation as of June 30, 2022, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	20%	2.2%
Tangible assets	7%	5.1%
Real estate	18%	5.8%
Public equity	32%	6.3%
Private equity	23%	9.3%
Total	100%	

The inflation component used to create the above table is 2.25 percent, and represents the WSIB's most recent long-term estimate of broad economic inflation.

For additional information and background on the OSA's development of the long-term rate of return assumptions, refer to the 2021 Report on Financial Condition and Economic Experience Study located on the OSA website. The selection of this assumption and economic experience studies are further detailed in the Department of Retirement Systems (DRS) Annual Comprehensive Financial Report's actuarial certification letter found on the DRS website.

In consultation with the OST, the OSA selected a 3.50 percent long-term investment rate of return on assets managed by the OST. See OSA's 2020 VFF Actuarial Report for further details: https://leg.wa.gov/osa/presentations/Documents/Valuations/2020_VAVR_Final_Web.pdf.

As the VFFRPF has assets managed by both the WSIB and the OST, the long-term expected rate of return of 6.00 percent represents an approximate 90 percent/10 percent weighted-average of the assets managed by the WSIB and OST, respectively. See the 2020 VFF Actuarial Valuation Report for further details.

Discount Rate. The discount rate used to measure the total pension liability was 6.00 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Based on the assumptions in OSA's Certification Letter, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 6.00 percent on plan investments was applied to determine the total pension liability.

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate. The following presents the net pension liability/(asset) of the municipalities calculated using the discount rate of 6.00

percent, as well as what the municipalities' net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.00 percent) or 1 percentage point higher (7.00 percent) than the current rate (expressed in thousands):

Municipalities' Net Pension Liability/(Asset)	
1% decrease	\$ 60,377
Current discount rate	\$ 28,264
1% increase	\$ 2,013

D. HIGHER EDUCATION RETIREMENT PLAN SUPPLEMENTAL DEFINED BENEFIT PLANS

Plan Description. Higher Education Retirement Plans are privately administered single-employer defined contribution plans with a supplemental defined benefit plan component which guarantees a minimum retirement benefit based upon a one-time calculation at each employee's retirement date. State institutions of higher education make direct payments to qualifying retirees when the retirement benefits provided by the fund sponsors do not meet the benefit goals. House Bill 1661, effective fiscal year 2021, created separate Supplemental Retirement Plan (SRP) funds by institution that met the definition of a trust or equivalent arrangements. As a result, fiscal year 2021 was the first year these plans were reported under GASB Statement No. 67/68. Prior to this, the SRP's were reported under GASB Statement No. 73.

The state and regional universities, the state college, the state community and technical colleges, and the Student Achievement Council each participate in a separate plan. As authorized by chapter 28B.10 RCW, the plans cover faculty and other positions as designated by each participating employer.

RCW 28B.10.400, et seq. assigns the authority to establish and amend benefit provisions to the board of regents of the state universities, the boards of trustees of the regional universities and the state college, the State Board for Community and Technical Colleges, and the Student Achievement Council.

The Higher Education Defined Contribution Retirement Plans are described in Note 13.E.

Benefits Provided. The Higher Education Supplemental Retirement Plans provide retirement, disability, and death benefits to eligible members.

As of July 1, 2011, all Higher Education Supplemental Retirement Plans were closed to new entrants.

Members are eligible to receive benefits under this plan at age 62 with 10 years of service. The supplemental benefit is a lifetime benefit equal to the amount a member's goal income exceeds their assumed income. The goal income is equal to 2 percent of the member's highest two-year average annual salary multiplied by the number of years of service. Benefit service is capped at 25 years. The member's assumed income is an annuity benefit the retired member would receive had they invested their contribution equally between a fixed income and a variable income annuity investment. Plan members have the option to retire early with reduced benefits.

Actuarial Assumptions. The total pension liability (TPL) was determined by an actuarial valuation as of June 30, 2020, with the results rolled forward to the June 30, 2022, measurement date using the following actuarial assumptions, applied to all periods included in the measurement:

Salary increases	3.50%-4.00%
Fixed income and variable income investment returns*	N/A

Mortality rates were developed using the Society of Actuaries' Pub. H-2010 mortality rates which vary by member status (e.g. active, retiree, or survivor), as the base table. The Office of the State Actuary (OSA) applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Under "generational" mortality, a member is assumed to receive additional mortality improvements in each future year throughout their lifetime.

Most actuarial assumptions used in the June 30, 2020, valuation were based on the results of the August 2021 Supplemental Plan Experience Study. Additional assumptions related to salary growth were based on feedback from financial administrators of the Higher Education Supplemental Retirement Plans.

Material assumption changes. Some significant changes in plan provisions and actuarial assumptions from fiscal year 2021 impacted the TPL.

House Bill 1661 (Chapter 103 Laws of 2020) created dedicated funds to pay SRP benefits that mimic the

trust arrangements for the rest of the state retirement systems. The change results in the SRP reporting under GASB 67/68 instead of GASB 73. As a result of this change:

- The discount rate is based on the long-term expected rate of return on the pension plan investments. This resulted in an increase in the discount rate used to measure the TPL from 2.21 percent as of June 30, 2020, to 7.40 percent as of June 30, 2021.
- The TPL is now compared against the plan's fiduciary net position to determine the net pension liability.

Additionally, OSA recently completed an experience study which modified multiple assumptions to estimate future plan experience.

Discount Rate. The discount rate used to measure the TPL was set equal to the Bond Buyer General Obligation 20-Bond Municipal Bond Index, or 7.40 percent for the June 30, 2022, measurement date.

Pension Expense. The Pension Expense is the summation of a number of components, including benefits earned during the fiscal year and interest on the TPL. These numbers are sensitive to assumption changes and plan experience and can be volatile from year to year.

For the year ended June 30, 2022, the Higher Education Supplemental Retirement Plans reported the following for pension expense (expressed in thousands):

Pension Expense	
Plans	
University of Washington (UW)	\$ (37,982)
Washington State University (WSU)	(8,499)
Eastern Washington University (EWU)	(437)
Central Washington University (CWU)	(862)
The Evergreen State College (TESC)	(553)
Western Washington University (WWU)	(1,317)
State Board for Community and Technical Colleges (SBCTC)	(3,122)
Total	\$ (52,772)

Plan Membership. Membership of the Higher Education Supplemental Retirement Plans consisted of the following at June 30, 2020, the date of the latest actuarial valuation for all plans:

Plans	Number of Participating Members			
	Inactive Members (or Beneficiaries) Currently Receiving Benefits	Inactive Members Entitled to But Not Yet Receiving Benefits	Active Members	Total Members
University of Washington (UW)	1,076	160	5,081	6,317
Washington State University (WSU)	399	53	1,591	2,043
Eastern Washington University (EWU)	57	59	290	406
Central Washington University (CWU)	64	4	81	149
The Evergreen State College (TESC)	28	13	144	185
Western Washington University (WWU)	79	3	483	565
State Board for Community and Technical Colleges (SBCTC)	293	325	4,623	5,241
Total	1,996	617	12,293	14,906

Change in Net Pension Liability/(Asset). The following table presents the change in net pension liability/(asset) of Higher Education Supplemental Retirement Plans at June 30, 2022 (expressed in thousands):

Change in Net Pension Liability/(Asset)	UW	WSU	EWU	CWU	TESC	WWU	SBCTC
TOTAL PENSION LIABILITY							
Service cost	\$ 3,699	\$ 604	\$ 157	\$ 19	\$ 55	\$ 233	\$ 1,508
Interest	15,933	2,968	671	327	260	982	5,078
Changes of benefit terms	—	—	—	—	—	—	—
Differences between expected and actual experience	67,986	11,481	2,661	777	991	5,263	22,436
Changes of assumptions	22,150	3,771	867	260	311	1,524	7,288
Benefit payments	(10,313)	(3,248)	(277)	(473)	(157)	(587)	(3,015)
Other	—	—	—	—	—	—	—
Net Change in Total Pension Liability	\$ 99,455	\$ 15,577	\$ 4,080	\$ 910	\$ 1,460	\$ 7,416	\$ 33,294
Total Pension Liability--Beginning	216,672	41,102	9,040	4,635	3,533	13,327	68,588
Total Pension Liability--Ending	\$ 316,127	\$ 56,679	\$ 13,119	\$ 5,545	\$ 4,994	\$ 20,743	\$ 101,882
PLAN FIDUCIARY NET POSITION							
Contributions - Employer	\$ 6,548	\$ 975	\$ 165	\$ 187	\$ 46	\$ 226	\$ 833
Contributions - Member	—	—	—	—	—	—	—
Net Investment Income	101	22	5	4	2	7	52
Benefit Payments, Including Refunds of Member Contributions	—	—	—	—	—	—	—
Administrative Expense	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—
Net Change in Plan Fiduciary Net Position	6,648	998	171	191	49	233	886
Plan Fiduciary Net Position - Beginning	90,341	17,646	3,549	3,560	1,372	5,255	32,259
Plan Fiduciary Net Position - Ending	\$ 96,989	\$ 18,643	\$ 3,720	\$ 3,751	\$ 1,421	\$ 5,488	\$ 33,145
Plan's Net Pension Liability (Asset) - Ending	\$ 219,138	\$ 38,036	\$ 9,399	\$ 1,794	\$ 3,573	\$ 15,255	\$ 68,737

Note: Figures may not total due to rounding.

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate. The following table presents the net pension liability/(asset), calculated using the discount rate of 7.40 percent, as well as what the employers' net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.40 percent) or 1 percentage point higher (8.40 percent) than the current rate (expressed in thousands):

Net Pension Liability / (Asset)				
Plans	1% Decrease	Current Discount Rate	1% Increase	
University of Washington (UW)	\$ 255,190	\$ 219,138	\$ 188,305	
Washington State University (WSU)	43,852	38,036	33,021	
Eastern Washington University (EWU)	10,781	9,399	8,216	
Central Washington University (CWU)	2,248	1,794	1,397	
The Evergreen State College (TESC)	4,055	3,573	3,157	
Western Washington University (WWU)	17,538	15,255	13,296	
State Board for Community and Technical Colleges (SBCTC)	79,907	68,737	59,157	
Total	\$ 413,571	\$ 355,932	\$ 306,549	

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2022, the Higher Education Supplemental Retirement Plans reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (expressed in thousands):

University of Washington (UW)	Deferred Outflows of Resources	Deferred Inflows of Resources	Washington State University (WSU)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 127,881	\$ 298,872	Difference between expected and actual experience	\$ 12,657	\$ 37,703
Changes of assumptions	123,322	173,835	Changes of assumptions	16,357	24,863
Difference between projected and actual	5,458	10,503	Difference between projected and actual	1,055	2,087
Total	\$ 256,661	\$ 483,211	Total	\$ 30,069	\$ 64,652

Eastern Washington University (EWU)	Deferred Outflows of Resources	Deferred Inflows of Resources	Central Washington University (CWU)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 4,077	\$ 5,555	Difference between expected and actual experience	\$ 291	\$ —
Changes of assumptions	2,993	5,314	Changes of assumptions	97	—
Difference between projected and actual	211	421	Difference between projected and actual	213	422
Total	\$ 7,281	\$ 11,290	Total	\$ 601	\$ 422

The Evergreen State College (TESC)	Deferred Outflows of Resources	Deferred Inflows of Resources	Western Washington University (WWU)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,051	\$ 2,391	Difference between expected and actual experience	\$ 6,399	\$ 11,873
Changes of assumptions	1,140	1,729	Changes of assumptions	5,167	6,297
Difference between projected and actual	81	164	Difference between projected and actual	312	626
Total	\$ 2,272	\$ 4,284	Total	\$ 11,878	\$ 18,796

State Board for Community and Technical Colleges (SBCTC)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 26,782	\$ 30,650
Changes of assumptions	24,279	41,228
Difference between projected and actual	1,892	3,873
Total	\$ 52,952	\$ 75,751

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the fiscal years ended June 30 (expressed in thousands):

University of Washington (UW)		Washington State University (WSU)		Eastern Washington University (EWU)		Central Washington University (CWU)	
2023	\$ (50,528)	2023	\$ (10,056)	2023	\$ (838)	2023	\$ 301
2024	\$ (50,528)	2024	\$ (7,354)	2024	\$ (472)	2024	\$ (87)
2025	\$ (36,948)	2025	\$ (6,659)	2025	\$ (926)	2025	\$ (87)
2026	\$ (27,630)	2026	\$ (7,447)	2026	\$ (1,423)	2026	\$ 52
2027	\$ (61,937)	2027	\$ (3,794)	2027	\$ (350)	2027	\$ —
Thereafter	\$ 1,021	Thereafter	\$ 727	Thereafter	\$ —	Thereafter	\$ —

The Evergreen State College (TESC)		Western Washington University (WWU)		State Board for Community and Technical Colleges (SBCTC)	
2023	\$ (602)	2023	\$ (1,805)	2023	\$ (7,289)
2024	\$ (495)	2024	\$ (1,032)	2024	\$ (5,641)
2025	\$ (523)	2025	\$ (1,022)	2025	\$ (3,168)
2026	\$ (532)	2026	\$ (2,107)	2026	\$ (2,556)
2027	\$ 140	2027	\$ (1,375)	2027	\$ (7,642)
Thereafter	\$ —	Thereafter	\$ 423	Thereafter	\$ 3,497

E. DEFINED CONTRIBUTION PLANS

Public Employees' Retirement System Plan 3

The Public Employees' Retirement System (PERS) Plan 3 is a combination defined benefit/defined contribution plan administered by the state through the Department of Retirement Systems (DRS). Refer to Note 13.B for PERS plan descriptions.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. As established by chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 to 15 percent of salaries, based on member choice. Members who do not choose a contribution rate default to a 5 percent rate. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are dependent on employee contributions and investment earnings on those contributions. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 contributions are invested in the retirement strategy fund that assumes the member will retire at age 65.

Members in PERS Plan 3 are immediately vested in the defined contribution portion of their plan and can elect

to withdraw total employee contributions, adjusted by earnings and losses from investments of those contributions, upon separation from PERS-covered employment.

Teachers' Retirement System Plan 3

The Teachers' Retirement System (TRS) Plan 3 is a combination defined benefit/defined contribution plan administered by the state through the Department of Retirement Systems (DRS). Refer to Note 13.B for TRS plan descriptions.

TRS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. As established by chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 to 15 percent of salaries, based on member choice. Members who do not choose a contribution rate default to a 5 percent rate. There are currently no requirements for employer contributions to the defined contribution component of TRS Plan 3.

TRS Plan 3 defined contribution retirement benefits are dependent on employee contributions and investment earnings on those contributions. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, TRS Plan 3 contributions are invested in the retirement strategy fund that assumes the member will retire at age 65.

Members in TRS Plan 3 are immediately vested in the defined contribution portion of their plan, and can elect to withdraw total employee contributions, adjusted by earnings and losses from investments of those contributions, upon separation from TRS-covered employment.

Judicial Retirement Account

The Judicial Retirement Account (JRA) Plan was established by the Legislature in 1988 to provide supplemental retirement benefits. It is a defined contribution plan administered by the state Administrative Office of the Courts (AOC), under the direction of the Board for Judicial Administration. Membership includes judges elected or appointed to the Supreme Court, Court of Appeals, and Superior Courts, and who are members of PERS for their services as a judge. Vesting is full and immediate. At June 30, 2022, there were no active members, 93 inactive members, and one member receiving monthly benefits in JRA. The state, through the AOC, is the sole participating employer.

Beginning January 1, 2007, any justice or judge who was in a judicial position at that time and who chose to join the Judicial Benefit Multiplier (JBM) Program could no longer participate in JRA. Any justice or judge elected or appointed to office on or after January 1, 2007, who elects to join DRS membership will also be mandated into JBM. If they have already established membership in PERS Plan 1 or TRS Plan 1 they will rejoin that plan, but if they have never had membership, they will be enrolled as a member of both PERS Plan 2 and JBM.

JRA Plan members are required to contribute 2.5 percent of covered salary. The state, as employer, contributes an equal amount on a monthly basis. The employer and employee obligations to contribute are established per chapter 2.14 RCW. Plan provisions and contribution requirements are established in state statute and may be amended only by the Legislature.

A JRA member who separates from judicial service for any reason is entitled to receive a lump-sum distribution of the accumulated contributions. The administrator of JRA may adopt rules establishing other payment options. If a member dies, the amount of accumulated contributions standing to the member's credit at the time of the member's death is to be paid to the member's estate or such person or persons, trust or

organization, as the member has nominated by written designation.

For fiscal year 2022, there were no contributions made to employee accounts.

The administrator of JRA has entered an agreement with the DRS for accounting and reporting services, and the Washington State Investment Board (WSIB) for investment services. Under this agreement, the DRS is responsible for all record keeping, accounting, and reporting of member accounts and the WSIB is granted the full power to establish investment policy, develop participant investment options, and manage the investment funds for the JRA Plan, consistent with the provisions of RCW 2.14.080 and 43.84.150.

Higher Education Retirement Plans

The Higher Education Retirement Plans are privately administered defined contribution plans with a supplemental defined benefit plan component. The state and regional universities, the state college, the state community and technical colleges, and the Student Achievement Council each participate in a plan. As authorized by chapter 28B.10 RCW, the plans cover faculty and other positions as designated by each participating employer.

Contributions to the plans are invested in annuity contracts or mutual fund accounts offered by one or more fund sponsors. Benefits from fund sponsors are available upon separation or retirement at the member's option. Employees have, at all times, a 100 percent vested interest in their accumulations.

RCW 28B.10.400, et seq. assigns the authority to establish and amend benefit provisions to the board of regents of the state universities, the boards of trustees of the regional universities and the state college, the State Board for Community and Technical Colleges, and the Student Achievement Council.

Employee contribution rates, based on age, range from 3.30 percent to 9.28 percent of salary. The employers match the employee contributions. The employer and employee obligations to contribute are established per chapter 28B.10 RCW.

For fiscal year 2022, employer and employee contributions were \$248.7 million and \$246.0 million, respectively, for a total of \$494.7 million.

Note 14

Other Postemployment Benefits

General Information

The state implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* for fiscal year 2018 financial reporting. In addition to pension benefits as described in Note 13, the state, through the Health Care Authority (HCA), administers a single-employer defined benefit other postemployment benefit (OPEB) plan.

Plan Description. Per RCW 41.05.065, the Public Employees' Benefits Board (PEBB), created within the HCA, is authorized to design benefits and determine the terms and conditions of employee and retired employee participation and coverage. PEBB establishes eligibility criteria for both active employees and retirees. Benefits purchased by PEBB include medical, dental, life, and long-term disability.

The relationship between the PEBB OPEB plan and its member employers, their employees, and retirees is not formalized in a contract or plan document. Rather, the benefits are provided in accordance with a substantive plan in effect at the time of each valuation. A substantive plan is one in which the plan terms are understood by the employers and plan members. This understanding is based on communications between the HCA, employers, and plan members, and the historical pattern of practice with regard to the sharing of benefit costs. The understanding by the employer and plan members is that there is no contractual obligation to continue the substantive plan as an employee benefit on an ongoing basis. Nevertheless, the actuarial assumptions used in valuations presented in this note assume that this substantive plan will be carried forward into the future.

The PEBB OPEB plan is funded on a pay-as-you-go basis and is reported in governmental funds using the modified accrual basis and the current financial resources measurement focus. For all proprietary and fiduciary funds, the OPEB plan is reported using the economic resources measurement focus and the accrual basis of accounting. The PEBB OPEB plan has no assets and does not issue a publicly available financial report.

Employees Covered by Benefit Terms. Employers participating in the PEBB plan for the state include general government agencies, higher education institutions, and component units. Additionally, there are 15 of the state's K-12 schools and educational service districts (ESDs), and 274 political subdivisions and tribal governments not included in the state's financial reporting that participate in the PEBB plan.

Membership in the PEBB plan for the state consisted of the following:

Summary of Plan Participants As of June 30, 2020	
Active employees*	129,218
Retirees receiving benefits**	35,843
Retirees not receiving benefits***	6,000
Total active employees and retirees	171,061

*Reflects active employees eligible for PEBB program participation as of June 30, 2020.

**Headcounts exclude spouses of retirees that are participating in a PEBB program as a dependent.

***This is an estimate of the number of retirees that may be eligible to join a post-retirement PEBB program in the future. They are not eligible for benefits unless they choose to join in the future. In order to do so, they must show proof of continuous medical coverage since their separation of employment with the state of Washington that meets the requirements set forth in Washington Administrative Code 182-12-205.

The PEBB retiree OPEB plan is available to employees who elect at the time they retire to continue coverage and pay the administratively established premiums under the provisions of the retirement system to which they belong. Retirees' access to the PEBB plan depends on the retirement eligibility of their respective retirement system. PEBB members are covered in the following retirement systems: Public Employees' Retirement System, Public Safety Employees' Retirement System, Teachers' Retirement System, Service Employees' Retirement System, Washington State Patrol Retirement System, Higher Education Retirement Plans, Judicial Retirement System, and Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2. However, not all employers who participate in these plans offer PEBB to retirees.

Benefits Provided. Per RCW 41.05.022, retirees who are not yet eligible for Medicare benefits may continue participation in the state's non-Medicare community-rated health insurance risk pool on a self-pay basis. Retirees in the non-Medicare risk pool receive an implicit subsidy. The implicit subsidy exists because retired members pay a premium based on a claims experience for active employees and other non-Medicare retirees. The subsidy is valued using the difference between the age-based claims costs and the premium.

In calendar year 2021, the average weighted implicit subsidy was valued at \$384 per adult unit per month. In calendar year 2022, the average weighted implicit subsidy is projected to be \$390 per adult unit per month.

Retirees who are enrolled in both Parts A and B of Medicare may participate in the state's Medicare community-rated health insurance risk pool. Medicare retirees receive an explicit subsidy in the form of reduced

premiums. Annually, the HCA administrator recommends an amount for the next calendar year's explicit subsidy for inclusion in the Governor's budget. The final amount is approved by the state Legislature. In calendar year 2022, the explicit subsidy was up to \$183 per member per month, and it will remain \$183 per member per month in calendar year 2023.

Contribution Information. Administrative costs as well as implicit and explicit subsidies are funded by required contributions (RCW 41.05.050) from participating employers. The subsidies provide monetary assistance for medical benefits.

Contributions are set each biennium as part of the budget process. The benefits are funded on a pay-as-you-go basis.

The estimated monthly cost for PEBB benefits for the reporting period for each active employee (average across all plans and tiers) is as follows (expressed in dollars):

Required Premium*	
Medical	\$ 1,151
Dental	82
Life	4
Long-term disability	2
Total	\$ 1,239
Employer contribution	\$ 1,070
Employee contribution	169
Total	\$ 1,239

*Per 2022 PEBB Financial Projection Model version 3.0. Per capita cost based on subscribers, includes non-Medicare risk pool only. Figures based on calendar year 2022 which includes projected claims cost at the time of this reporting.

Each participating employer in the plan is required to disclose additional information with regard to funding policy, the employer's annual OPEB costs and contributions made, the funded status and funding progress of the employer's individual plan, and actuarial methods and assumptions used.

For information on the results of an actuarial valuation of the employer provided subsidies associated with the PEBB plan, refer to the Office of the State Actuary's (OSA) website: https://leg.wa.gov/osa/additional_services/Pages/OPEB.aspx. Please note that the results from OSA's report will not precisely match this publication due to the exclusion of a component unit that reports on a cash basis, and inclusion of a component unit not included in OSA's valuation report.

Actuarial Assumptions. The total OPEB liability was determined using the following methodologies:

Actuarial valuation date	6/30/2020
Actuarial measurement date	6/30/2021
Actuarial cost method	Entry Age
Amortization method	The recognition period for the experience and assumption changes is 9 years. This is equal to the average expected remaining service lives of all active and inactive members.
Asset valuation method	N/A - No Assets

Projections of benefits for financial reporting purposes are based on the terms of the substantive plan (i.e., the plan as understood by the employer and the plan members), and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members (active employees and retirees) to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.75%
Projected salary changes	3.50% plus service-based salary increases
Health care trend rates	Initial trend rate ranges from 2-11%, reaching an ultimate rate of approximately 4.3% in 2075.
Post-retirement participation percentage	65%
Percentage with spouse coverage	45%

In projecting the growth of the explicit subsidy, after 2023 when the cap is \$183, it is assumed to grow at the health care trend rates. The Legislature determines the value of the cap and no future increases are guaranteed; however, based on historical growth patterns, future increases to the cap are assumed.

Mortality rates were developed using the Society of Actuaries' Pub. H-2010 mortality rates which vary by member status (e.g. active, retiree, or survivor), as the base table. The OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Under "generational" mortality, a member is assumed to receive additional mortality improvements in each future year, throughout their lifetime.

Most demographic actuarial assumptions, including mortality and when members are expected to terminate and retire, were based on the results of the 2013-2018 Demographic Experience Study Report. The post-retirement participation percentage and percentage with spouse coverage, were reviewed in 2017. Economic assumptions, including inflation and salary increases, were based on the results of the 2021 Economic Experience Study.

Discount Rate. Since OPEB benefits are funded on a pay-as-you-go basis, the discount rate used to measure the total OPEB liability was set equal to the Bond Buyer General Obligation 20-Bond Municipal Bond Index, or 2.21 percent for the June 30, 2020, measurement date and 2.16 percent for the June 30, 2021, measurement date.

Additional detail on assumptions and methods can be found on OSA's website.

Total OPEB Liability. As of June 30, 2022, the state reported a total OPEB liability of \$6.47 billion.

Changes in Total OPEB Liability

The following table presents the change in the total OPEB liability as of the June 30, 2022, reporting date (expressed in thousands):

Changes in Total OPEB Liability	State	Component Units	Total
Total OPEB Liability - Beginning	\$ 6,051,475	\$ 5,444	\$ 6,056,919
Changes for the year:			
Service cost	323,267	439	323,706
Interest	139,714	128	139,842
Difference between expected and actual experience*	—	404	404
Changes in assumptions*	59,693	(991)	58,702
Changes in proportion	88	(88)	—
Benefit payments	(106,443)	(80)	(106,523)
Net Changes in Total OPEB Liability	416,319	(188)	416,131
Total OPEB liability - Ending	\$ 6,467,794	\$ 5,256	\$ 6,473,050

*The recognition period for these changes is nine years. This is equal to the average expected remaining service lives of all active and inactive members.

The increase in the total OPEB liability is due to changes in assumptions resulting from a decrease in the Bond Buyer General Obligation 20-Bond Municipal Bond Index discount rate.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the state as an employer calculated using the discount rate of 2.16 percent, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.16 percent) or 1 percentage point higher (3.16 percent) than the current rate (expressed in thousands):

	State	Component Units	Total
1% decrease	\$ 7,836,192	\$ 6,340	\$ 7,842,532
Current discount rate	\$ 6,467,794	\$ 5,256	\$ 6,473,050
1% increase	\$ 5,403,876	\$ 4,411	\$ 5,408,287

Sensitivity of Total OPEB Liability to Changes in the Health Care Cost Trend Rates. The following represents the total OPEB liability of the state as an employer, calculated using the health care trend rates of 2-11 percent reaching an ultimate range of 4.30 percent, as well as what the total OPEB liability would be if it were calculated using health care trend rates that are 1 percentage point lower (1-10 percent) or 1 percentage point higher (3-12%) than the current rate (expressed in thousands):

	State	Component Units	Total
1% decrease	\$ 5,218,062	\$ 4,268	\$ 5,222,330
Current health care cost trend rate	\$ 6,467,794	\$ 5,256	\$ 6,473,050
1% increase	\$ 8,156,606	\$ 6,586	\$ 8,163,192

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB. For the year ending June 30, 2022, the state recognized OPEB expense of \$291.0 million.

On June 30, 2022, the state reported deferred outflows of resources and deferred inflows of resources related to OPEB for the state, including component units, from the following sources (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 111,082	\$ 25,283
Changes of assumptions	412,266	1,174,392
Transactions subsequent to the measurement date	106,831	—
Changes in proportion	226,154	226,179
Total	\$ 856,333	\$ 1,425,854

Deferred outflows of resources and deferred inflows of resources related to OPEB for component units as of the June 30, 2022, reporting date were as follows (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 447	\$ 244
Changes of assumptions	364	1,751
Transactions subsequent to the measurement date	62	—
Changes in proportion	79	290
Total	\$ 952	\$ 2,285

Amounts reported as deferred outflows of resources related to OPEB resulting from transactions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2023.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB for the state will be recognized in OPEB expense in the fiscal years ended June 30 (expressed in thousands):

Subsequent Years	
2023	\$ (172,260)
2024	\$ (172,260)
2025	\$ (172,260)
2026	\$ (172,260)
2027	\$ (71,992)
Thereafter	\$ 84,680

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB for component units will be recognized in OPEB expense in the fiscal years ended June 30 (expressed in thousands):

Subsequent Years	
2023	\$ (182)
2024	\$ (182)
2025	\$ (182)
2026	\$ (182)
2027	\$ (119)
Thereafter	\$ (548)

Note 15 Derivative Instruments

Hedging Derivative Instruments

In addition to investment derivative instruments as described in Note 3, the state, through the Washington State Department of Transportation Ferries Division

(WSF), entered into commodity swap agreements to hedge a portion of WSF diesel fuel consumption.

The following table presents the hedging derivative instruments as of June 30, 2022 (expressed in thousands):

	Changes in Fair Value		Fair Value at June 30, 2022		Notional Amount (in Gallons)
	Classification	Amount	Classification	Amount	
Governmental Activities					
Cash flow hedges:					
	Deferred		Accounts		
Commodity swaps	Inflow	\$ (8,904)	Receivable	\$ 8,904	6,048

The commodity swaps noted above were reviewed for hedge accounting and were deemed effective using the regression analysis method.

Objective

The objective for the hedge transaction is to minimize the volatility of the price of diesel fuel and therefore stabilize the percentage of the WSF operating budget represented by fuel purchases.

To accomplish this, a strategy of active hedging has been implemented by WSF to control the uncertain costs of fuel and allow for more accurate budget estimates.

Significant Terms

The significant terms of WSF active hedges during fiscal year 2022 are presented in the following table:

Type	Counterparty	Contract Price per Gallon	Variable Rate Received	Trade Date	Settlement Period	Monthly Notional Amount (in Gallons)
Commodity Swap	Cargill	1.95	NYMEX ULSD Heating Oil	8/19/2021	9/2021 - 6/2022	252,000
Commodity Swap	Cargill	2.06	NYMEX ULSD Heating Oil	11/30/2021	12/2021 - 6/2022	252,000
Commodity Swap	Cargill	2.66	NYMEX ULSD Heating Oil	2/9/2022	2/2022 - 6/2022	252,000
Commodity Swap	Cargill	1.92	NYMEX ULSD Heating Oil	8/19/2021	7/2022 - 6/2023	252,000
Commodity Swap	BofA - Merrill Lynch	2.03	NYMEX ULSD Heating Oil	11/30/2021	7/2022 - 6/2023	252,000

The hedging strategy consists of a reference to futures contracts of New York Mercantile Exchange (NYMEX) Ultra Low Sulfur Diesel (ULSD) Heating Oil. This commodity remains highly correlated to the diesel fuel type being used by WSF. These fuel hedges require no initial cash investment and provide monthly settlements.

The monthly settlements are based on the daily prices of the respective commodities whereby WSF will either receive a payment or make a payment to the counterparty, depending on the average monthly prices of the commodities in relation to the contract prices.

Fair Value

The state reports its hedging derivative instruments at fair value as either accounts payable - liability (negative fair value amount) or as other receivables - asset (positive fair value amount). The fair value represents the current price to settle swap assets or liabilities in the market place if a swap were to be terminated. The changes in fair value for hedging derivative instruments represent the unrealized gain or loss on the contracts and are reported as deferred inflows or deferred outflows of resources, respectively. At fiscal year end, the state reports the fair value and changes in fair value related to hedging derivative instruments on the Balance Sheet for Nonmajor Governmental Funds and the Government-wide Statement of Net Position.

Risks

The following risks are generally associated with commodity swap agreements:

Basis risk. Basis risk is the risk that arises when variable rates or prices of a hedging derivative instrument and a hedged item are based on different reference rates.

Statistically, the relationship between heating oil prices and diesel fuel prices has been quite stable over the past five years with a 98 percent correlation. This means that the heating oil futures price explains 98 percent of the variance in the price that WSF pays for its diesel fuel, making it highly reliable. In order to mitigate basis risk, WSF continually monitors the relationship between futures prices and the price of diesel fuel delivered.

Termination Risk. Termination risk is the risk that there will be a mandatory early termination of the commodity swap that would result in WSF either paying or receiving a termination payment. Mandatory terminations generally result when a counterparty suffers degraded credit quality or fails to perform. Upon termination, payment may be required by either party, reflecting fair value at the time of termination.

Credit Risk. Credit risk is the risk that the counterparty fails to make the required payments or otherwise comply with the terms of the swap agreement. WSF is exposed to credit risk in the amount of the derivative instrument's fair value. When the fair value of any derivative instrument has a positive market value, then WSF is exposed to the actual risk that the counterparty will not fulfill its obligation. To mitigate credit risk, WSF monitors the credit ratings of the counterparties. At June 30, 2022, credit ratings of the state's counterparty were as follows:

Counterparty	Moody's	Standard & Poor's	Fitch
Cargill	A2	A	A
Bank of America Merrill Lynch International Limited	-	A+	AA

Note 16 Tax Abatements

During fiscal year 2022, the state of Washington provided material tax abatements through six programs, three of which are only available to businesses in the aerospace industry.

Data Center Server Equipment and Power Infrastructure Tax Exemption

Per Revised Code of Washington (RCW) 82.08.986 and 82.12.986, the purchase or use of server equipment and power infrastructure in data centers within the state of Washington, along with certain related labor and services charges, may be exempt from sales and use tax to encourage immediate investments in technology facilities.

The Department of Revenue (DOR) will issue an exemption certificate, which the buyer must present to the seller at the time of the sale in order to make eligible tax-exempt purchases.

Within six years of the date that the exemption certificate is issued, the certificate holder must establish that net employment at the computer data center has increased by a minimum of 35 family wage positions or 3 family wage employment positions for each 20,000 square feet or less of space. Family wage employment positions are new permanent employment positions requiring 40 hours of weekly work, or their equivalent, at the eligible computer data center, and receiving a wage equivalent to or greater than 150 percent of the per capita personal income of the county in which the data center is located. All previously exempted sales and use tax are immediately due and payable for a qualifying business that does not meet these requirements.

High-Technology Business Tax Deferral Program

Chapter 82.63 RCW provides a deferral and ultimate waiver of sales and use tax to encourage the creation of high-wage, high-skilled jobs in the state of Washington. The deferral applies to sales and use tax arising from the construction or expansion of a qualified research and development facility or a pilot scale manufacturing facility used in the fields of advanced computing, advanced materials, biotechnology, electronic device technology, or environmental technology.

Businesses must apply for a deferral certificate prior to being issued a building permit for the project(s) or before taking possession of machinery and equipment. Eligible projects will receive a sales and use tax deferral certificate issued by DOR, which allows vendors and contractors to sell to the approved business without charging sales tax. An annual survey must be filed by May 31 of the year in which the project is certified and for the following seven years. If the investment project is used for any other purpose at any time during the calendar year in which the investment is certified as operationally complete, or during the next seven calendar years, a portion of the deferred taxes must be repaid immediately. The portion due is determined by a sliding scale ranging from 100 percent recapture in the year the project is operationally complete to 12.5 percent recapture in year eight.

Multi-Unit Urban Housing Tax Exemption

RCW 84.14.020 allows for a property tax exemption to improve residential opportunities, including affordable housing opportunities, in urban centers. In order to qualify for the exemption, the new or rehabilitated multiple-housing unit must be located in a targeted residential area designated by the city or county, provide for a minimum of 50 percent of the space for permanent residential occupancy, meet all construction and development regulations, and be completed within three

years of the application approval date. To qualify as a rehabilitated unit, the property must also fail to comply with one or more standards of the applicable state or local building or housing codes on or after July 23, 1995.

The property owner must apply for the exemption certificate with the city or county where the property is located before beginning construction. If the application is approved, the exemption certificate will be issued after the owner certifies all requirements have been met upon completion of the project. If the application for a tax exemption certificate was submitted before July 22, 2007, the property is exempt for ten years. If the application for a tax exemption certificate was submitted on or after July 22, 2007, the property is exempt for eight years, unless the applicant commits to renting or selling at least 20 percent of the units as affordable housing units to low and moderate-income households, making it exempt for 12 years. Each tax exemption certificate recipient must submit an annual report to the city or county. If a portion of the property no longer meets the exemption requirements, the tax exemption is canceled and a lien will be placed on the land for the additional real property tax on the value of the non-qualifying improvements plus a 20 percent penalty and interest.

Aerospace Incentives

The state of Washington provides tax abatement programs to the aerospace industry to encourage the industry's continued presence in the state.

RCW 82.04.4461 allows a business and occupation (B&O) tax credit equal to 1.5 percent of expenditures on aerospace product development performed within Washington. A business claiming the credit must file an annual report with DOR.

Per RCW 82.04.4463, manufacturers and processors for hire of commercial airplanes or their component parts and aerospace tooling manufacturers are eligible for a B&O tax credit equal to the property and leasehold taxes paid on certain buildings, land, and the increased value from certain building renovations or expansions, as well as a portion of property taxes paid on certain machinery and equipment. The credit for machinery and equipment is equal to the amount of property taxes paid on the machinery and equipment multiplied by a fraction as prescribed in the RCW.

Eligibility for the credit requires the building, land, and/or machinery and equipment be used exclusively in manufacturing commercial airplanes or their components or in manufacturing tooling specifically designed for use in manufacturing commercial airplanes or their components. A business claiming the credit must file an annual report with DOR.

Non-manufacturers engaged in the business of aerospace product development and certificated Federal Aviation Regulation repair stations making retail sales are eligible for a B&O tax credit equal to property and leasehold taxes on certain buildings, land, and the increased value of renovated buildings, and qualifying computer equipment and peripherals under RCW 82.04.4463. Eligibility for the credit requires the building, land, and/or computer equipment and peripherals be used exclusively in aerospace product development or in providing aerospace services. A business claiming the credit must file an annual report with DOR.

The purchase and use of computer hardware, software, or peripherals, including installation charges, is exempt from sales and use tax per RCW 82.08.975 and 82.12.975 if the item is used primarily in developing, designing, and engineering aerospace products. The purchaser must present a Buyers' Retail Sales Tax Exemption Certificate to the seller at the time of purchase.

The following table shows the amount of taxes abated during fiscal year 2022 (expressed in thousands):

Tax Abatement Program	Amount of Taxes Abated
Data center server equipment and power infrastructure exemption	\$ 73,855
High-technology business tax deferral program	32,008
Multi-unit urban housing tax exemption	33,334
Aerospace incentives:	
Aerospace product development expenditures credit	50,454
Aerospace business facilities credit	57,105
Computer hardware, software, and peripherals exemption	6,156
TOTAL	\$ 252,912

Note 17

Commitments and Contingencies

A. CAPITAL COMMITMENTS

Outstanding commitments related to state infrastructure and facility construction, improvement, and/or renovation totaled \$5.76 billion at June 30, 2022.

B. ENCUMBRANCES

Encumbrances, which represent commitments related to unperformed contracts for goods or services, are included in restricted, committed, or assigned fund balance, as appropriate. Operating encumbrances lapse at the end of the applicable appropriation period. Capital outlay encumbrances lapse at the end of the biennium unless reappropriated by the Legislature in the ensuing biennium. Encumbrances outstanding against continuing appropriations at the end of fiscal year 2022 are expressed in thousands:

General Fund	\$ 673,157
Nonmajor Governmental Funds	1,573,005

C. SUMMARY OF SIGNIFICANT LITIGATION

Pending Litigation

The state and its agencies are parties to numerous routine legal proceedings that normally occur in governmental operations. In addition, at any given point, there may be numerous lawsuits involving the implementation, reduction, or elimination of specific state programs that could significantly impact expenditures and revenues, and potentially have future budgetary impact. This summary considers significant litigation not covered by tort insurance. Tort case liabilities are disclosed in Note 7.D, Claims and Judgments, Risk Management.

The state is defending a case where the plaintiffs challenge the constitutionality of the capital gains tax which went into effect in January 2022. The new tax is estimated to bring in approximately \$442 million per year starting fiscal year 2023.

A putative class action was brought by several contracted individual providers alleging breach of contract by the state and violation of the Minimum Wage Act. The potential fiscal impact was approximately \$116 million, and the state has been going through proceedings necessary to effectuate a settlement.

The state is also the defendant in a number of cases alleging inadequate funding of state programs or services, as well as various assertions by taxpayers for improper tax assessments. Claims include insufficient competency services at state hospitals; and violation of various federal laws in providing services for children with behavioral health or development disabilities. Several pharmacy associations also sued the state to block the implementation of new rules regarding Medicaid fee-for-service payment rates. Collective claims in these programmatic and service cases are currently indeterminable, but adverse rulings in some of these cases could result in significant future costs.

The state is contesting these lawsuits and the outcomes are uncertain at this time.

Tobacco Settlement

In November 1998, Washington joined 45 other states in a Master Settlement Agreement (MSA) with the nation's largest tobacco manufacturers to provide restitution for monies spent under health care programs for the treatment of smoking-related illnesses.

The annual payments to each state under the MSA are subject to a number of adjustments, including the nonparticipating manufacturer (NPM) adjustment. The NPM adjustment is a downward adjustment that is applicable to any state found by an arbitration panel not to have diligently enforced the qualifying statute. The amount of the available adjustment is calculated every year by Price Waterhouse Coopers and is typically \$1.25 billion. States found not diligent share the costs of that downward adjustment and the adjustment is applied against the next annual MSA payment. No state can lose more than its entire annual payment.

For every annual MSA payment cycle since 2006, the participating manufacturers have withheld the amount of the available NPM adjustment from their MSA payments claiming all of the states were not diligent, depositing the amount of the available adjustment into a Disputed Payments Account. For Washington, the amount withheld from each payment has been in the range of approximately \$17.5 million to \$24.9 million. The states are required to sue the participating manufacturers to recover the withheld amounts.

The withholding in 2006 challenged the states' diligence for calendar year 2003. That challenge marked the first time the NPM adjustment procedure was involved and led to diligent enforcement arbitration. The arbitration occurred in two stages: a national hearing on "common issues" and then state's specific case.

During the 2003 NPM adjustment dispute, 22 states settled their dispute. The participating manufacturers agreed to a 54 percent reduction in their annual MSA

payments and to additional NPM enforcement obligations. On September 11, 2013, the arbitration panel issued a decision in Washington's favor, unanimously concluding that Washington proved that it diligently enforced the qualifying statute during calendar year 2003 and therefore, for that calendar year, is not subject to an NPM adjustment under the MSA. As a result of that decision, in fiscal year 2014, Washington received approximately \$14 million more than it would have otherwise received.

The 2004 NPM adjustment dispute began shortly after the conclusion of the 2003 dispute. In September 2019, one of the states' three elected arbitration panel members passed away before any decisions were finalized. The states subsequently selected a replacement who reviewed all filings and transcripts and participated in the panel's decisions.

In September 2021, the panel determined that Washington was not diligent. The adverse decision largely turned on the 2004 panel's different treatment of tribal cigarette sales. The 2003 panel ruling supported the Washington's position that cigarette sales by tribes that have compacts with the state are not within its diligent enforcement obligations, but the 2004 panel reached the opposite conclusion. In a motion for vacatur, Washington was able to get the ruling overturned so that it will not have diligent enforcement obligations for compact cigarette sales for all cases going forward. However, even with the correction, the court declined to overturn the adverse finding of non-diligence. The tobacco companies have appealed the ruling, and Washington has crossed-appealed the refusal of the court to send the case back for reconsideration after correcting the error on tribal compact cigarette sales.

Washington faces a potential downward NPM adjustment in its next MSA payment of approximately \$39 million. It is unlikely the appeal will be resolved before the April 2023 payment cycle. If the state prevails on reversing the diligence determination, the Independent Auditor would apply the credit in the following payment cycle.

The 2005, 2006, and 2007 NPM Adjustment disputes are currently underway and the arbitration panel for multiple years has been convened. The common case for those years was completed in July 2022. Washington state's specific hearing is set for April 24 to May 6, 2023.

D. FEDERAL ASSISTANCE

The state has received federal financial assistance for specific purposes that are generally subject to review or audit by the grantor agencies.

Entitlement to this assistance is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including

the expenditure of assistance for allowable purposes. Any disallowance resulting from a review or audit may become a liability of the state.

The state estimates and recognizes claims and judgments liabilities for disallowances when determined by the grantor agency or for probable disallowances based on experience pertaining to these grants; however, these recognized liabilities and any unrecognized disallowances are considered immaterial to the state's overall financial condition.

E. ARBITRAGE REBATE

Rebatable arbitrage is defined by the Internal Revenue Service Code Section 148 as earnings on investments purchased from the gross proceeds of a bond issue that are in excess of the amount that would have been earned if the investments were invested at a yield equal to the yield on the bond issue.

The rebatable arbitrage must be paid to the federal government. The state estimates that rebatable arbitrage liability, if any, will be immaterial to its overall financial condition.

F. FINANCIAL GUARANTEES

School District Credit Enhancement Program

In accordance with chapter 39.98 RCW (School District Credit Enhancement Program), the state has guaranteed outstanding voter-approved general obligation bonds of school districts within the state in the amount of \$16.03 billion at June 30, 2022. The guarantees extend through the life of the bonds, with a final maturity date of the longest series in 2045.

In the event that a school district has insufficient funds to make a required debt service payment on a guaranteed bond, the state is required to transfer sufficient funds to make the payment. School districts for which the state has made all or part of a debt service payment shall reimburse the state for all money drawn on their behalf, as well as interest and penalties.

G. COLUMBIA RIVER CROSSING

The Washington State Department of Transportation (WSDOT) and the Oregon Department of Transportation (ODOT) worked together, along with federal and local agencies, on the Columbia River Crossing (CRC) project. The CRC project was a bridge, transit, highway, bicycle, and pedestrian improvement project intended to replace the existing two highway spans on Interstate 5 (I-5) across the Columbia River, along with new interchanges on both the Washington and Oregon sides of the river. It also included extension of light rail public transit into Vancouver, Washington.

In 2014, the CRC project was shut down due to lack of funding by both the Washington and Oregon legislatures. During the project, WSDOT expended approximately \$54 million in federal funds, of which \$15 million was jointly awarded to Washington and Oregon.

Under Federal Highway Administration (FHWA) policy, failure to advance a project to the construction phase within 10 years of the initial obligation of funds could trigger a requirement to repay federal funds used on the project. FHWA has granted Washington and Oregon an extension to September 30, 2024.

In 2019, the Washington Legislature provided \$35 million to establish a project office jointly staffed by Washington and Oregon. The funding also covers pre-design activities to replace the I-5 Columbia River bridge crossing. The Oregon Transportation Commission (OTC) allocated \$9 million as the state's initial contribution to restarting the work. In August 2019, the OTC approved an additional \$4 million to be obligated to the program from the fiscal year 2020 federal redistribution funds.

In April 2020, WSDOT and ODOT signed a funding and administration agreement committing to jointly approve expenditures and equally fund the program. A program administrator was hired in June 2020 to act on behalf of both states.

In August 2020, the OTC approved an additional \$6 million to be obligated to the program from the fiscal year 2021 federal redistribution funds, followed by an additional \$30 million in March 2021. ODOT and WSDOT have initiated program development efforts including re-engaging program partners and stakeholders and resuming bi-state legislative committee engagement.

During fiscal year 2022, the bi-state legislative committee continued to work with WSDOT, ODOT, and their respective transportation commissions on program development for construction of the new I-5 bridge. The current process allows public participation and provides project development reports and recommendations to the legislatures of Washington and Oregon. Additionally, WSDOT was awarded \$2.74 billion of Move Ahead Washington funds as part of the fiscal year 2022 supplemental budget, which authorized a combination of bi-state funding from federal, state, tolling, and local funds for projects including the Columbia River Crossing Project.

H. OTHER COMMITMENTS AND CONTINGENCIES

Local Option Capital Asset Lending Program

On September 1, 1998, the state lease-purchase program was extended to local governments seeking low cost

financing of essential equipment and, in the year 2000, for real estate. The Local Option Capital Assets Lending (LOCAL) program allows local governments to pool their financing requests together with Washington state agencies in Certificates of Participation (COPs). Refer to Note 7.B for the state's COP disclosure.

These COPs do not constitute a debt or pledge of the full faith and credit of the state; rather, local governments pledge their full faith and credit in a general obligation pledge.

In the event that any local government fails to make any payment, the state is obligated to withhold an amount sufficient to make such payment from the local government's share, if any, of state revenues or other

amounts authorized or required by law to be distributed by the state to such local government, if otherwise legally permissible.

Upon failure of any local government to make a payment, the state is further obligated, to the extent of legally available appropriated funds, to make such payment on behalf of such local government. The local government remains obligated to make all COP payments and reimburse the state for any conditional payments.

As of June 30, 2022, outstanding COP notes totaled \$141.2 million for 134 local governments participating in LOCAL. The state estimates that the LOCAL program liability, if any, will be immaterial to its overall financial condition.

Note 18

Subsequent Events

A. BOND ISSUES

In July 2022, the state issued:

- \$693.9 million in various purpose general obligation bonds to provide funds to pay and reimburse for various state capital projects.

- \$140.0 million in taxable general obligation bonds to provide funds to pay and reimburse for various non-transportation capital projects.

B. CERTIFICATES OF PARTICIPATION

In October 2022, the state issued \$17.3 million in Certificates of Participation.

BUDGETARY COMPARISON SCHEDULES

General Fund

For the Fiscal Year Ended June 30, 2022

(expressed in thousands)

	Original Budget 2021-2023 Biennium	Final Budget 2021-2023 Biennium	Actual 2021-2023 Biennium	Variance with Final Budget
Budgetary Fund Balance, July 1, as restated	\$ 4,853,885	\$ 4,853,885	\$ 4,853,885	\$ —
Resources				
Taxes	58,484,663	58,470,638	29,351,861	(29,118,777)
Licenses, permits, and fees	282,356	282,356	146,561	(135,795)
Other contracts and grants	1,124,503	1,124,503	356,722	(767,781)
Timber sales	9,136	9,136	5,286	(3,850)
Federal grants-in-aid	41,255,447	43,805,338	19,653,665	(24,151,673)
Charges for services	158,919	534,306	64,814	(469,492)
Investment income (loss)	139,611	141,905	41,879	(100,026)
Miscellaneous revenue	347,865	348,225	192,240	(155,985)
Unclaimed property	347,795	347,795	154,341	(193,454)
Transfers from other funds	3,138,663	4,717,900	1,225,424	(3,492,476)
Total Resources	110,142,843	114,635,987	56,046,678	(58,589,309)
Charges To Appropriations				
General government	10,564,536	15,181,089	6,154,172	9,026,917
Human services	48,343,114	51,407,072	24,469,619	26,937,453
Natural resources and recreation	1,236,828	1,614,538	682,266	932,272
Transportation	154,608	168,084	75,067	93,017
Education	35,797,863	35,637,051	17,339,792	18,297,259
Capital outlays	2,020,219	2,844,340	216,147	2,628,193
Transfers to other funds	2,205,782	2,205,842	553,481	1,652,361
Total Charges To Appropriations	100,322,950	109,058,016	49,490,544	59,567,472
Excess Available For Appropriation Over (Under) Charges To Appropriations	9,819,893	5,577,971	6,556,134	978,163
Reconciling Items				
Debt service	—	—	(42)	(42)
Bond sale proceeds	95,714	132,804	127,922	(4,882)
Issuance premiums	—	—	914	914
Refunding COPs issued	—	—	4,080	4,080
Assumed reversions	295,743	321,732	—	(321,732)
Working capital adjustment	—	—	15,000	15,000
Noncash activity (net)	—	—	(175,531)	(175,531)
Nonappropriated fund balances	—	—	859,705	859,705
Changes in reserves (net)	—	—	(289,703)	(289,703)
Total Reconciling Items	391,457	454,536	542,345	87,809
Budgetary Fund Balance, June 30	\$ 10,211,350	\$ 6,032,507	\$ 7,098,479	\$ 1,065,972

The separately submitted report that demonstrates compliance at a legal level of budgetary control is traceable to the Schedule of Revenues, Expenditures and Other Financing Sources (Uses) - Budget and Actual found in the Individual Fund Schedules section.

BUDGETARY COMPARISON SCHEDULES

General Fund - Budget to GAAP Reconciliation

For the Fiscal Year Ended June 30, 2022

(expressed in thousands)

Sources/Inflows of Resources

Actual amounts (budgetary basis) "Total Resources"	
from the Budgetary Comparison Schedule	\$ 56,046,678
Differences - budget to GAAP:	
The following items are inflows of budgetary resources but are not revenue for financial reporting purposes:	
Transfers from other funds	(1,225,424)
Budgetary fund balance at the beginning of the biennium, as restated	(4,853,885)
Appropriated loan principal repayment	(44)
The following items are not inflows of budgetary resources but are revenue for financial reporting purposes:	
Noncash commodities and electronic food stamp benefits	3,238,827
Revenues collected for other governments	182,915
Unanticipated receipts	119,919
Noncash revenues	87,099
Other	(297,732)
Biennium total revenues	<u>53,298,353</u>
Nonappropriated activity	<u>385,017</u>
Total Revenues (GAAP Basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u><u>\$ 53,683,370</u></u>

Uses/Outflows of Resources

Actual amounts (budgetary basis) "Total Charges to Appropriations"	
from the Budgetary Comparison Schedule	\$ 49,490,544
Differences - budget to GAAP:	
The following items are outflows of budgetary resources but are not expenditures for financial reporting purposes:	
Appropriated transfers to other funds	(5,105,940)
Other transfers to other funds	(553,481)
The following items are not outflows of budgetary resources but are recorded as current expenditures for financial reporting purposes:	
Noncash commodities and electronic food stamp benefits	3,238,829
Distributions to other governments	182,915
Certificates of participation and capital lease acquisitions	57,106
Expenditures related to unanticipated receipts	119,919
Interest on debt service	42
Biennium total expenditures	<u>47,429,934</u>
Nonappropriated activity	<u>860,950</u>
Total expenditures (GAAP basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	<u><u>\$ 48,290,884</u></u>

BUDGETARY COMPARISON SCHEDULES

Higher Education Special Revenue Fund

For the Fiscal Year Ended June 30, 2022

(expressed in thousands)

	Original Budget 2021-2023 Biennium	Final Budget 2021-2023 Biennium	Actual 2021-2023 Biennium	Variance with Final Budget
Budgetary Fund Balance, July 1, as restated	\$ 536,990	\$ 536,990	\$ 536,990	\$ —
Resources				
Taxes	2,457,029	2,371,363	1,269,877	(1,101,486)
Charges for services	3,022,017	21,591	1	(21,590)
Investment income (loss)	5,062	50	4,205	4,155
Miscellaneous revenue	4,124	71,845	—	(71,845)
Transfers from other funds	5,014	5,014	14,138	9,124
Total Resources	6,030,236	3,006,853	1,825,211	(1,181,642)
Charges To Appropriations				
General government	426	39,431	39,263	168
Human services	44,217	48,117	16,560	31,557
Education	2,448,116	2,652,814	846,315	1,806,499
Transfers to other funds	138,238	28,012	14,138	13,874
Total Charges To Appropriations	2,630,997	2,768,374	916,276	1,852,098
Excess Available For Appropriation Over (Under) Charges To Appropriations	3,399,239	238,479	908,935	670,456
Reconciling Items				
Noncash activity (net)	—	—	(8,747)	(8,747)
Nonappropriated fund balances	—	—	4,225,268	4,225,268
Changes in reserves (net)	—	—	28,079	28,079
Total Reconciling Items	—	—	4,244,600	4,244,600
Budgetary Fund Balance, June 30	\$ 3,399,239	\$ 238,479	\$ 5,153,535	\$ 4,915,056

BUDGETARY COMPARISON SCHEDULES

Higher Education Special Revenue Fund - Budget to GAAP Reconciliation

For the Fiscal Year Ended June 30, 2022

(expressed in thousands)

Sources/Inflows of Resources

Actual amounts (budgetary basis) "Total Resources"	
from the Budgetary Comparison Schedule	\$ 1,825,211
Differences - budget to GAAP:	
The following items are inflows of budgetary resources but are not revenue for financial reporting purposes:	
Transfers from other funds	(14,138)
Budgetary fund balance at the beginning of the biennium, as restated	(536,990)
The following items are not inflows of budgetary resources but are revenue for financial reporting purposes:	
Noncash revenues	198
Biennium total revenues	<u>1,274,281</u>
Nonappropriated activity	<u>6,800,654</u>
Total Revenues (GAAP Basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u><u>\$ 8,074,935</u></u>

Uses/Outflows of Resources

Actual amounts (budgetary basis) "Total Charges to Appropriations"	
from the Budgetary Comparison Schedule	\$ 916,276
Differences - budget to GAAP:	
The following items are outflows of budgetary resources but are not expenditures for financial reporting purposes:	
Appropriated transfers to other funds	(184,317)
Other transfers to other funds	(14,138)
Biennium total expenditures	<u>717,821</u>
Nonappropriated activity	<u>6,318,599</u>
Total expenditures (GAAP basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	<u><u>\$ 7,036,420</u></u>

BUDGETARY INFORMATION
Notes to Required Supplementary Information

GENERAL BUDGETARY POLICIES AND PROCEDURES

The Governor is required to submit a budget to the Legislature no later than December 20 of the year preceding odd-numbered year sessions of the Legislature.

The budget is a proposal for expenditures in the ensuing biennial period based upon anticipated revenues from the sources and rates existing by law at the time of submission of the budget. The Governor may additionally submit, as an appendix to the budget, a proposal for expenditures in the ensuing biennium from revenue sources derived from proposed changes in existing statutes.

The appropriated budget and any necessary supplemental budgets are legally required to be adopted through the

passage of appropriation bills by the Legislature and approved by the Governor. Operating appropriations are generally made at the fund/account and agency level; however, in a few cases, appropriations are made at the fund/account and agency/program level. Operating appropriations cover either the entire biennium or a single fiscal year in the biennium. Capital appropriations are biennial and are generally made at the fund/account, agency, and project level.

The legal level of budgetary control is at the fund/account, agency, and appropriation level, with administrative controls established at lower levels of detail in certain instances. The accompanying budgetary schedule is not presented at the legal level of budgetary control. This is due to the large number of appropriations within individual agencies that would make such a presentation in the accompanying financial schedule extremely cumbersome. Section 2400.121 of the Governmental Accounting Standards Board Codification of Governmental Accounting and Financial Reporting

Standards provides for the preparation of a separate report in these extreme cases.

For the state of Washington, a separate report has been prepared for the 2021-2023 biennium to illustrate legal budgetary compliance. Appropriated budget versus actual expenditures and estimated versus actual revenues and other financing sources (uses) for appropriated funds/accounts at agency and appropriation level are presented in the Budget-to-Actual Detail Report for governmental funds. The report is available on line at [https://ofm.wa.gov/sites/default/files/public/accounting/report/ACFR/2022/Washington State Budget to Actual Detail Report.pdf](https://ofm.wa.gov/sites/default/files/public/accounting/report/ACFR/2022/Washington%20State%20Budget%20to%20Actual%20Detail%20Report.pdf).

Legislative appropriations are strict legal limits on expenditures; over-expenditures are prohibited. All appropriated and certain nonappropriated funds/accounts are further controlled by the executive branch through the allotment process. This process allocates the expenditure plan into monthly allotments by program, source of funds, and object of expenditure. State law does not preclude the over-expenditure of allotments.

Proprietary funds/accounts can earn revenues and incur expenses (i.e., depreciation or cost of goods sold) not covered by the allotment process. Budget estimates are generally made outside the allotment process according to prepared business plans. These proprietary fund/account business plan estimates are adjusted only at the beginning of each fiscal year.

Additional fiscal control is exercised through various means. The Office of Financial Management is authorized to estimate revenue and make expenditure allotments based on availability of unanticipated receipts, mainly federal government grant increases made during a fiscal year.

Operating encumbrances lapse at the end of the applicable appropriation. Capital outlay encumbrances lapse at the end of the biennium unless reappropriated by the Legislature in the ensuing biennium. Encumbrances outstanding against continuing appropriations at fiscal year-end are reported as restricted, committed, or assigned fund balance.

Budgetary Reporting vs. GAAP Reporting

Governmental funds are budgeted materially in conformance with generally accepted accounting principles.

However, the presentation in the accompanying budgetary schedules is different in certain respects from the corresponding Statements of Revenues, Expenditures, and Changes in Fund Balance (governmental operating statement).

In the accompanying budgetary schedules, budget and actual expenditures are reported only for appropriated activities. Expenditures are classified based on whether the appropriation is from the operating or capital budget. Expenditures funded by operating budget appropriations are reported as current expenditures classified by the function of the agency receiving the appropriation. Expenditures funded by capital budget appropriations are reported as capital outlays.

However, in the governmental operating statements, all governmental funds are included and expenditures are classified according to what was actually purchased. Capital outlays are capital asset acquisitions such as land, buildings, and equipment. Debt service expenditures are principal and interest payments. Current expenditures are all other governmental fund expenditures classified based on the function of the agency making the expenditures.

Certain governmental activities are excluded from the budgetary schedules because they are not appropriated. These include activities designated as nonappropriated by the Legislature. Nonappropriated activities can represent a portion of a fund such as the Higher Education Special Revenue Fund or all of a fund such as the Higher Education Endowment and Tobacco Settlement Securitization Bond Debt Service Funds. Additionally, certain items including federal surplus food commodities, electronic food stamp benefits, and resources collected and distributed to other governments are also excluded because they are not appropriated.

Further, certain expenditures are appropriated as operating transfers. These transfers are reported as operating transfers on the budgetary schedules and as expenditures on the governmental operating statements.

In the General Fund, Budgetary Fund Balance equals restricted fund balance reduced by a portion that is not available for budgeting, committed, and unassigned fund balances as reported on the Governmental Funds Balance Sheet. In the Higher Education Special Revenue Fund, Budgetary Fund Balance equals the sum of restricted and committed fund balance as reported on the Governmental Funds Balance Sheet. In all other funds except Wildlife and Natural Resources, Budgetary Fund Balance equals total fund balance less nonspendable fund balance as reported on the Governmental Funds Balance Sheet. The Budgetary Fund Balance in the Wildlife and Natural Resources fund is further reduced by a portion of restricted fund balance that is not available for budgeting.

PENSION PLAN INFORMATION
Single Employer Plans

Schedule of Changes in Net Pension Liability and Related Ratios

Washington State Patrol Retirement System - Plan 1/2

Last Nine Measurement Years *

(expressed in thousands)

	2021	2020	2019
Total Pension Liability			
Service cost	\$ 23,462	\$ 23,091	\$ 22,671
Interest	105,943	100,877	96,629
Changes of benefit terms	—	2,400	—
Differences Between Expected and Actual Experience	(2,368)	11,919	4,254
Changes of Assumptions	—	581	—
Benefit payments, including refunds of member contributions	(72,786)	(68,838)	(64,370)
Net Change in Total Pension Liability	54,251	70,030	59,184
Total Pension Liability--Beginning	1,443,948	1,373,918	1,314,734
Total Pension Liability--Ending	\$ 1,498,199	\$ 1,443,948	\$ 1,373,918
Plan Fiduciary Net Position			
Contributions--employer	\$ 20,882	\$ 19,897	\$ 14,700
Contributions--employee	12,189	10,630	10,744
Net Investment Income	429,171	60,358	111,123
Benefit Payments, Including Refunds of Member Contributions	(72,786)	(68,838)	(64,370)
Administrative Expense	(123)	(96)	(131)
Other	491	808	769
Net Change in Plan Fiduciary Net Position	389,824	22,759	72,835
Plan Fiduciary Net Position--Beginning	1,385,040	1,362,281	1,289,446
Plan Fiduciary Net Position--Ending	\$ 1,774,864	\$ 1,385,040	\$ 1,362,281
State's Net Pension Liability/(Asset)--Ending	\$ (276,665)	\$ 58,908	\$ 11,637
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	118.47 %	95.92 %	99.15 %
Covered Payroll	\$ 118,448	\$ 113,704	\$ 111,612
State's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	(233.58 %)	51.81 %	10.43 %

N/A indicates not available.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary.

	2018	2017	2016	2015	2014	2013
\$	21,083	\$ 18,474	\$ 16,534	\$ 16,633	\$ 18,041	N/A
	94,569	90,560	83,373	80,037	75,249	N/A
	—	4,830	1,947	2,258	—	N/A
	13,974	23,702	(10,431)	8,883	—	N/A
	(24,367)	20,921	2	17	—	N/A
	(59,634)	(56,821)	(54,159)	(50,075)	(47,510)	N/A
	45,625	101,666	37,266	57,753	45,780	N/A
	1,269,109	1,167,443	1,130,177	1,072,424	1,026,644	N/A
\$	1,314,734	\$ 1,269,109	\$ 1,167,443	\$ 1,130,177	\$ 1,072,424	\$ 1,026,644
\$	14,203	\$ 7,587	\$ 7,044	\$ 6,679	\$ 6,587	N/A
	9,922	10,454	8,895	6,323	6,555	N/A
	113,597	151,021	25,352	49,046	176,856	N/A
	(59,634)	(56,821)	(54,159)	(50,075)	(47,510)	N/A
	(131)	(53)	(60)	(67)	(84)	N/A
	650	524	429	293	509	N/A
	78,607	112,712	(12,499)	12,199	142,913	N/A
	1,210,839	1,098,127	1,110,626	1,098,427	955,514	N/A
\$	1,289,446	\$ 1,210,839	\$ 1,098,127	\$ 1,110,626	\$ 1,098,427	\$ 955,514
\$	25,288	\$ 58,270	\$ 69,316	\$ 19,551	\$ (26,003)	\$ 71,130
	98.08 %	95.41 %	94.06 %	98.27 %	102.42 %	93.07 %
\$	109,243	\$ 93,053	\$ 86,660	\$ 84,388	\$ 85,046	\$ 81,895
	23.15 %	62.62 %	79.99 %	23.17 %	-30.58 %	86.86 %

PENSION PLAN INFORMATION
Single Employer Plans

Schedule of Changes in Net Pension Liability and Related Ratios
Judicial Retirement System

Last Nine Measurement Years *
(expressed in thousands)

	2021	2020	2019
Total Pension Liability			
Service cost	\$ —	\$ —	\$ —
Interest	1,621	2,634	3,078
Changes of benefit terms	—	—	—
Differences between expected and actual experience	1,237	(447)	(1,793)
Changes in assumptions	(1,931)	3,675	2,372
Benefit payments, including refunds of employee contributions	(7,553)	(7,921)	(7,958)
Net Change in Total Pension Liability	(6,626)	(2,059)	(4,301)
Total Pension Liability--Beginning	77,119	79,178	83,479
Total Pension Liability--Ending	\$ 70,493	\$ 77,119	\$ 79,178
Plan Fiduciary Net Position			
Contributions--employer	\$ 7,600	\$ 7,800	\$ 8,400
Contributions--employee	—	—	—
Net investment income	79	155	166
Benefit payments, including refunds of employee contributions	(7,553)	(7,921)	(7,958)
Administrative expense	—	—	—
Net Change in Plan Fiduciary Net Position	126	34	608
Plan Fiduciary Net Position--Beginning	8,494	8,460	7,852
Plan Fiduciary Net Position--Ending	\$ 8,620	\$ 8,494	\$ 8,460
State's Net Pension Liability/(Asset)--Ending	\$ 61,873	\$ 68,625	\$ 70,718
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	12.23 %	11.01 %	10.68 %
Covered Payroll ⁽¹⁾	N/A	N/A	N/A
State's Net Pension Liability/Asset as a Percentage of Covered Payroll	N/A	N/A	N/A

N/A indicates data not available.

1. Covered payroll is not applicable because there are no active plan employees beginning in 2014.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

	2018	2017	2016	2015	2014	2013
	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
	3,200	2,874	3,704	4,382	4,319	N/A
	—	—	—	—	—	N/A
	(2,844)	1,047	20	1,590	—	N/A
	(2,063)	(6,329)	8,737	4,335	—	N/A
	(8,325)	(8,723)	(9,131)	(9,336)	(9,480)	N/A
	(10,032)	(11,131)	3,330	971	(5,161)	N/A
	93,511	104,642	101,312	100,341	105,502	N/A
	\$ 83,479	\$ 93,511	\$ 104,642	\$ 101,312	\$ 100,341	\$ 105,502
	\$ 8,700	\$ 9,300	\$ 9,500	\$ 10,600	\$ 10,600	N/A
	—	—	—	—	—	N/A
	80	45	74	38	25	N/A
	(8,325)	(8,723)	(9,131)	(9,336)	(9,480)	N/A
	—	—	(1)	—	—	N/A
	455	622	442	1,302	1,145	N/A
	7,397	6,775	6,333	5,031	3,886	N/A
	\$ 7,852	\$ 7,397	\$ 6,775	\$ 6,333	\$ 5,031	\$ 3,886
	\$ 75,627	\$ 86,114	\$ 97,867	\$ 94,979	\$ 95,310	\$ 101,616
	9.41 %	7.91 %	6.47 %	6.25 %	5.01 %	3.68 %
	N/A	N/A	N/A	N/A	N/A	\$ 160
	N/A	N/A	N/A	N/A	N/A	635.10 %

PENSION PLAN INFORMATION
Single Employer Plans

**Schedule of Changes in Net Pension Liability and Related Ratios
Judges' Retirement Fund**

Last Nine Measurement Years *
(expressed in thousands)

	2021	2020	2019
Total Pension Liability			
Service cost	\$ —	\$ —	\$ —
Interest	40	80	89
Changes of benefit terms	—	—	—
Differences between expected and actual experience	(322)	(315)	161
Changes of assumptions	4	12	50
Benefit payments, including refunds of member contributions	(257)	(265)	(338)
Net Change in Total Pension Liability	(535)	(488)	(38)
Total Pension Liability--Beginning	1,939	2,427	2,465
Total Pension Liability--Ending	\$ 1,404	\$ 1,939	\$ 2,427
Plan Fiduciary Net Position			
Contributions--state	\$ 400	\$ 400	\$ 500
Contributions--member	—	—	—
Net investment income	11	18	17
Benefit payments, including refunds of member contributions	(257)	(265)	(338)
Administrative expense	—	—	—
Net Change in Plan Fiduciary Net Position	154	153	179
Plan Fiduciary Net Position--Beginning	1,127	974	795
Plan Fiduciary Net Position--Ending	\$ 1,281	\$ 1,127	\$ 974
Plan's Net Pension Liability/(Asset)--Ending	\$ 123	\$ 812	\$ 1,453
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	91.24 %	58.12 %	40.13 %
Covered Payroll ⁽¹⁾	N/A	N/A	N/A
State's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	N/A	N/A	N/A

N/A indicates data not available.

1. Covered payroll is not applicable because there are no active plan employees.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

	2018	2017	2016	2015	2014	2013					
\$	—	\$	—	\$	—	\$	—	N/A			
	95		88		138		137	N/A			
	—		—		—		—	N/A			
	(39)		194		182		—	N/A			
	(43)		(129)		95		—	N/A			
	(396)		(402)		(444)		(444)	N/A			
	(383)		(249)		(29)		(307)	N/A			
	2,848		3,097		3,146		3,453	N/A			
\$	2,465	\$	2,848	\$	3,097	\$	3,117	\$	3,146	\$	3,453
\$	500	\$	499	\$	501	\$	—	\$	—	N/A	
	—		—		—		—		—	N/A	
	8		4		6		4		7	N/A	
	(396)		(402)		(440)		(444)		(444)	N/A	
	—		—		—		—		—	N/A	
	112		101		67		(440)		(437)	N/A	
	683		582		515		955		1,392	N/A	
\$	795	\$	683	\$	582	\$	515	\$	955	\$	1,392
\$	1,670	\$	2,165	\$	2,515	\$	2,602	\$	2,191	\$	2,061
	32.25%		23.98%		18.79%		16.52%		30.36%		40.31%
	N/A		N/A		N/A		N/A		N/A		N/A
	N/A		N/A		N/A		N/A		N/A		N/A

PENSION PLAN INFORMATION

Single Employer Plans

Schedule of Contributions

Washington State Patrol Retirement System - Plan 1/2

Last Ten Fiscal Years

(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 20,271	\$ 19,284	\$ 987	\$ 109,751	17.57 %
2021	26,401	20,882	5,519	118,448	17.63 %
2020	25,167	19,897	5,270	113,704	17.50 %
2019	17,020	14,700	2,320	111,612	13.17 %
2018	16,648	14,203	2,445	109,243	13.00 %
2017	8,179	7,587	592	93,053	8.15 %
2016	7,618	7,044	574	86,660	8.13 %
2015	6,810	6,679	131	84,388	7.91 %
2014	6,677	6,587	90	85,046	7.75 %
2013	2,500	6,478	(3,978)	81,895	7.91 %

Prior to 2014, the Annual Required Contribution amounts are presented for the Actuarially Determined Contributions.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Schedule of Contributions

Judicial Retirement System

Last Ten Fiscal Years

(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 6,923	\$ 7,100	\$ (177)	\$ —	N/A
2021	7,505	7,600	(95)	—	N/A
2020	7,643	7,800	(157)	—	N/A
2019	7,914	8,400	(486)	—	N/A
2018	8,317	8,700	(383)	—	N/A
2017	8,761	9,300	(539)	—	N/A
2016	8,999	9,500	(501)	—	N/A
2015	9,132	10,600	(1,468)	—	N/A
2014	9,205	10,600	(1,395)	—	N/A
2013	21,700	10,112	11,588	160	6,320.00 %

Prior to 2014, the Annual Required Contribution amounts are presented for the Actuarially Determined Contributions.

N/A indicates data not available. Beginning in 2014, there are no active members.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION
Single Employer Plans

Schedule of Contributions
Judges' Retirement Fund

Last Ten Fiscal Years
(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 257	\$ 300	\$ (43)	—	N/A
2021	257	400	(143)	—	N/A
2020	328	400	(72)	—	N/A
2019	395	500	(105)	—	N/A
2018	395	500	(105)	—	N/A
2017	439	499	(60)	—	N/A
2016	444	501	(57)	—	N/A
2015	539	—	539	—	N/A
2014	425	—	425	—	N/A
2013	400	—	400	—	N/A

Prior to 2014, the Annual Required Contribution amounts are presented for the Actuarially Determined Contributions.

N/A indicates data not available. There are no active employees.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

**Schedule of the State's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS) Plan 1**

Last Eight Measurement Years *
(expressed in thousands)

	2021	2020	2019
State PERS Plan 1 employers' proportion of the net pension liability/(asset)	43.35 %	42.07 %	41.80 %
State PERS Plan 1 employers' proportionate share of the net pension liability/(asset)	\$ 529,443	\$ 1,485,148	\$ 1,607,475
Covered payroll of employees participating in PERS Plan 1	\$ 35,118	\$ 43,909	\$ 54,779
Covered payroll of employees participating in PERS Plan 2/3	6,151,714	5,902,886	5,469,217
Covered payroll of employees participating in PSERS Plan 2	450,362	384,394	321,991
Covered Payroll	\$ 6,637,194	\$ 6,331,190	\$ 5,845,987
State PERS Plan 1 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	7.98 %	23.46 %	27.50 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	88.74 %	68.64 %	67.12 %

* This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

**Schedule of the State's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS) Plan 2/3**

Last Eight Measurement Years *
(expressed in thousands)

	2021	2020	2019
State PERS Plan 2/3 employers' proportion of the net pension liability/(asset)	51.25 %	50.58 %	50.50 %
State PERS Plan 2/3 employers' proportionate share of the net pension liability/(asset)	\$ (5,105,303)	\$ 646,953	\$ 490,544
State PERS Plan 2/3 employers' covered payroll	\$ 6,151,714	\$ 5,902,886	\$ 5,469,217
State PERS Plan 2/3 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-82.99 %	10.96 %	8.97 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	120.29%	97.22 %	97.77 %

* This schedule is to be built prospectively until it contains ten years of data.

	2018	2017	2016	2015	2014
	41.97 %	41.88 %	41.99 %	41.57 %	42.37 %
\$	1,874,226	\$ 1,987,268	\$ 2,255,244	\$ 2,174,623	\$ 2,134,189
\$	69,330	\$ 85,341	\$ 103,235	\$ 120,686	\$ 143,836
	5,237,495	4,928,806	4,648,843	4,363,171	4,215,934
	198,511	175,395	155,768	140,977	130,172
\$	5,505,336	\$ 5,189,542	\$ 4,907,846	\$ 4,624,834	\$ 4,489,942
	34.04 %	38.29 %	45.95 %	47.02 %	47.53 %
	63.22 %	61.24 %	57.03 %	59.10 %	61.19 %

	2018	2017	2016	2015	2014
	50.41 %	50.20 %	49.72 %	49.10 %	49.27 %
\$	860,776	\$ 1,744,067	\$ 2,503,313	\$ 1,754,418	\$ 995,856
\$	5,237,495	\$ 4,928,806	\$ 4,648,843	\$ 4,363,171	\$ 4,215,934
	16.43 %	35.39 %	53.85 %	40.21 %	23.62 %
	95.77 %	90.97 %	85.82 %	89.20 %	93.29 %

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

**Schedule of the State's Proportionate Share of the Net Pension Liability
Teachers' Retirement System (TRS) Plan 1**

Last Eight Measurement Years *
(expressed in thousands)

	2021	2020	2019
State TRS Plan 1 employers' proportion of the net pension liability/(asset)	1.31 %	1.18 %	1.09 %
State TRS Plan 1 employers' proportionate share of the net pension liability/(asset)	\$ 8,798	\$ 28,507	\$ 27,102
Covered payroll of employees participating in TRS Plan 1	\$ 1,330	\$ 1,431	\$ 1,557
Covered payroll of employees participating in TRS Plan 2/3	95,486	83,176	43,082
Covered Payroll	\$ 96,817	\$ 84,606	\$ 44,639
State TRS Plan 1 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	9.09 %	33.69 %	60.71 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	91.42 %	70.55 %	70.37 %

* This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

**Schedule of the State's Proportionate Share of the Net Pension Liability
Teachers' Retirement System (TRS) Plan 2/3**

Last Eight Measurement Years *
(expressed in thousands)

	2021	2020	2019
State TRS Plan 2/3 employers' proportion of the net pension liability/(asset)	1.28 %	1.16 %	1.06 %
State TRS Plan 2/3 employers' proportionate share of the net pension liability/(asset)	\$ (35,165)	\$ 17,767	\$ 6,389
State TRS Plan 2/3 employers' covered payroll	\$ 95,486	\$ 83,176	\$ 43,082
State PERS Plan 2/3 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-36.83 %	21.36 %	14.83 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	113.72 %	91.72 %	96.36 %

* This schedule is to be built prospectively until it contains ten years of data.

	2018	2017	2016	2015	2014
	1.10 %	1.03 %	0.97 %	0.86 %	0.78 %
\$	32,177	\$ 31,172	\$ 33,026	\$ 27,186	\$ 22,924
\$	1,893	\$ 2,475	\$ 5,735	\$ 3,913	\$ 4,611
	61,292	52,534	41,803	33,705	25,673
\$	63,185	\$ 55,009	\$ 47,538	\$ 37,618	\$ 30,284
	50.93 %	56.67 %	69.47 %	72.27 %	75.70 %
	66.52 %	65.58 %	62.07 %	65.70 %	68.77 %

	2018	2017	2016	2015	2014
	1.06 %	0.96 %	0.87 %	0.72 %	0.59 %
\$	4,757	\$ 8,873	\$ 11,896	\$ 6,107	\$ 1,913
\$	61,292	\$ 52,534	\$ 41,803	\$ 33,705	\$ 25,673
	7.76 %	16.89 %	28.46 %	18.12 %	7.45 %
	96.88 %	93.14 %	88.72 %	92.48 %	96.81 %

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

**Schedule of the State's Proportionate Share of the Net Pension Liability
Public Safety Employees' Retirement System (PSERS) Plan 2**

Last Eight Measurement Years *
(expressed in thousands)

	2021	2020	2019
State PSERS Plan 2 employers' proportion of the net pension liability/(asset)	66.58 %	62.26 %	54.61 %
State PSERS Plan 2 employers' proportionate share of the net pension liability / (asset)	\$ (152,955)	\$ (8,567)	\$ (7,101)
State PSERS Plan 2 employers' covered payroll	\$ 450,362	\$ 384,394	\$ 321,991
State PSERS Plan 2 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-33.96 %	-2.23 %	-2.21 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	123.67 %	101.68 %	101.85 %

* This schedule is to be built prospectively until it contains ten years of data.

**Schedule of the State's Proportionate Share of the Net Pension Liability
Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 1**

Last Eight Measurement Years *
(expressed in thousands)

	2021	2020	2019
State's nonemployer proportion of the net pension liability/(asset)	87.12 %	87.12 %	87.12 %
State as nonemployer contributing entity proportionate share of the net pension liability/(asset)	\$ (2,984,350)	\$ (1,645,269)	\$ (1,722,024)
Plan fiduciary net position as a percentage of the total pension liability/(asset)	187.45 %	146.88 %	148.78 %

* This schedule is to be built prospectively until it contains ten years of data.

	2018	2017	2016	2015	2014
	50.48 %	49.14 %	47.97 %	47.93 %	48.26 %
\$	625	\$ 9,628	\$ 20,386	\$ 8,748	\$ (6,988)
\$	198,511	\$ 175,395	\$ 155,768	\$ 140,977	\$ 130,172
	0.32 %	5.49 %	13.09 %	6.21 %	-5.37 %
	99.79 %	96.26 %	90.41 %	95.08 %	105.01 %

	2018	2017	2016	2015	2014
	87.12 %	87.12 %	87.12 %	87.12 %	87.12 %
\$	(1,581,665)	\$ (1,321,802)	\$ (897,585)	\$ (1,049,988)	\$ (1,056,583)
	144.42 %	135.96 %	123.74 %	127.36 %	126.91 %

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

**Schedule of the State's Proportionate Share of the Net Pension Liability
Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2**

Last Eight Measurement Years *

(expressed in thousands)

	2021	2020	2019
State LEOFF Plan 2 employers' proportion of the net pension liability/(asset)	0.80 %	0.88 %	0.90 %
State as nonemployer contributing entity proportion of the net pension liability/(asset)	39.21 %	39.00 %	39.57 %
State LEOFF Plan 2 employers' proportionate share of the net pension liability/(asset)	\$ (46,684)	\$ (17,948)	\$ (20,782)
State as nonemployer contributing entity total proportionate share of the net pension liability/(asset)	(2,277,698)	(795,604)	(916,765)
Total	\$ (2,324,381)	\$ (813,552)	\$ (937,547)
State LEOFF Plan 2 employers' covered payroll	\$ 22,917	\$ 25,410	\$ 23,388
State LEOFF Plan 2 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-203.70 %	-70.63 %	-88.86 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	142.00 %	115.83 %	119.43 %

* This schedule is to be built prospectively until it contains ten years of data.

2018	2017	2016	2015	2014
0.87 %	0.85 %	0.88 %	0.83 %	0.84 %
39.30 %	39.35 %	39.46 %	39.80 %	39.52 %
\$ (17,707)	\$ (11,823)	\$ (5,113)	\$ (8,580)	\$ (11,164)
(797,902)	(545,988)	(229,538)	(409,091)	(524,419)
\$ (815,609)	\$ (557,811)	\$ (234,651)	\$ (417,671)	\$ (535,583)
\$ 21,892	\$ 20,396	\$ 19,828	\$ 18,744	\$ 18,259
-80.88 %	-57.97 %	-25.79 %	-45.77 %	-61.14 %
118.50 %	113.36 %	106.04 %	111.67 %	116.75 %

PENSION PLAN INFORMATION
Cost Sharing Employer Plans

Schedule of Contributions
Public Employees' Retirement System (PERS) Plan 1
Fiscal Year Ended June 30*
(dollars in thousands)

	2022	2021	2020
Contractually required contributions (CRC)	\$ 258,512	\$ 322,931	\$ 304,870
Employer contributions related to covered payroll of employees participating in PERS Plan 1	\$ 2,779	\$ 4,562	\$ 5,665
Employer UAAL contributions related to covered payroll of employees participating in PERS Plan 2/3 and PSERS Plan 2	255,733	318,369	299,205
Contributions in relation to the actuarially determined contributions	258,512	322,931	304,870
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered payroll of employees participating in PERS Plan 1	\$ 27,985	\$ 35,118	\$ 43,909
Covered payroll of employees participating in PERS Plan 2/3	6,263,545	6,151,714	5,902,886
Covered payroll of employees participating in PSERS Plan 2	443,145	450,362	384,394
Covered Payroll	\$ 6,734,675	\$ 6,637,194	\$ 6,331,189
Contributions as a percentage of covered payroll	3.84 %	4.87 %	4.82 %

* This schedule is to be built prospectively until it contains ten years of data.

Schedule of Contributions
Public Employees' Retirement System (PERS) Plan 2/3
Fiscal Year Ended June 30*
(dollars in thousands)

	2022	2021	2020
Contractually Required Contributions	\$ 409,661	\$ 485,475	\$ 466,005
Contributions in relation to the contractually required contributions	409,661	485,475	466,005
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered Payroll	\$ 6,263,545	\$ 6,151,714	\$ 5,902,886
Contributions as a percentage of covered payroll	6.54 %	7.89 %	7.89 %

* This schedule is to be built prospectively until it contains ten years of data.

	2019	2018	2017	2016	2015	2014
\$	299,745	\$ 280,513	\$ 251,924	\$ 238,158	\$ 191,618	\$ 188,639
\$	7,092	\$ 8,769	\$ 9,537	\$ 11,385	\$ 11,072	\$ 12,964
	292,653	271,744	242,387	226,773	180,546	175,675
	299,745	280,513	251,924	238,158	191,618	188,639
\$	—	\$ —	\$ —	\$ —	\$ —	\$ —
\$	54,779	\$ 69,330	\$ 85,341	\$ 103,235	\$ 120,686	\$ 143,836
	5,469,217	5,237,495	4,928,806	4,648,843	4,363,171	4,215,935
	321,991	198,511	175,395	155,768	140,977	130,172
\$	5,845,987	\$ 5,505,336	\$ 5,189,542	\$ 4,907,846	\$ 4,624,834	\$ 4,489,943
	5.13 %	5.10 %	4.85 %	4.85 %	4.14 %	4.20 %

	2019	2018	2017	2016	2015	2014
\$	412,466	\$ 389,001	\$ 306,591	\$ 287,049	\$ 219,395	\$ 209,455
	412,466	389,001	306,591	287,049	219,395	209,455
\$	—	\$ —	\$ —	\$ —	\$ —	\$ —
\$	5,469,217	\$ 5,237,495	\$ 4,928,806	\$ 4,648,843	\$ 4,363,171	\$ 4,215,935
	7.54 %	7.43 %	6.22 %	6.17 %	5.03 %	4.97 %

PENSION PLAN INFORMATION
 Cost Sharing Employer Plans

Schedule of Contributions
Teachers' Retirement System (TRS) Plan 1
 Fiscal Year Ended June 30*
 (dollars in thousands)

	2022	2021	2020
Contractually required contributions	\$ 6,730	\$ 7,182	\$ 6,215
Employer contributions related to covered payroll of employees participating in TRS Plan 1	\$ 104	\$ 176	\$ 225
Employer UAAL contributions related to covered payroll of employees participating in TRS Plan 2/3	6,626	7,006	5,990
Contributions in relation to the actuarially determined contributions	6,730	7,182	6,215
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered payroll of employees participating in TRS Plan 1	\$ 782	\$ 1,330	\$ 1,431
Covered payroll of employees participating in TRS Plan 2/3	97,434	95,486	83,176
Covered Payroll	\$ 98,216	\$ 96,816	\$ 84,607
Contributions as a percentage of covered payroll	6.85 %	7.42 %	7.35 %

* This schedule is to be built prospectively until it contains ten years of data.

Schedule of Contributions
Teachers' Retirement System (TRS) Plan 2/3
 Fiscal Year Ended June 30*
 (dollars in thousands)

	2022	2021	2020
Contractually required contributions	\$ 8,377	\$ 7,742	\$ 6,730
Contributions in relation to the contractually required contributions	8,377	7,742	6,730
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered Payroll	\$ 97,434	\$ 95,486	\$ 83,176
Contributions as a percentage of covered payroll	8.60 %	8.11 %	8.09 %

* This schedule is to be built prospectively until it contains ten years of data.

	2019	2018	2017	2016	2015	2014
\$	5,436	\$ 4,582	\$ 3,608	\$ 2,940	\$ 1,920	\$ 1,537
\$	241	\$ 272	\$ 326	\$ 369	\$ 388	\$ 451
	5,195	4,310	3,282	2,571	1,532	1,086
	5,436	4,582	3,608	2,940	1,920	1,537
\$	—	\$ —	\$ —	\$ —	\$ —	\$ —
\$	1,557	\$ 1,893	\$ 2,475	\$ 5,735	\$ 3,913	\$ 4,611
	43,082	61,292	52,534	41,803	33,705	25,673
\$	44,639	\$ 63,185	\$ 55,009	\$ 47,538	\$ 37,618	\$ 30,284
	12.18 %	7.25 %	6.56 %	6.18 %	5.10 %	5.08 %

	2019	2018	2017	2016	2015	2014
\$	5,542	\$ 4,699	\$ 3,542	\$ 2,827	\$ 1,924	\$ 1,454
	5,542	4,699	3,542	2,827	1,924	1,454
\$	—	\$ —	\$ —	\$ —	\$ —	\$ —
\$	43,082	\$ 61,292	\$ 52,534	\$ 41,803	\$ 33,705	\$ 25,673
	12.86 %	7.67 %	6.74 %	6.76 %	5.71 %	5.66 %

PENSION PLAN INFORMATION

Cost sharing Employer Plans

Schedule of Contributions

Public Safety Employees' Retirement System (PSERS) Plan 2

Fiscal Year Ended June 30*

(dollars in thousands)

	2022	2021	2020
Contractually Required Contributions	\$ 29,000	\$ 32,495	\$ 27,498
Contributions in relation to the contractually required contributions	29,000	32,495	27,498
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered Payroll	\$ 443,145	\$ 450,362	\$ 384,394
Contributions as a percentage of covered payroll	6.54 %	7.22 %	7.15 %

* This schedule is to be built prospectively until it contains ten years of data.

Schedule of Contributions

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2

Fiscal Year Ended June 30*

(dollars in thousands)

	2022	2021	2020
Contractually Required Contributions	\$ 1,545	\$ 1,602	\$ 1,721
Contributions in relation to the contractually required contributions	1,545	1,602	1,721
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered Payroll	\$ 23,671	\$ 22,917	\$ 25,410
Contributions as a percentage of covered payroll	6.53 %	6.99 %	6.77 %

* This schedule is to be built prospectively until it contains ten years of data.

	2019	2018	2017	2016	2015	2014
\$	17,602	\$ 13,330	\$ 11,465	\$ 10,233	\$ 8,932	\$ 8,100
	17,602	13,330	11,465	10,233	8,932	8,100
\$	—	\$ —	\$ —	\$ —	\$ —	\$ —
\$	321,991	\$ 198,511	\$ 175,395	\$ 155,768	\$ 140,977	\$ 130,172
	5.47 %	6.72 %	6.54 %	6.57 %	6.34 %	6.22 %

	2019	2018	2017	2016	2015	2014
\$	1,654	\$ 1,512	\$ 1,346	\$ 1,345	\$ 1,224	\$ 1,184
	1,654	1,512	1,346	1,345	1,224	1,184
\$	—	\$ —	\$ —	\$ —	\$ —	\$ —
\$	23,388	\$ 21,892	\$ 20,396	\$ 19,828	\$ 18,744	\$ 18,259
	7.07%	6.91%	6.60%	6.78%	6.53%	6.48%

PENSION PLAN INFORMATION
Notes to Required Supplementary
Information

Methods and assumptions used in calculations of Actuarially Determined Contributions for PERS, TRS, PSERS, LEOFF, and WSPRS. The Office of the State Actuary (OSA) calculates the Actuarially Determined Contributions (ADC) based on the results of an actuarial valuation consistent with the state's funding policy defined under chapter 41.45 of the Revised Code of Washington (RCW). Consistent with the state's contribution rate adoption process, the results of an actuarial valuation with an odd-numbered year valuation date determine the ADC for the biennium that ensues two years later. The actuarial valuation with a June 30, 2019, valuation date, completed in the fall of 2020, plus any supplemental contribution rates from the preceding legislative session, determined the ADC for the period beginning July 1, 2021, and ending June 30, 2023.

Methods and assumptions used in calculations of the ADC for the Judicial Retirement System and the Judges Retirement Fund. The OSA calculates the ADC based on the results of an actuarial valuation, and sets the ADC equal to the expected benefit payments from the plan. Consistent with the state's funding policy defined under RCW 2.10.90 and 2.12.60, the Legislature makes biennial appropriations in order to ensure the fund is solvent to make the necessary benefit payments.

Additional consideration on ADC for all plans. OSA calculates the ADC consistent with the methods described above. Adopted contribution rates may be different pending the actions of the governing bodies.

Contractually Required Contributions for PERS, TRS, PSERS, and LEOFF. For cost-sharing plans, OSA calculates the Contractually Required Contributions (CRC) using the same assumptions and methods as the ADC except the CRC reflects the adopted contribution rates for the time period shown, which may differ from the contribution rates produced for the ADC.

PENSION PLAN INFORMATION

Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund

Schedule of Contributions

Last Ten Fiscal Years

(expressed in thousands)

Year		Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions		Contribution Deficiency (Excess)
2022	\$	1,010	\$	7,450	\$ (6,440)
2021		909		8,470	(7,561)
2020		900		8,967	(8,067)
2019		926		8,436	(7,510)
2018		3,523		8,050	(4,527)
2017		4,528		7,494	(2,966)
2016		6,846		8,153	(1,307)
2015		6,653		6,816	(163)
2014		6,421		7,336	(915)
2013		4,600		6,946	(2,346)

Notes: Neither covered payroll nor contributions as a percentage of covered payroll are applicable. This is a volunteer organization.

Beginning in 2017, the methodology for determining the Actuarially Determined Contributions was revised to reflect the timing of the contributions based upon the Board for Volunteer Fire Fighters adoption cycle and the actuarial funding methods selected.

Prior to 2014, the Annual Required Contribution amounts are presented for the Actuarially Determined Contributions.

Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Schedule of Investment Returns

Last Nine Fiscal Years*

Year	Annual money-weighted rate of return, net of investment expense
2022	-16.02 %
2021	3.11 %
2020	4.40 %
2019	8.23 %
2018	8.84 %
2017	13.26 %
2016	2.19 %
2015	4.05 %
2014	18.50 %

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund

Schedule of Change in Net Pension Liability

Last Ten Fiscal Years

(expressed in thousands)

	2022	2021	2020	2019
Total Pension Liability				
Service cost	\$ 928	\$ 819	\$ 820	\$ 828
Interest	14,456	15,728	13,120	13,119
Changes of benefit terms	—	—	34,626	—
Differences between expected and actual experience	—	(4,495)	1,134	(1,857)
Changes in assumptions	—	16,726	—	—
Benefit payments, including refunds of member contributions	(12,574)	(12,673)	(12,217)	(11,913)
Net Change in Total Pension Liability	2,810	16,105	37,483	177
Total Pension Liability--Beginning	246,205	230,100	192,617	192,440
Total Pension Liability--Ending	\$ 249,015	\$ 246,205	\$ 230,100	\$ 192,617
Plan Fiduciary Net Position				
Contributions--municipalities	\$ 726	\$ 803	\$ 771	\$ 797
Contributions--member	53	58	40	54
Contributions--state as nonemployer contributing entity	6,724	7,667	8,196	7,639
Net investment income	(41,127)	7,778	11,059	20,101
Benefit payments, including refunds of member contributions	(12,566)	(12,673)	(12,217)	(11,913)
Administrative expense	(1,269)	(762)	(3,120)	(1,352)
Other	—	—	—	—
Net Change in Plan Fiduciary Net Position	(47,459)	2,871	4,729	15,326
Plan Fiduciary Net Position--Beginning	268,210	265,339	260,610	245,284
Plan Fiduciary Net Position--Ending	\$ 220,751	\$ 268,210	\$ 265,339	\$ 260,610
Plan's Net Pension Liability/(Asset)--Ending	\$ 28,264	\$ (22,005)	\$ (35,239)	\$ (67,993)

N/A indicates data not available.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

	2018	2017	2016	2015	2014	2013
\$	853	\$ 869	\$ 893	\$ 919	\$ 1,240	N/A
	13,151	12,946	12,887	12,656	12,480	N/A
	—	—	—	—	—	N/A
	(2,707)	(1,998)	(176)	(2,948)	—	N/A
	16	463	101	1,931	—	N/A
	(11,573)	(11,074)	(10,795)	(10,501)	(10,771)	N/A
	(260)	1,206	2,910	2,057	2,949	N/A
	192,700	191,494	188,584	186,527	183,578	N/A
\$	192,440	\$ 192,700	\$ 191,494	\$ 188,584	\$ 186,527	\$ 183,578
\$	823	\$ 848	\$ 918	\$ 913	\$ 953	N/A
	65	69	67	76	95	N/A
	7,227	6,646	7,235	5,903	6,383	N/A
	19,860	26,114	4,588	8,289	31,892	N/A
	(11,573)	(11,074)	(10,795)	(10,501)	(10,771)	N/A
	(918)	(1,466)	(1,205)	(1,020)	(1,469)	N/A
	—	—	—	—	(22)	N/A
	15,484	21,137	808	3,660	27,061	N/A
	229,800	208,663	207,855	204,195	177,134	N/A
\$	245,284	\$ 229,800	\$ 208,663	\$ 207,855	\$ 204,195	\$ 177,134
\$	(52,844)	\$ (37,100)	\$ (17,169)	\$ (19,271)	\$ (17,668)	\$ 6,444

PENSION PLAN INFORMATION

Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund

Schedule of Net Pension Liability

Last Ten Fiscal Years

(expressed in thousands)

	2022	2021	2020	2019
Total Pension Liability/(Asset)--Ending	\$ 249,015	\$ 246,205	\$ 230,100	\$ 192,617
Plan Fiduciary Net Position--Ending	220,751	268,210	265,339	260,610
Plan's Net Pension Liability/(Asset)--Ending	\$ 28,264	\$ (22,005)	\$ (35,239)	\$ (67,993)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	88.65 %	108.94 %	115.31 %	135.30 %
Covered Payroll	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A

N/A indicates data not applicable. This is a volunteer organization.

Note: Figures may not total due to rounding. Percentages are calculated using unrounded totals.

Source: Washington State Office of the State Actuary

**Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund
Notes to Required Supplementary Information**

The Office of the State Actuary calculates the Actuarially Determined Contributions (ADC) based on the results of an actuarial valuation consistent with funding policy defined under chapter 41.24 RCW and adopted policies made by the State Board for Volunteer

Fire Fighters and Reserve Officers. Consistent with the Board's contribution rate adoption process, the results of an actuarial valuation determine the ADC two years after the valuation date. For example, the actuarial valuation with a June 30, 2020, valuation date, completed in the fall of 2021, determines the ADC for the period ending June 30, 2022.

	2018	2017	2016	2015	2014	2013
	\$ 192,440	\$ 192,700	\$ 191,494	\$ 188,584	\$ 186,527	\$ 183,578
	245,284	229,800	208,663	207,855	204,195	177,134
	\$ (52,844)	\$ (37,100)	\$ (17,169)	\$ (19,271)	\$ (17,668)	\$ 6,444
	127.46 %	119.25 %	108.97 %	110.22 %	109.47 %	96.49 %
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

**Schedule of Contributions
University of Washington (UW)**

Last Two Fiscal Years*
(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 6,548	\$ 6,548	\$ —	\$ 1,723,087	0.38 %
2021	7,105	7,105	—	1,372,814	0.52 %

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

**Schedule of Contributions
Washington State University (WSU)**

Last Two Fiscal Years*
(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 975	\$ 975	\$ —	\$ 325,122	0.30 %
2021	919	919	—	161,432	0.57 %

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Contributions

Eastern Washington University (EWU)

Last Two Fiscal Years*

(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 165	\$ 165	\$ —	59,085	0.28 %
2021	165	165	—	30,057	0.55 %

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

Schedule of Contributions

Central Washington University (CWU)

Last Two Fiscal Years*

(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ —	\$ 187	\$ (187)	66,747	0.28 %
2021	—	173	(173)	38,710	0.45 %

Notes:

Statute requires Central Washington University to contribute at a rate similar to the other institutions even though the Actuarially Determined Contributions equals zero.

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Contributions

The Evergreen State College (TESC)

Last Two Fiscal Years*

(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 46	\$ 46	\$ —	\$ 20,208	0.23 %
2021	40	40	—	49,390	0.08 %

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

Schedule of Contributions

Western Washington University (WWU)

Last Two Fiscal Years*

(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 226	\$ 226	\$ —	\$ 107,558	0.21 %
2021	196	196	—	17,327	1.13 %

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Contributions

State Board for Community and Technical Colleges (SBCTC)

Last Two Fiscal Years*

(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 833	\$ 833	\$ —	\$ 638,490	0.13 %
2021	656	656	—	357,331	0.18 %

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

Schedule of Investment Returns

Last Two Fiscal Years*

Institution Name	UW	WSU	EWU	CWU	TESC	WWU	SBCTC
Annual money-weighted rate of return, net of investment expense							
2022	0.12 %	0.14 %	0.16 %	0.14 %	0.16 %	0.14 %	0.18 %
2021	34.93 %	34.92 %	34.88 %	34.91 %	34.86 %	34.90 %	34.87 %

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION
Higher Education Supplemental Defined Benefit Plans

Schedule of Changes in Net Pension Liability and Related Ratios
University of Washington

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability						
Service cost	\$ 3,699	\$ 22,877	\$ 16,699	\$ 11,823	\$ 14,788	\$ 19,891
Interest	15,933	17,677	21,232	16,277	16,128	15,097
Changes of benefit terms	—	—	—	—	—	—
Differences between expected and actual experience	67,986	(372,651)	31,425	102,713	(33,953)	(74,918)
Changes in assumptions	22,150	(223,327)	126,749	58,228	(17,105)	(28,553)
Benefit payments	(10,313)	(9,733)	(8,316)	(7,482)	(6,130)	(5,136)
Net Change in Total Pension Liability	99,455	(565,158)	187,789	181,559	(26,272)	(73,619)
Total Pension Liability - Beginning	216,672	781,829	594,040	412,481	438,753	512,372
Total Pension Liability - Ending	\$ 316,127	\$ 216,672	\$ 781,829	\$ 594,040	\$ 412,481	\$ 438,753
Plan Fiduciary Net Position **						
Contributions - Employer	\$ 6,548	\$ 7,105	N/A	N/A	N/A	N/A
Contributions - Member	—	—	N/A	N/A	N/A	N/A
Net Investment Income	101	22,275	N/A	N/A	N/A	N/A
Benefit Payments, Including Refunds of Member Contributions	—	—	N/A	N/A	N/A	N/A
Administrative Expense	—	—	N/A	N/A	N/A	N/A
Net Change in Plan Fiduciary Net Position	6,648	29,380	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Beginning	90,341	60,961	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Ending	\$ 96,989	\$ 90,341	N/A	N/A	N/A	N/A
Plan's Net Position Liability/(Asset) - Ending	\$ 219,138	\$ 126,331	N/A	N/A	N/A	N/A

N/A indicates data not available.

*This schedule is to be built prospectively until it contains ten years of data.

**Due to changes in legislation, assets from higher education institution plans that were previously not administered through a trust, were placed into a trust or similar arrangement. As a result, plans previously reported under GASB Statement No. 73, are now reported under GASB Statement Nos. 67/68. The change is effective for fiscal year 2021.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Changes in Net Pension Liability and Related Ratios

Washington State University

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability						
Service cost	\$ 604	\$ 3,114	\$ 2,282	\$ 2,112	\$ 2,763	\$ 3,803
Interest	2,968	2,666	3,282	3,241	3,261	3,140
Changes of benefit terms	—	—	—	—	—	—
Differences between expected and actual experience	11,481	(47,565)	5,496	(1,022)	(7,171)	(16,389)
Changes in assumptions	3,771	(33,228)	17,655	7,997	(3,255)	(6,574)
Benefit payments	(3,248)	(2,827)	(2,493)	(2,439)	(2,181)	(1,890)
Net Change in Total Pension Liability	15,577	(77,840)	26,222	9,889	(6,583)	(17,910)
Total Pension Liability - Beginning	41,102	118,942	92,720	82,831	89,414	107,324
Total Pension Liability - Ending	\$ 56,679	\$ 41,102	\$ 118,942	\$ 92,720	\$ 82,831	\$ 89,414
Plan Fiduciary Net Position**						
Contributions - Employer	\$ 975	\$ 919	N/A	N/A	N/A	N/A
Contributions - Member	—	—	N/A	N/A	N/A	N/A
Net Investment Income	22	4,422	N/A	N/A	N/A	N/A
Benefit Payments, Including Refunds of Member Contributions	—	—	N/A	N/A	N/A	N/A
Administrative Expense	—	—	N/A	N/A	N/A	N/A
Net Change in Plan Fiduciary Net Position	998	5,341	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Beginning	17,646	12,305	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Ending	\$ 18,643	\$ 17,646	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 38,036	\$ 23,456	N/A	N/A	N/A	N/A

N/A indicates data not available.

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Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Changes in Net Pension Liability and Related Ratios

Eastern Washington University

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability						
Service cost	\$ 157	\$ 668	\$ 501	\$ 463	\$ 477	\$ 658
Interest	671	523	634	614	429	420
Changes of benefit terms	—	—	—	—	—	—
Differences between expected and actual experience	2,661	(7,646)	1,019	421	3,867	(2,852)
Changes in assumptions	867	(7,364)	3,488	1,014	(621)	(647)
Benefit payments	(277)	(280)	(250)	(316)	(202)	(140)
Net Change in Total Pension Liability	4,080	(14,099)	5,392	2,196	3,950	(2,561)
Total Pension Liability - Beginning	9,040	23,139	17,747	15,551	11,601	14,162
Total Pension Liability - Ending	\$ 13,119	\$ 9,040	\$ 23,139	\$ 17,747	\$ 15,551	\$ 11,601
Plan Fiduciary Net Position**						
Contributions - Employer	\$ 165	\$ 165	N/A	N/A	N/A	N/A
Contributions - Member	—	—	N/A	N/A	N/A	N/A
Net Investment Income	5	892	N/A	N/A	N/A	N/A
Benefit Payments, Including Refunds of Member Contributions	—	—	N/A	N/A	N/A	N/A
Administrative Expense	—	—	N/A	N/A	N/A	N/A
Net Change in Plan Fiduciary Net Position	171	1,057	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Beginning	3,549	2,492	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Ending	\$ 3,720	\$ 3,549	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 9,399	\$ 5,490	N/A	N/A	N/A	N/A

N/A indicates data not available.

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Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Changes in Net Pension Liability and Related Ratios

Central Washington University

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability						
Service cost	\$ 19	\$ 74	\$ 52	\$ 61	\$ 91	\$ 150
Interest	327	187	252	293	299	293
Changes of benefit terms	—	—	—	—	—	—
Differences between expected and actual experience	777	(1,386)	322	(710)	(466)	(1,270)
Changes in assumptions	260	(2,394)	1,057	428	(272)	(616)
Benefit payments	(473)	(467)	(439)	(411)	(412)	(411)
Net Change in Total Pension Liability	910	(3,987)	1,244	(339)	(760)	(1,854)
Total Pension Liability - Beginning	4,635	8,622	7,378	7,717	8,477	10,331
Total Pension Liability - Ending	<u>\$ 5,545</u>	<u>\$ 4,635</u>	<u>\$ 8,622</u>	<u>\$ 7,378</u>	<u>\$ 7,717</u>	<u>\$ 8,477</u>
Plan Fiduciary Net Position**						
Contributions - Employer	\$ 187	\$ 173	N/A	N/A	N/A	N/A
Contributions - Member	—	—	N/A	N/A	N/A	N/A
Net Investment Income	4	894	N/A	N/A	N/A	N/A
Benefit Payments, Including Refunds of Member Contributions	—	—	N/A	N/A	N/A	N/A
Administrative Expense	—	—	N/A	N/A	N/A	N/A
Net Change in Plan Fiduciary Net Position	191	1,067	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Beginning	3,560	2,493	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Ending	<u>\$ 3,751</u>	<u>\$ 3,560</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Plan's Net Pension Liability/(Asset) - Ending	<u>\$ 1,794</u>	<u>\$ 1,075</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

N/A indicates data not available.

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Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Changes in Net Pension Liability and Related Ratios

The Evergreen State College

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability						
Service cost	\$ 55	\$ 250	\$ 188	\$ 154	\$ 210	\$ 296
Interest	260	201	243	235	237	230
Changes of benefit terms	—	—	—	—	—	—
Differences between expected and actual experience	991	(3,198)	490	(108)	(565)	(1,327)
Changes in assumptions	311	(2,495)	1,293	694	(229)	(387)
Benefit payments	(157)	(119)	(138)	(137)	(183)	(158)
Net Change in Total Pension Liability	1,460	(5,361)	2,076	838	(530)	(1,346)
Total Pension Liability - Beginning	3,533	8,894	6,818	5,980	6,510	7,856
Total Pension Liability - Ending	\$ 4,994	\$ 3,533	\$ 8,894	\$ 6,818	\$ 5,980	\$ 6,510
Plan Fiduciary Net Position**						
Contributions - Employer	\$ 46	\$ 40	N/A	N/A	N/A	N/A
Contributions - Member	—	—	N/A	N/A	N/A	N/A
Net Investment Income	2	348	N/A	N/A	N/A	N/A
Benefit Payments, Including Refunds of Member Contributions	—	—	N/A	N/A	N/A	N/A
Administrative Expense	—	—	N/A	N/A	N/A	N/A
Net Change in Plan Fiduciary Net Position	49	388	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Beginning	1,372	984	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Ending	\$ 1,421	\$ 1,372	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 3,573	\$ 2,162	N/A	N/A	N/A	N/A

N/A indicates data not available.

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Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Changes in Net Pension Liability and Related Ratios

Western Washington University

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability						
Service cost	\$ 233	\$ 922	\$ 699	\$ 551	\$ 737	\$ 1,057
Interest	982	798	962	825	837	842
Changes of benefit terms	—	—	—	—	—	—
Differences between expected and actual experience	5,263	(15,050)	1,961	2,298	(2,233)	(5,278)
Changes in assumptions	1,524	(8,260)	5,269	2,821	(819)	(2,126)
Benefit payments	(587)	(524)	(486)	(420)	(380)	(298)
Net Change in Total Pension Liability	7,416	(22,115)	8,405	6,075	(1,858)	(5,803)
Total Pension Liability - Beginning	13,327	35,442	27,037	20,962	22,820	28,623
Total Pension Liability - Ending	\$ 20,743	\$ 13,327	\$ 35,442	\$ 27,037	\$ 20,962	\$ 22,820
Plan Fiduciary Net Position**						
Contributions - Employer	\$ 226	\$ 196	N/A	N/A	N/A	N/A
Contributions - Member	—	—	N/A	N/A	N/A	N/A
Net Investment Income	7	1,326	N/A	N/A	N/A	N/A
Benefit Payments, Including Refunds of Member Contributions	—	—	N/A	N/A	N/A	N/A
Administrative Expense	—	—	N/A	N/A	N/A	N/A
Net Change in Plan Fiduciary Net Position	233	1,522	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Beginning	5,255	3,733	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Ending	\$ 5,488	\$ 5,255	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 15,255	\$ 8,072	N/A	N/A	N/A	N/A

N/A indicates data not available.

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Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

**Schedule of Changes in Net Pension Liability and Related Ratios
State Board for Community and Technical Colleges**

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability						
Service cost	\$ 1,508	\$ 4,672	\$ 3,516	\$ 2,851	\$ 3,827	\$ 5,417
Interest	5,078	3,323	3,956	3,449	3,517	3,514
Changes of benefit terms	—	—	—	—	—	—
Differences between expected and actual experience	22,436	(29,981)	8,335	6,503	(10,402)	(25,336)
Changes in assumptions	7,288	(54,110)	22,269	12,227	(3,519)	(5,980)
Benefit payments	(3,015)	(1,992)	(1,785)	(1,818)	(1,300)	(902)
Net Change in Total Pension Liability	33,294	(78,088)	36,291	23,212	(7,877)	(23,287)
Total Pension Liability - Beginning	68,588	146,676	110,385	87,173	95,050	118,337
Total Pension Liability - Ending	\$ 101,882	\$ 68,588	\$ 146,676	\$ 110,385	\$ 87,173	\$ 95,050
Plan Fiduciary Net Position**						
Contributions - Employer	\$ 833	\$ 656	N/A	N/A	N/A	N/A
Contributions - Member	—	—	N/A	N/A	N/A	N/A
Net Investment Income	52	8,211	N/A	N/A	N/A	N/A
Benefit Payments, Including Refunds of Member Contributions	—	—	N/A	N/A	N/A	N/A
Administrative Expense	—	—	N/A	N/A	N/A	N/A
Net Change in Plan Fiduciary Net Position	886	8,866	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Beginning	32,259	23,393	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position - Ending	\$ 33,145	\$ 32,259	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 68,737	\$ 36,329	N/A	N/A	N/A	N/A

N/A indicates data not available.

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Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Net Pension Liability

University of Washington

Last Six Fiscal Years*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability/(Asset) - Ending	\$ 316,127	\$ 216,672	\$ 781,829	\$ 594,040	\$ 412,481	\$ 438,753
Plan Fiduciary Net Position - Ending	96,989	90,341	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 219,138	\$ 126,331	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	30.68 %	41.69 %	N/A	N/A	N/A	N/A
Covered Payroll	\$ 1,723,087	\$ 1,703,155	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	12.72 %	7.42 %	N/A	N/A	N/A	N/A

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement Nos. 67/68.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Schedule of Net Pension Liability

Washington State University

Last Six Fiscal Years*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability/(Asset) - Ending	\$ 56,679	\$ 41,102	\$ 118,942	\$ 92,720	\$ 82,831	\$ 89,414
Plan Fiduciary Net Position - Ending	18,643	17,646	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 38,036	\$ 23,456	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	32.89 %	42.93 %	N/A	N/A	N/A	N/A
Covered Payroll	\$ 325,122	\$ 317,177	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	11.70 %	7.40 %	N/A	N/A	N/A	N/A

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement Nos. 67/68.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Net Pension Liability

Eastern Washington University

Last Six Fiscal Years*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability/(Asset) - Ending	\$ 13,119	\$ 9,040	\$ 23,139	\$ 17,747	\$ 15,551	\$ 11,601
Plan Fiduciary Net Position - Ending	3,720	3,549	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 9,399	\$ 5,490	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	28.36 %	39.26 %	N/A	N/A	N/A	N/A
Covered Payroll	\$ 59,085	\$ 60,251	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	15.91 %	9.11 %	N/A	N/A	N/A	N/A

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement Nos. 67/68.

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Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Schedule of Net Pension Liability

Central Washington University

Last Six Fiscal Years*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability/(Asset) - Ending	\$ 5,545	\$ 4,635	\$ 8,622	\$ 7,378	\$ 7,717	\$ 8,477
Plan Fiduciary Net Position - Ending	3,751	3,560	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 1,794	\$ 1,075	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	67.65 %	76.81 %	N/A	N/A	N/A	N/A
Covered Payroll	\$ 66,747	\$ 77,419	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	2.69 %	1.39 %	N/A	N/A	N/A	N/A

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement Nos. 67/68.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Net Pension Liability

The Evergreen State College

Last Six Fiscal Years*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability/(Asset) - Ending	\$ 4,994	\$ 3,533	\$ 8,894	\$ 6,818	\$ 5,980	\$ 6,510
Plan Fiduciary Net Position - Ending	1,421	1,372	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 3,573	\$ 2,162	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	28.45 %	38.83 %	N/A	N/A	N/A	N/A
Covered Payroll	\$ 20,208	\$ 36,786	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	17.68 %	5.88 %	N/A	N/A	N/A	N/A

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement Nos. 67/68.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Schedule of Net Pension Liability

Western Washington University

Last Six Fiscal Years*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability/(Asset) - Ending	\$ 20,743	\$ 13,327	\$ 35,442	\$ 27,037	\$ 20,962	\$ 22,820
Plan Fiduciary Net Position - Ending	5,488	5,255	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 15,255	\$ 8,072	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	26.46 %	39.43 %	N/A	N/A	N/A	N/A
Covered Payroll	\$ 107,558	\$ 317,177	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	14.18 %	2.54 %	N/A	N/A	N/A	N/A

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement Nos. 67/68.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

**Schedule of Net Pension Liability
State Board for Community and Technical Colleges**

Last Six Fiscal Years*

(expressed in thousands)

	2022	2021	2020	2019	2018	2017
Total Pension Liability/(Asset) - Ending	\$ 101,882	\$ 68,588	\$ 146,676	\$ 110,385	\$ 87,173	\$ 95,050
Plan Fiduciary Net Position - Ending	33,145	32,259	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) - Ending	\$ 68,737	\$ 36,329	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	32.53 %	47.03 %	N/A	N/A	N/A	N/A
Covered Payroll	\$ 638,490	\$ 639,861	N/A	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	10.77 %	5.68 %	N/A	N/A	N/A	N/A

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement Nos. 67/68.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

**Higher Education Supplemental Defined Benefit Plans
Notes to Required Supplementary Information**

Effective fiscal year 2021, House Bill 1661 created dedicated funds to pay higher education Supplemental Retirement Plans (SRPs) benefits that mimic the trust arrangement for the rest of the state retirement systems. As a result, the plans, previously reported under GASB Statement No. 73, are now being reported under GASB Statement Nos. 67/68. Under the SRPs, state institutions of higher education make direct payments to qualifying retirees when the retirement benefits provided by the fund sponsors do not meet the benefit goals.

Under GASB 67/68, the discount rate is based on the long-term expected rate of return on the pension plan investments. This led to an increase in the discount rate used to measure the total pension liability (TPL) from 2.21 percent as of June 30, 2020, to 7.40 percent as of June 30, 2021, and a significant decrease in the TPL. In addition to the change in discount rate, the TPL is now compared against the plan's fiduciary net position to determine the net pension liability.

OTHER POSTEMPLOYMENT BENEFITS INFORMATION

Schedule of Changes in Total OPEB Liability and Related Ratios

Measurement Date of June 30*

(expressed in thousands)

	2021	2020	2019	2018	2017
Total OPEB Liability					
Service cost	\$ 323,706	\$ 251,517	\$ 235,316	\$ 317,866	\$ 394,955
Interest	139,842	210,229	203,889	218,339	184,999
Changes in benefit terms	—	—	—	—	—
Difference between expected and actual experience	404	(32,209)	(273)	199,258	—
Changes in assumptions	58,702	136,371	379,637	(1,390,198)	(902,431)
Benefit payments	(106,523)	(100,092)	(93,253)	(92,200)	(94,279)
Changes in proportion	—	3	(3)	(15)	—
Other**	—	(214,094)	—	—	—
Net Changes in Total OPEB Liability	416,131	251,725	725,313	(746,950)	(416,755)
Total OPEB Liability--Beginning, as restated	6,056,920	5,805,195	5,079,882	5,826,832	6,242,577
Total OPEB Liability--Ending	\$ 6,473,051	\$ 6,056,920	\$ 5,805,195	\$ 5,079,882	\$ 5,825,822
Covered-employee payroll	\$ 9,560,209	\$ 9,285,200	\$ 8,722,746	\$ 8,401,635	\$ 7,878,188
Total OPEB liability as a percentage of covered-employee payroll	67.71 %	65.23 %	66.55 %	60.46 %	73.95 %

*This schedule is to be built prospectively until it contains ten years of data.

**Impact of removing trends that include excise tax. Legislation under H.R. 1865 repealed the excise tax after the previous measurement date.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Other Postemployment Benefits Information
Notes to Required Supplementary Information

The Public Employees' Benefits Board OPEB plan does not have assets in trusts or equivalent arrangements and is funded on a pay-as-you-go basis.

Potential factors that may significantly affect trends in amounts reported include changes to the discount rate, health care trend rates, salary projections, and participation percentages.

Total OPEB liability beginning balance for the measurement date of June 30, 2018, was restated to reflect the changes in proportion between the state and the Washington Economic Development Finance Authority which operates on a cash basis and does not report an OPEB liability. The restatement also includes OPEB amounts for the Health Care Benefits Exchange which was omitted from the table in the prior year.

Infrastructure Assets Reported Using the Modified Approach

Condition Assessment

The state of Washington reports certain networks of infrastructure assets under the modified approach of the Governmental Accounting Standards Board Statement No. 34. Expenditures to maintain and preserve these assets are budgeted, recorded, and reported in lieu of depreciation expense. The state must meet the following requirements to report networks of assets under the modified approach:

- Maintain an up-to-date inventory of eligible infrastructure assets in an asset management system.
- Disclose the condition level at which assets are to be preserved or maintained, as established by administrative or executive policy, or by legislative action.

- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Document that assets are being preserved approximately at or above the disclosed condition level for the three most recent complete condition assessments..
- Annually estimate the cost to maintain and preserve the assets at the established condition level.

Assets accounted for under the modified approach include the state of Washington’s network of highway pavements, bridges, and rest areas. In fiscal year 2022, the state was responsible for maintaining and preserving 20,876 pavement lane miles, 4,126 bridges and tunnels, and 47 highway safety rest areas.

PAVEMENT CONDITION

The Washington State Department of Transportation (WSDOT) performs highway pavement assessments over a two-year cycle utilizing three measurements to develop a scaled condition assessment: Pavement Structural Condition (PSC), International Roughness Index (IRI), and rutting.

The WSDOT uses the following rating scale for PSC:

Category	PSC Range	Description
Very Good	80 - 100	Little or no distress. Example: Flexible pavement with 5% of wheel track length having “hairline” severity alligator cracking will have a PSC of 80.
Good	60 - 79	Early stage deterioration. Example: Flexible pavement with 15% of wheel track length having “hairline” alligator cracking will have a PSC of 70.
Fair	40 - 59	This is the threshold value for rehabilitation. Example: Flexible pavement with 25% of wheel track length having “hairline” alligator cracking will have a PSC of 50.
Poor	20 - 39	Structural deterioration. Example: Flexible pavement with 25% of wheel track length having “medium (spalled)” severity alligator cracking will have a PSC of 30.
Very Poor	0 - 19	Advanced structural deterioration. Example: Flexible pavement with 40% of wheel track length having “medium (spalled)” severity alligator cracking will have a PSC of 10. May require extensive repair and thicker overlays.

The IRI scale is measured in inches per mile. The WSDOT assesses pavement with a ride performance measure less than 221 inches per mile to be in fair or better condition.

Rutting is measured in inches with a measurement of 0.58 inches or less assessed at a condition of fair or better.

PSC, IRI, and rutting are combined to rate a section of pavement which is assigned the lowest condition of any of the three indices.

The following table shows the combined conditions and the ratings for each index:

Category	PSC	IRI	Rutting
Very Good	80 - 100	< 96	< 0.24
Good	60 - 79	96 - 170	0.24 - 0.41
Fair	40 - 59	171 - 220	0.42 - 0.58
Poor	20 - 39	221 - 320	0.59 - 0.74
Very Poor	0 - 19	> 320	> 0.74

The WSDOT's policy is to maintain 85 percent of pavements at a condition level of fair or better, based on an average condition level of the last three assessments. Calculation of the percentages was based on vehicle miles traveled, a key data for highway planning and management and a common measure of roadway use.

The following table shows pavement condition ratings for state highways:

Pavements			
Percentage in Fair or Better Condition			
Two-Year Cycle Ending Calendar Year			
2021	2019	2017	Average of Last Three Assessments
92.5%	94.1%	93.2%	93.3%

The following table reflects the state's estimated and actual expenditures necessary to preserve state highways at the established condition level:

Pavements					
Preservation and Maintenance - Planned to Actual - Fiscal Year					
<i>(expressed in thousands)</i>					
	2022	2021	2020	2019	2018
Planned	\$ 139,663	\$ 211,788	\$ 194,105	\$ 227,625	\$ 263,555
Actual	119,280	124,491	169,303	269,236	271,474
Variance	\$ 20,383	\$ 87,297	\$ 24,802	\$ (41,611)	\$ (7,919)
	14.6%	41.2%	12.8%	-18.3%	-3.0%

Actual expenditures may vary from planned amounts for a variety of reasons which include, but are not limited to, management's decision to accelerate, defer, or reduce preservation or maintenance activities in response to economic forecasts and other factors. For fiscal year 2021, the 41.2 percent variance is due to a combination of decreased expenditures and an additional appropriation for the Connecting Washington Program that funded other various projects to enhance the statewide transportation system and maintain critical infrastructure.

For more information about pavements, refer to the WSDOT's website at: <http://www.wsdot.wa.gov/Business/MaterialsLab/Pavements/default.htm>.

BRIDGE CONDITION

The WSDOT inspects and performs condition assessments on approximately 3,316 state-owned vehicular bridges in excess of 20 feet in length. While most bridges undergo condition assessments every two years, the National Bridge Inspection Standards (NBIS) make provisions for some bridges to be inspected more or less frequently. Factors that are considered when determining the frequency of inspection include age, type of structure, span length, and condition. There are currently about 360 bridges that are inspected on a four-year cycle, and many bridges that are inspected more frequently than every two years. Underwater bridge components are inspected at least once every five years in accordance with Federal Highway Administration (FHWA) requirements.

The WSDOT uses a performance measure established in FHWA's *Recording and Coding Guide for the Structural Inventory and Appraisal of the Nation's Bridges*, which classifies the physical condition of bridges as good, fair, or poor based on structural sufficiency standards for the following bridge components: bridge superstructure, substructure, and deck. The appraisal data is collected in the National Bridge Inventory and assigned a code from 0 to 9, with 0 being in a failed condition and 9 being in excellent condition.

Category	National Bridge Inventory Code	Description
Excellent	9	No problem
Good	7 or 8	A range from no problems noted to some minor problems.
Fair	5 or 6	All primary structural elements are sound but may have deficiencies such as minor section loss, deterioration, cracking, spalling, or scour.
Poor	4 or less	Advanced deficiencies such as section loss, deterioration, cracking, spalling, scour, or seriously affected primary structural components.

The WSDOT's policy is to maintain 90 percent of bridges at a condition level of fair or better, based on an average condition level of the last three assessments.

The following table shows condition ratings for state bridges:

Bridges			
Percentage in Fair or Better Condition			
Two-Year Cycle Ending Fiscal Year			
2021*	2019	2017	Average of Last Three Assessments *
94.7%	92.9%	91.8%	93.1%

*Percentages for the 2021 assessment and the Average of Last Three Assessments were updated to correct errors in prior year's calculations.

The following table reflects the state's estimated and actual expenditures necessary to preserve the bridges at the established condition level:

Bridges					
Preservation and Maintenance - Planned to Actual - Fiscal Year					
(expressed in thousands)					
	2022	2021	2020	2019	2018
Planned	\$ 135,355	\$ 114,868	\$ 148,212	\$ 182,409	\$ 106,595
Actual	92,080	109,137	120,554	146,816	87,068
Variance	\$ 43,275	\$ 5,731	\$ 27,658	\$ 35,593	\$ 19,527
	32.0%	5.0%	18.7%	19.5%	18.3%

Actual expenditures may vary from planned amounts for a variety of reasons which include, but are not limited to, management's decision to accelerate, defer, or reduce preservation or maintenance activities in response to economic forecasts and other factors. The significant variance between actual and planned expenditures in fiscal year 2022 can be attributed to continued insufficient resources in keeping up with increased delivery demands imposed on the WSDOT.

For more information about bridges, refer to the WSDOT's website at: <http://www.wsdot.wa.gov/Bridge/Structures/>.

SAFETY REST AREA CONDITION

Beginning in fiscal year 2020, the WSDOT performs condition assessments on safety rest areas in the odd year of every fiscal biennium. Sites and buildings are divided into functional components that are assessed with a three-tiered condition scale: good, fair, and poor condition. The assessment criteria are based on guidelines that are typical of industry standards and have been modified by the WSDOT Capital Facilities Program to align with transportation-related facilities.

While the scale for condition measurement remains unchanged, both the condition rating tiers and the condition target for safety rest areas were modified effective for fiscal year 2020. The rating for a safety rest area to be considered in “fair” condition was increased from 50 percent to 60 percent under the new plan, representing a higher assessment standard than under the historical rating system.

The WSDOT’s policy is to maintain 85 percent of safety rest areas at a level of fair or better condition, based on the average condition level of the last three assessments. However, the implementation of the new condition assessment criteria in fiscal year 2020 resulted in the safety rest area condition rating falling below target in the last three assessments. Beginning in the fall of 2022, the WSDOT will evaluate the feasibility of continuing to manage safety rest areas under the same asset management plan as all other agency-owned facilities using the modified approach for reporting infrastructure. The determination will be completed before the 2023 biennium closes and will be addressed in the Required Supplemental Information of the fiscal year 2023 Annual Comprehensive Financial Report.

The following table shows condition ratings for safety rest areas:

Safety Rest Areas			
Percentage in Fair or Better Condition			
Two-Year Cycle Ending Fiscal Year *			
2021	2019*	2017*	Average of Last Three Assessments
45.7%	80.4%	80.4%	68.8%

* The percentages for the 2017 and 2019 assessments were recalculated to reflect the new rating methodology effective July 2019.

The following table reflects the state’s estimated and actual expenditures necessary to preserve the safety rest areas at the established condition level:

Safety Rest Areas					
Preservation and Maintenance - Planned to Actual - Fiscal Year					
(expressed in thousands)					
	2022	2021	2020	2019	2018
Planned	\$ 6,694	\$ 8,140	\$ 9,420	\$ 11,084	\$ 9,609
Actual	7,589	7,256	8,601	9,004	7,986
Variance	\$ (895)	\$ 884	\$ 819	\$ 2,080	\$ 1,623
	-13.4%	10.9%	8.7%	18.8%	16.9%

Actual expenditures may vary from planned amounts for a variety of reasons which include, but are not limited to, management’s decision to accelerate, defer, or reduce preservation or maintenance activities in response to economic forecasts and other factors.

For more information about safety rest areas, refer to the WSDOT’s website at: <http://www.wsdot.wa.gov/safety/restareas>.

State of Washington
Single Audit Report
For Fiscal Year Ended
June 30, 2022

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, 2022
(Expressed in whole dollars)*

Federal Programs Not Clustered

Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.025	Plant and Animal Disease, Pest Control, and Animal		3650	2,219,265	102,319	
10.025		139608001	3650	9,247	0	PT
10.025		A212762S001	3650	49,833	0	PT
10.025			4670	89,966	4,997	
10.025			4950	3,256,526	0	
Federal Program 10.025 Total				5,624,837	107,316	
10.028	Wildlife Services		3650	435	0	
Federal Program 10.028 Total				435	0	
10.069	Conservation Reserve Program		4710	240,837	240,837	
10.069			4770	57,387	0	
Federal Program 10.069 Total				298,224	240,837	
10.163	Market Protection and Promotion		4950	1,260,393	0	
Federal Program 10.163 Total				1,260,393	0	
10.164	Wholesale Farmers and Alternative Market Development		3650	37,915	0	
Federal Program 10.164 Total				37,915	0	
10.167	Transportation Services		3650	191,386	62,365	
Federal Program 10.167 Total				191,386	62,365	
10.170	Specialty Crop Block Grant Program - Farm Bill		4950	4,425,315	817,570	
Federal Program 10.170 Total				4,425,315	817,570	
10.171	Organic Certification Cost Share Programs		4950	244,513	222,285	
Federal Program 10.171 Total				244,513	222,285	
10.175	Farmers Market and Local Food Promotion Program	139007001	3650	5,997	0	PT
10.175		AM190100XXXXG169	3650	(49)	0	PT
10.175		AM200100XXXXG176	3650	2,709	0	PT
Federal Program 10.175 Total				8,657	0	
10.217	Higher Education - Institution Challenge Grants Pr		3650	53,056	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, 2022
(Expressed in whole dollars)*

Federal Programs Not Clustered

Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.217	Higher Education - Institution Challenge Grants Pr	UMS1210	3650	8,975	0	PT
Federal Program 10.217 Total				62,031	0	
10.223	Hispanic Serving Institutions Education Grants	201938422302121	3650	10,655	0	PT
10.223			6990	51,755	0	
Federal Program 10.223 Total				62,410	0	
10.229	Extension Collaborative on Immunization Teaching &	EXC120212095	3650	24,094	0	PT
10.229		EXC20212179	3650	92,629	0	PT
Federal Program 10.229 Total				116,723	0	
10.250	Agricultural and Rural Economic Research		3650	24,833	0	
Federal Program 10.250 Total				24,833	0	
10.253	Consumer Data and Nutrition Research	AG9033	3650	25,304	0	PT
Federal Program 10.253 Total				25,304	0	
10.303	Integrated Programs		3650	83,374	14,353	
10.303		C0550AA	3650	20,203	0	PT
Federal Program 10.303 Total				103,577	14,353	
10.304	Homeland Security_Agricultural		3650	229,395	0	
10.304		20160379404	3650	3,251	0	PT
Federal Program 10.304 Total				232,646	0	
10.309	Specialty Crop Research Initiative		3650	4,029,895	3,056,937	
10.309		2016149806	3650	43,536	0	PT
10.309		2017039813	3650	41,395	0	PT
10.309		2020004208	3650	151,270	0	PT
10.309		596338	3650	56,415	0	PT
10.309		7961110753	3650	27,044	0	PT
10.309		8198010924	3650	(8,508)	0	PT
10.309		9288420623	3650	141,978	0	PT
10.309		AN4829846771	3650	32,645	0	PT
10.309		C0565BE	3650	39,818	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, 2022
(Expressed in whole dollars)*

Federal Programs Not Clustered

Dept of Agriculture

Assistance Listing 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	C0598BB	3650	43,270	0	PT
10.309		G18219W7553	3650	215,631	0	PT
10.309		H007082509	3650	65,943	0	PT
10.309		M2002895	3650	44,875	0	PT
10.309		RC106347WSU	3650	22,143	0	PT
10.309		RC111414F	3650	63,757	0	PT
10.309		RC111414H	3650	23,651	0	PT
10.309		RC111480WSU	3650	105,594	0	PT
10.309		S000224NIFA	3650	54,616	0	PT
10.309		S001381	3650	178,013	0	PT
10.309		S001505	3650	7,995	0	PT
10.309		SUB00002411	3650	135,148	0	PT
10.309		UFDSP00012310	3650	69,768	0	PT
Federal Program 10.309 Total				5,585,892	3,056,937	
10.311	Beginning Farmer and Rancher Development Program	20214940035639001	3650	2,965	0	PT
10.311		20217003335709	3650	583	0	PT
10.311			6990	109,215	0	
Federal Program 10.311 Total				112,763	0	
10.328	National Food Safety Training, Education, Extension		3650	69,750	9,061	
10.328		138735001	3650	11,446	0	PT
10.328		C0537AB	3650	14,343	0	PT
Federal Program 10.328 Total				95,539	9,061	
10.329	Crop Protection and Pest Management Competitive Gr		3650	290,516	0	
10.329		AN944846752	3650	4,454	0	PT
Federal Program 10.329 Total				294,970	0	
10.330	Alfalfa and Forage Research Program		3650	258,414	47,078	
Federal Program 10.330 Total				258,414	47,078	
10.331	Food Insecurity Nutrition Incentive Grants Program		3030	2,246,392	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, 2022
(Expressed in whole dollars)*

Federal Programs Not Clustered

Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 10.331 Total				2,246,392	0	
10.351	Rural Business Development Grant		3650	21,641	0	
Federal Program 10.351 Total				21,641	0	
10.500	Cooperative Extension Service		3650	2,117,715	1,059,379	
10.500		20214152035353	3650	1,292	0	PT
10.500		A000983S082	3650	62,967	0	PT
10.500		A000983S091	3650	3,574	0	PT
10.500		F9000067402041	3650	3,744	0	PT
10.500		F9001573902009	3650	90,322	0	PT
10.500		F9001573902016	3650	39,274	0	PT
Federal Program 10.500 Total				2,318,888	1,059,379	
10.511	Smith-Lever Funding (Various Programs)		3650	4,312,213	0	
Federal Program 10.511 Total				4,312,213	0	
10.514	Expanded Food and Nutrition Education Program		3650	901,136	0	
Federal Program 10.514 Total				901,136	0	
10.515	Renewable Resources Extension Act and National FOC		3650	116,545	0	
Federal Program 10.515 Total				116,545	0	
10.516	Rural Health and Safety Education Competitive Gran		3650	169,892	0	
Federal Program 10.516 Total				169,892	0	
10.519	Equipment Grants Program (EGP)		3600	1,023	0	
Federal Program 10.519 Total				1,023	0	
10.525	Farm and Ranch Stress Assistance Network Competiti		3650	1,090,762	764,014	
10.525			4950	120,099	0	
Federal Program 10.525 Total				1,210,861	764,014	
10.527	New Beginnings for Tribal Students		3650	114,392	0	
Federal Program 10.527 Total				114,392	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, 2022
(Expressed in whole dollars)*

Federal Programs Not Clustered

Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.535	SNAP Fraud Framework Implementation Grant		3000	328,716	0	
Federal Program 10.535 Total				328,716	0	
10.542	COVID-19 – Pandemic EBT Food Benefits		3000	526,743,838	0	NC
Federal Program 10.542 Total				526,743,838	0	
10.557	WIC Special Supplemental Nutrition Program for Wom		3030	100,667,764	29,884,126	
10.557	COVID-19 – WIC Special Supplemental Nutrition Program for Wom		3030	5,489,270	0	
Federal Program 10.557 Total				106,157,034	29,884,126	
10.558	Child and Adult Care Food Program		3500	33,522,145	32,700,627	
10.558	COVID-19 – Child and Adult Care Food Program		3500	3,831,315	3,831,315	
10.558	Child and Adult Care Food Program	6198-08	6990	105,339	0	PT
Federal Program 10.558 Total				37,458,799	36,531,942	
10.560	State Administrative Expenses for Child Nutrition		3500	6,569,525	0	
Federal Program 10.560 Total				6,569,525	0	
10.572	WIC Farmers' Market Nutrition Program (FMNP)		3030	543,557	19,353	
Federal Program 10.572 Total				543,557	19,353	
10.574	Team Nutrition Grants		3500	89,273	8,951	
Federal Program 10.574 Total				89,273	8,951	
10.575	Farm to School Grant Program	138065001	3650	11,015	0	PT
10.575			4950	86,611	17,000	
10.575			6990	2,926	0	
Federal Program 10.575 Total				100,552	17,000	
10.576	Senior Farmers Market Nutrition Program		3000	246,763	20,010	
Federal Program 10.576 Total				246,763	20,010	
10.579	Child Nutrition Discretionary Grants		3500	303,877	276,436	
Federal Program 10.579 Total				303,877	276,436	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.604	Technical Assistance for Specialty Crops Program		3650	179,070	0	
10.604		500625SUB01	3650	63,719	0	PT
10.604		ORSO130051	3650	(37,876)	0	PT
10.604		TASC201809	3650	85,295	0	PT
Federal Program 10.604 Total				290,208	0	
10.649	COVID-19 – Pandemic EBT Administrative Costs		3000	14,371,504	0	
10.649			3500	507,054	507,054	
Federal Program 10.649 Total				14,878,558	507,054	
10.664	Cooperative Forestry Assistance		3650	12,506	0	
10.664			4900	2,977,192	0	
Federal Program 10.664 Total				2,989,698	0	
10.674	Wood Utilization Assistance		3100	162,055	0	
10.674			3600	32,531	0	
10.674			3650	96,122	2,743	
10.674		0100	3650	20,005	0	PT
10.674			4900	12,225	0	
Federal Program 10.674 Total				322,938	2,743	
10.676	Forest Legacy Program		4900	35,876	0	
Federal Program 10.676 Total				35,876	0	
10.684	International Forestry Programs	141988001	3650	1,122	0	PT
Federal Program 10.684 Total				1,122	0	
10.691	Good Neighbor Authority		4770	298,073	0	
10.691			4900	1,417,181	0	
Federal Program 10.691 Total				1,715,254	0	
10.697	State & Private Forestry Hazardous Fuel Reduction		4900	222,802	0	
Federal Program 10.697 Total				222,802	0	
10.707	Research Joint Venture and Cost Reimbursable Agree		3650	72,268	0	

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Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 10.707 Total				72,268	0	
10.777	Norman E. Borlaug International Agricultural Science		3650	(1,374)	0	
Federal Program 10.777 Total				(1,374)	0	
10.855	Distance Learning and Telemedicine Loans and Grant		3600	695,169	0	
Federal Program 10.855 Total				695,169	0	
10.902	Soil and Water Conservation		3650	66,253	0	
10.902			4710	14,487	14,487	
10.902			4770	16,365	0	
Federal Program 10.902 Total				97,105	14,487	
10.912	Environmental Quality Incentives Program		3650	19,246	4,326	
10.912		137312001	3650	41,536	0	PT
10.912			4710	36,640	36,640	
Federal Program 10.912 Total				97,422	40,966	
10.924	Conservation Stewardship Program		4710	5,411	5,411	
Federal Program 10.924 Total				5,411	5,411	
10.932	Regional Conservation Partnership Program		4770	176,803	0	
Federal Program 10.932 Total				176,803	0	
10.960	Technical Agricultural Assistance		3650	592,196	390,231	
Federal Program 10.960 Total				592,196	390,231	
10.U01	Agriculture - Unknown ALN	12639521F1003	3650	25,500	0	
Federal Program 10.U01 Total				25,500	0	
10.U02	Agriculture - Unknown ALN	12639522F0530	3650	1,155	0	
Federal Program 10.U02 Total				1,155	0	
10.U03	Agriculture - Unknown ALN	12639522F0536	3650	17,424	0	
Federal Program 10.U03 Total				17,424	0	
10.U04	Agriculture - Unknown ALN	12639522F0611	3650	5,000	0	

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Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 10.U04 Total				5,000	0	
10.U05	Agriculture - Unknown ALN	12639522F0615	3650	19,047	0	
Federal Program 10.U05 Total				19,047	0	
10.U06	Agriculture - Unknown ALN	19CR11221632166	3650	12,115	0	
Federal Program 10.U06 Total				12,115	0	
10.U07	Agriculture - Unknown ALN	19CR11221633179	3650	3,821	0	
Federal Program 10.U07 Total				3,821	0	
10.U08	Agriculture - Unknown ALN	19JV11221633189	3650	6,280	0	
Federal Program 10.U08 Total				6,280	0	
10.U09	Agriculture - Unknown ALN	19JV11221634163	3650	74,077	0	
Federal Program 10.U09 Total				74,077	0	
10.U10	Agriculture - Unknown ALN	19JV11221636187	3650	68,318	0	
Federal Program 10.U10 Total				68,318	0	
10.U11	Agriculture - Unknown ALN	19JV11261944119	3650	4,988	0	
Federal Program 10.U11 Total				4,988	0	
10.U12	Agriculture - Unknown ALN	20JV11221633148	3650	18,573	0	
Federal Program 10.U12 Total				18,573	0	
10.U13	Agriculture - Unknown ALN	20JV11261985044	3650	609	0	
Federal Program 10.U13 Total				609	0	
10.U14	Agriculture - Unknown ALN	20JV11272138038	3650	33,318	0	
Federal Program 10.U14 Total				33,318	0	
10.U15	Agriculture - Unknown ALN	21CS11060300001	3650	57,686	0	
Federal Program 10.U15 Total				57,686	0	
10.U16	Agriculture - Unknown ALN	1204H121K4077	4770	22,034	0	
10.U16		20-CS-11060900-009	4770	9,754	0	
10.U16		20-GN-11062754-025	4770	7,214	0	
10.U16		21-CS-11010400-021	4770	2,374	0	
Federal Program 10.U16 Total				41,376	0	

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Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.U17	Agriculture - Unknown ALN	21CS11061200003	3650	44,103	0	
Federal Program 10.U17 Total				44,103	0	
10.U18	Agriculture - Unknown ALN	21CS11221636080	3650	28,186	0	
Federal Program 10.U18 Total				28,186	0	
10.U19	Agriculture - Unknown ALN	AG6395C160167	3650	14,200	0	
Federal Program 10.U19 Total				14,200	0	
Dept of Agriculture Total				731,688,926	74,119,905	

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Dept of Commerce

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
11.017	Ocean Acidification Program		3600	16,184	0	
Federal Program 11.017 Total				16,184	0	
11.303	Economic Development_Technical Assistance		3600	98,757	0	
11.303			3650	99,624	0	
Federal Program 11.303 Total				198,381	0	
11.407	Interjurisdictional Fisheries Act of 1986	20-38G	4770	85,661	0	PT
11.407		21-038G	4770	148,279	0	PT
11.407		22-045G	4770	141,923	0	PT
Federal Program 11.407 Total				375,863	0	
11.419	Coastal Zone Management Administration Awards	SUBK00014242	3800	12,834	0	PT
11.419			4610	2,358,967	0	
Federal Program 11.419 Total				2,371,801	0	
11.436	Columbia River Fisheries Development Program		4670	359,657	92,426	
11.436			4770	6,490,410	0	
Federal Program 11.436 Total				6,850,067	92,426	
11.437	Pacific Fisheries Data Program	19-23G	4770	21,651	0	PT
11.437		19-50G	4770	46,087	0	PT
11.437		20-43G	4770	18,928	0	PT
11.437		21-28G	4770	61,454	0	PT
11.437		22-027G	4770	70,579	0	PT
Federal Program 11.437 Total				218,699	0	
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treat		4670	25,708,008	17,392,161	
11.438			4770	4,166,407	0	
11.438		20-1545	4770	513	0	PT
11.438		RCPP 2101-01	4770	11,204	0	PT
Federal Program 11.438 Total				29,886,132	17,392,161	
11.439	Marine Mammal Data Program		4770	84,166	0	

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Dept of Commerce

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
11.439	Marine Mammal Data Program	21-035G	4770	154,389	0	PT
Federal Program 11.439 Total				238,555	0	
11.441	Regional Fishery Management Councils	22-012G	4770	645,926	0	PT
11.441		LIA 2021-3	4770	54,637	0	PT
11.441		LIA 2022-3	4770	54,637	0	PT
11.441		NA15NMF4410016 /	4770	228,726	0	PT
Federal Program 11.441 Total				983,926	0	
11.463	Habitat Conservation	S20170118	3650	340,750	0	PT
11.463			4770	522,871	0	
Federal Program 11.463 Total				863,621	0	
11.473	Office for Coastal Management	0318.19.065579	4610	142,528	142,528	PT
11.473		0318.18.062589	4770	17,144	0	PT
11.473		Project #70427	4770	31,789	0	PT
Federal Program 11.473 Total				191,461	142,528	
11.482	Coral Reef Conservation Program		3650	1,848	0	
Federal Program 11.482 Total				1,848	0	
11.U02	Commerce - Unknown ALN	11.612	6990	246,462	0	
Federal Program 11.U02 Total				246,462	0	
11.U03	Commerce - Unknown ALN	2192501011	6990	95,000	0	
Federal Program 11.U03 Total				95,000	0	
11.U04	Commerce - Unknown ALN	None	6990	5,671	0	PT
Federal Program 11.U04 Total				5,671	0	
Dept of Commerce Total				42,543,671	17,627,115	

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Dept of Defense

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.010	Youth Conservation Services		4610	12,913	0	
Federal Program 12.010 Total				12,913	0	
12.112	Payments to States in Lieu of Real Estate Taxes		0050	33,334	0	
Federal Program 12.112 Total				33,334	0	
12.130	Estuary Habitat Restoration Program		4900	138,691	0	
Federal Program 12.130 Total				138,691	0	
12.300	Basic and Applied Scientific Research		3600	752,314	25,256	
Federal Program 12.300 Total				752,314	25,256	
12.330	Science, Technology, Engineering & Mathematics (STEM)		3600	7,459	0	
Federal Program 12.330 Total				7,459	0	
12.355	Pest Management and Vector Control Research	135993001	3650	29,426	0	PT
Federal Program 12.355 Total				29,426	0	
12.400	Military Construction, National Guard		2450	7,174,364	0	
Federal Program 12.400 Total				7,174,364	0	
12.401	National Guard Military Operations and Maintenance		2450	21,668,359	0	
Federal Program 12.401 Total				21,668,359	0	
12.404	National Guard Challenge Program		2450	5,164,206	0	
Federal Program 12.404 Total				5,164,206	0	
12.420	Military Medical Research and Development		3600	252,494	0	
12.420		201114	3600	451	0	PT
12.420		8455SCAM11	3600	100,183	0	PT
12.420		AP17MUIRB1SIBCRM00	3600	13,397	0	PT
12.420		BJ213BJ21SIBCR	3600	5,372	0	PT
12.420		BJ213ZS21SIBCR	3600	8,307	0	PT
12.420		GJ112GJ12SIBCR	3600	1,351	0	PT
12.420		GJ112LIUH2SIBCRM001	3600	11,909	0	PT

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Dept of Defense

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.420	Military Medical Research and Development	GJ112LIUH3SIBCR	3600	67,401	0	PT
12.420		GJ112MIRANG2SIBCR	3600	771	0	PT
12.420		GJ112MIRANG3SIBCR	3600	3,933	0	PT
12.420		GJ124GJ11SIBCR	3600	4,248	0	PT
12.420		GJ124HERODM1SIBCR	3600	2,622	0	PT
12.420		MD13HB15SIBCRM01	3600	1,293	0	PT
12.420		MD13MD12SIBCR	3600	4,612	0	PT
12.420		MD15MD11SIBCRM01	3600	32,286	0	PT
12.420		MD1HJFMD11SIBCR	3600	18,449	0	PT
12.420		ME14ME12SIBCR	3600	7,974	0	PT
12.420		ME14ME13SIBCR	3600	30,302	0	PT
12.420		PE164LG11SIBCR	3600	5,826	0	PT
12.420		PE164PE11SIBCR	3600	3,844	0	PT
12.420		PE26LIN1SIBCR	3600	9,585	0	PT
12.420		PE26LIN2SIBCR	3600	30,279	0	PT
12.420		PE26PE21SIBCR	3600	15,711	0	PT
12.420		PE26PE22SIBCR	3600	50,822	0	PT
12.420		PE26REINR1SIBCR	3600	12,796	0	PT
12.420		PE26REINR2SIBCR	3600	38,967	0	PT
12.420		PE26SHOFEJ1SIBCR	3600	2,992	0	PT
12.420		PE26SHOFEJ2SIBCR	3600	9,379	0	PT
12.420		PK17SHULEQ3SIBCR	3600	1,877	0	PT
12.420		RM164REINR2SIBCR	3600	9,704	0	PT
12.420		RM164REINR3SIBCR	3600	26,232	0	PT
12.420		RM164RM11SIBCR	3600	18,305	0	PT
Federal Program 12.420 Total				803,674	0	
12.550	The Language Flagship Grants to Institutions of Hi	0054UW25SSC280PO2	3600	18,026	0	PT
12.550		0054UW25SSC280PO2MO	3600	17,676	0	PT
12.550		BOR21UW21CHNPO1	3600	25,063	0	PT
12.550		BOR21UW21CHNPO1MOD	3600	274,100	0	PT

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Dept of Defense

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Federal Program 12.550 Total				334,865	0	
12.610	Community Economic Adjustment Assistance for Compa		1030	482,699	0	
Federal Program 12.610 Total				482,699	0	
12.632	Legacy Resource Management Program		3650	(10)	0	
Federal Program 12.632 Total				(10)	0	
12.900	Language Grant Program		3600	56,241	0	
Federal Program 12.900 Total				56,241	0	
12.901	Mathematical Sciences Grants Program		3600	4,035	0	
Federal Program 12.901 Total				4,035	0	
12.903	Gencyber Grants Program		3600	151,118	9,092	
12.903			6990	29,130	0	
Federal Program 12.903 Total				180,248	9,092	
12.905	Cybersecurity CORE Curriculum		3600	12,978	0	
Federal Program 12.905 Total				12,978	0	
12.U01	DOD - Unknown ALN	19400036135601	3650	(37,414)	0	PT
Federal Program 12.U01 Total				(37,414)	0	
12.U02	DOD - Unknown ALN	EXMATWSU20P0004	3650	(460)	0	PT
Federal Program 12.U02 Total				(460)	0	
12.U03	DOD - Unknown ALN	20127P	3650	871	0	PT
Federal Program 12.U03 Total				871	0	
12.U04	DOD - Unknown ALN	9436	3650	23,868	0	PT
Federal Program 12.U04 Total				23,868	0	
12.U05	DOD - Unknown ALN	19400036138901	3650	704,043	(1,239)	PT
Federal Program 12.U05 Total				704,043	(1,239)	
12.U06	DOD - Unknown ALN	ARM212WSU	3650	144,314	0	PT
Federal Program 12.U06 Total				144,314	0	
12.U07	DOD - Unknown ALN	20802	3650	64,494	0	PT

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Dept of Defense

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 12.U07 Total				64,494	0	
12.U08	DOD - Unknown ALN	21177P	3650	130,939	11,436	PT
Federal Program 12.U08 Total				130,939	11,436	
12.U09	DOD - Unknown ALN	SC400164340222846	3650	40,477	0	PT
Federal Program 12.U09 Total				40,477	0	
12.U10	DOD - Unknown ALN	19400036139301	3650	520,107	0	PT
Federal Program 12.U10 Total				520,107	0	
12.U11	DOD - Unknown ALN	22160P	3650	52,747	0	PT
Federal Program 12.U11 Total				52,747	0	
12.U12	DOD - Unknown ALN	42177	3650	54,305	0	PT
Federal Program 12.U12 Total				54,305	0	
12.U13	DOD - Unknown ALN	163111MOD01	3600	1,588	0	PT
Federal Program 12.U13 Total				1,588	0	
12.U14	DOD - Unknown ALN	TXS0149769CHG02	3600	16,119	0	PT
Federal Program 12.U14 Total				16,119	0	
12.U15	DOD - Unknown ALN	N0002410D6318N0002419F	3600	187,025	0	
Federal Program 12.U15 Total				187,025	0	
12.U16	DOD - Unknown ALN	N0002421D6400N0002421F	3600	463,271	0	
Federal Program 12.U16 Total				463,271	0	
12.U17	DOD - Unknown ALN	W912DW16P0104	3600	3,929	0	
Federal Program 12.U17 Total				3,929	0	
Dept of Defense Total				39,226,019	44,545	

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Housing & Urban Development

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
14.169	Housing Counseling Assistance Program		1480	271,203	253,322	
14.169			2350	83,854	0	
Federal Program 14.169 Total				355,057	253,322	
14.228	Community Development Block Grants/State's Program		1030	13,291,199	12,790,726	
14.228	COVID-19 – Community Development Block Grants/State's Program		1030	7,820,964	5,775,461	
14.228	Community Development Block Grants/State's Program	20036	3650	9,740	0	PT
14.228		K7232-7661	5400	15,135	0	PT
Federal Program 14.228 Total				21,137,038	18,566,187	
14.231	Emergency Solutions Grant Program		1030	353,665	353,665	
14.231	COVID-19 – Emergency Solutions Grant Program		1030	28,993,253	28,689,965	
Federal Program 14.231 Total				29,346,918	29,043,630	
14.239	Home Investment Partnerships Program		1030	9,869,867	9,462,665	
14.239		PBEL2022	1480	80,000	80,000	PT
Federal Program 14.239 Total				9,949,867	9,542,665	
14.241	Housing Opportunities for Persons With AIDS		3030	1,529,490	1,482,188	
14.241	COVID-19 – Housing Opportunities for Persons With AIDS		3030	38,118	30,930	
Federal Program 14.241 Total				1,567,608	1,513,118	
14.267	Continuum of Care Program		1030	377,712	0	
Federal Program 14.267 Total				377,712	0	
14.275	Housing Trust Fund		1030	3,955,040	3,687,706	
Federal Program 14.275 Total				3,955,040	3,687,706	
14.276	Youth Homelessness Demonstration Program		1030	801,870	759,738	
Federal Program 14.276 Total				801,870	759,738	
14.326	Project Rental Assistance Demonstration Prog S 811		1030	1,024,849	1,007,773	

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**State of Washington
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*For the Fiscal Year Ended
June 30, 2022
(Expressed in whole dollars)*

Federal Programs Not Clustered

Housing & Urban Development

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 14.326 Total				1,024,849	1,007,773	
14.401	Fair Housing Assistance Program State and Local		1200	474,807	0	
14.401	COVID-19 – Fair Housing Assistance Program State and Local		1200	26,166	0	
Federal Program 14.401 Total				500,973	0	
Housing & Urban Development Total				69,016,932	64,374,139	

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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.034	Agriculture on Indian Lands	C2104	3650	4,478	0	PT
Federal Program 15.034 Total				4,478	0	
15.036	Indian Rights Protection	V22-02/V2200240	4770	5,754	0	PT
Federal Program 15.036 Total				5,754	0	
15.114	Indian Education Higher Education Grant		3650	4,766	0	
Federal Program 15.114 Total				4,766	0	
15.156	Tribal Climate Resilience	943-90-23-00 / A21AP	3800	127	0	PT
Federal Program 15.156 Total				127	0	
15.224	Cultural and Paleontological Resource Management		3650	45,878	0	
Federal Program 15.224 Total				45,878	0	
15.225	Recreation and Visitor Services		3650	69,496	0	
Federal Program 15.225 Total				69,496	0	
15.226	Payments in Lieu of Taxes		0050	678,380	0	
Federal Program 15.226 Total				678,380	0	
15.227	Distribution of Receipts to State and Local Govern		0050	17,460	0	
Federal Program 15.227 Total				17,460	0	
15.230	Invasive and Noxious Plant Management		4950	89,468	86,963	
Federal Program 15.230 Total				89,468	86,963	
15.231	Fish, Wildlife and Plant Conservation Resource Man		4770	36,395	0	
Federal Program 15.231 Total				36,395	0	
15.232	Joint Fire Science Program		3650	13,149	0	
Federal Program 15.232 Total				13,149	0	
15.243	Youth Conservation Opportunities on Public Lands		4610	18,443	0	
Federal Program 15.243 Total				18,443	0	
15.244	Fisheries and Aquatic Resources Management		4770	12,632	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 the Interior

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 15.244 Total				12,632	0	
15.245	Plant Conservation and Restoration Management		4900	9,548	0	
Federal Program 15.245 Total				9,548	0	
15.246	Threatened and Endangered Species		3600	11,672	0	
15.246			3650	592	0	
Federal Program 15.246 Total				12,264	0	
15.247	Wildlife Resource Management		4770	13,873	0	
Federal Program 15.247 Total				13,873	0	
15.517	Fish and Wildlife Coordination Act		4670	16,099	0	
15.517			4770	596,224	0	
Federal Program 15.517 Total				612,323	0	
15.524	Recreation Resources Management		4770	17,428	0	
Federal Program 15.524 Total				17,428	0	
15.531	Yakima River Basin Water Enhancement Project (YRBW)		4610	40,722	0	
Federal Program 15.531 Total				40,722	0	
15.557	Applied Science Grants		3650	88,042	55,640	
Federal Program 15.557 Total				88,042	55,640	
15.608	Fish and Wildlife Management Assistance		3600	24,575	0	
15.608			4770	185,031	0	
15.608		80-888-3052	4770	10,131	0	PT
15.608		F19AC00507	4770	5,959	0	PT
15.608			4900	13,624	0	
Federal Program 15.608 Total				239,320	0	
15.614	Coastal Wetlands Planning, Protection and Restoration		4610	3,252,465	3,183,370	
15.614			4770	115,632	0	
Federal Program 15.614 Total				3,368,097	3,183,370	

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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.615	Cooperative Endangered Species Conservation Fund		4770	7,675,310	0	
15.615			4900	153,707	8,339	
Federal Program 15.615 Total				7,829,017	8,339	
15.616	Clean Vessel Act		4650	1,176,850	0	
Federal Program 15.616 Total				1,176,850	0	
15.622	Sportfishing and Boating Safety Act		4670	524,748	504,463	
Federal Program 15.622 Total				524,748	504,463	
15.623	North American Wetlands Conservation Fund	WA-331-6	4770	31,189	0	PT
Federal Program 15.623 Total				31,189	0	
15.630	Coastal		4610	13,364	0	
15.630			4650	6,502	0	
15.630			4770	6,360	0	
Federal Program 15.630 Total				26,226	0	
15.631	Partners for Fish and Wildlife		4670	486,435	29,428	
15.631			4770	1,069,205	0	
Federal Program 15.631 Total				1,555,640	29,428	
15.633	Landowner Incentive Program	20-1900	4770	23,487	0	PT
Federal Program 15.633 Total				23,487	0	
15.634	State Wildlife Grants		3650	8,677	0	
15.634		9554	3650	27,338	0	PT
15.634			4770	1,552,548	0	
Federal Program 15.634 Total				1,588,563	0	
15.637	Migratory Bird Joint Ventures		4770	25,088	0	
Federal Program 15.637 Total				25,088	0	
15.639	Tribal Wildlife Grants Program	933-90-23-00 / F22AP	3800	17,507	0	PT
Federal Program 15.639 Total				17,507	0	
15.653	National Outreach and Communication Program	RBFF-21-G-459	4770	10,000	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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Federal Programs Not Clustered

Dept of the Interior

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 15.653 Total				10,000	0	
15.654	National Wildlife Refuge System Enhancements		4610	163,678	0	
Federal Program 15.654 Total				163,678	0	
15.657	Endangered Species Recovery Implementation		3650	118,341	0	
15.657		141294-001	3650	7,932	0	PT
15.657		21-16682	3760	58,391	0	PT
15.657			4770	515,347	0	
Federal Program 15.657 Total				700,011	0	
15.660	Candidate Species Conservation		4770	33,414	0	
15.660			4900	242	0	
Federal Program 15.660 Total				33,656	0	
15.661	Lower Snake River Compensation Plan		4770	3,902,988	0	
Federal Program 15.661 Total				3,902,988	0	
15.666	Endangered Species Conservation-Wolf Livestock Los		4770	116,871	0	
Federal Program 15.666 Total				116,871	0	
15.670	Adaptive Science		4770	23,905	0	
Federal Program 15.670 Total				23,905	0	
15.678	Cooperative Ecosystem Studies Unit		3650	310,542	0	
Federal Program 15.678 Total				310,542	0	
15.683	Prescott Marine Mammal Rescue Assistance		4770	45,962	0	
Federal Program 15.683 Total				45,962	0	
15.684	White-Nose Syndrome National Response Implementation		4770	64,890	0	
Federal Program 15.684 Total				64,890	0	
15.808	U.S. Geological Survey_ Research and Data Collection		3600	3,924,724	0	
Federal Program 15.808 Total				3,924,724	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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.810	National Cooperative Geologic Mapping Program		3800	14,286	0	
15.810			4900	325,221	0	
Federal Program 15.810 Total				339,507	0	
15.818	Volcano Hazards Prog Res & Monitoring		3600	494,834	0	
Federal Program 15.818 Total				494,834	0	
15.904	Historic Preservation Fund Grants-in-Aid		3550	1,419,692	0	
Federal Program 15.904 Total				1,419,692	0	
15.916	Outdoor Recreation_Acquisition, Development and Pl		4670	2,687,362	2,450,852	
Federal Program 15.916 Total				2,687,362	2,450,852	
15.921	Rivers, Trails and Conservation Assistance		4050	1,435	0	
Federal Program 15.921 Total				1,435	0	
15.931	Youth and Veteran Organizations Conservation Activities		4610	238,721	0	
Federal Program 15.931 Total				238,721	0	
15.944	Natural Resource Stewardship		4770	7,659	0	
Federal Program 15.944 Total				7,659	0	
15.945	Cooperative Research & Training Pgrom Resources Na		3600	29,671	0	
Federal Program 15.945 Total				29,671	0	
15.980	National Ground-Water Monitoring Network		4610	22,808	0	
15.980			4900	3,642	0	
Federal Program 15.980 Total				26,450	0	
15.U01	BIA/BIE - Unknown ALN	128572011	3650	2,710	0	PT
Federal Program 15.U01 Total				2,710	0	
15.U02	BIA/BIE - Unknown ALN	128572012	3650	9,421	0	PT
Federal Program 15.U02 Total				9,421	0	
15.U03	BIA/BIE - Unknown ALN	134464004	3650	3,089	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 the Interior

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 15.U03 Total				3,089	0	
15.U04	BIA/BIE - Unknown ALN	140L3720F0187	3700	38	0	
Federal Program 15.U04 Total				38	0	
15.U05	BIA/BIE - Unknown ALN	140L4319D0023	3700	27,877	0	
Federal Program 15.U05 Total				27,877	0	
15.U06	BIA/BIE - Unknown ALN	140L4320F0113	3700	12	0	
Federal Program 15.U06 Total				12	0	
15.U07	BIA/BIE - Unknown ALN	140L4321F0065	3700	171,608	0	
Federal Program 15.U07 Total				171,608	0	
15.U08	BIA/BIE - Unknown ALN	140L4322F0030	3700	3,912	0	
Federal Program 15.U08 Total				3,912	0	
15.U09	BIA/BIE - Unknown ALN	Agreement	4770	188,891	0	
Federal Program 15.U09 Total				188,891	0	
15.U10	BIA/BIE - Unknown ALN	14-06-100-1137	4770	184,012	0	
15.U10		MOU 12-16564	4770	16,215	0	
Federal Program 15.U10 Total				200,227	0	
15.U11	BIA/BIE - Unknown ALN	Letter 2/8/21	4770	569	0	
15.U11		Letter 9/23/21	4770	4,251	0	
15.U11		Purchase Order	4770	1,563	0	
Federal Program 15.U11 Total				6,383	0	
15.U12	BIA/BIE - Unknown ALN	140L4322F0046	3700	114	0	
Federal Program 15.U12 Total				114	0	
15.U13	BIA/BIE - Unknown ALN	140P8321P0088	3700	859	0	
Federal Program 15.U13 Total				859	0	
Dept of the Interior Total				33,354,057	6,319,055	

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 Justice

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
16.013	Violence Against Women Act Court Training and Impr		6990	73,549	0	
Federal Program 16.013 Total				73,549	0	
16.017	Sexual Assault Services Program		1030	569,845	522,281	
Federal Program 16.017 Total				569,845	522,281	
16.034	COVID-19 – Coronavirus Emergency Supplemental Funding Program		1030	4,040,946	3,409,929	
Federal Program 16.034 Total				4,040,946	3,409,929	
16.525	Grants to Reduce Domestic Violence, Dating Violence		3650	17,240	0	
16.525			6990	96,522	0	
Federal Program 16.525 Total				113,762	0	
16.540	Juvenile Justice and Delinquency Prevention_Alloca		3070	904,631	347,504	
Federal Program 16.540 Total				904,631	347,504	
16.550	State Justice Statistics Program for Statistical A		1050	161,257	0	
Federal Program 16.550 Total				161,257	0	
16.554	National Criminal History Improvement Program (NCH)		2250	1,162,602	127,735	
Federal Program 16.554 Total				1,162,602	127,735	
16.575	Crime Victim Assistance		1030	42,014,751	36,999,711	
Federal Program 16.575 Total				42,014,751	36,999,711	
16.576	Crime Victim Compensation		2350	9,717,239	0	
Federal Program 16.576 Total				9,717,239	0	
16.585	Drug Court Discretionary Grant Program		1070	14,812	0	
Federal Program 16.585 Total				14,812	0	
16.588	Violence Against Women - Form Grnts		1030	2,826,802	2,384,694	
Federal Program 16.588 Total				2,826,802	2,384,694	
16.590	Grants to Encourage Arrest Policies and Enforcement		1030	52,558	49,568	

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 Justice

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 16.590 Total				52,558	49,568	
16.593	Residential Substance Abuse Treatment for State Pr		1070	174,594	164,076	
Federal Program 16.593 Total				174,594	164,076	
16.710	Public Safety Partnership and Community Policing G		3700	30,784	0	
Federal Program 16.710 Total				30,784	0	
16.726	Juvenile Mentoring Program	2019MUFX0002	3650	3,726	0	PT
16.726		2020JUFX0031	3650	42,345	0	PT
Federal Program 16.726 Total				46,071	0	
16.738	Edward Byrne Memorial Justice Assistance Grant Pro		1030	4,089,724	3,871,645	
Federal Program 16.738 Total				4,089,724	3,871,645	
16.741	DNA Backlog Reduction Program		2250	1,568,149	0	
Federal Program 16.741 Total				1,568,149	0	
16.742	Paul Coverdell Forensic Sciences Improvement Grant		2250	389,556	339,603	
Federal Program 16.742 Total				389,556	339,603	
16.754	Harold Rogers Prescription Drug Monitoring Program		3030	299,665	0	
16.754	COVID-19 – Harold Rogers Prescription Drug Monitoring Program		3030	383,343	0	
Federal Program 16.754 Total				683,008	0	
16.812	Second Chance Act Reentry Initiative		3100	10,262	0	
Federal Program 16.812 Total				10,262	0	
16.820	Postconviction Testing of DNA Evidence		2250	203,611	180,077	
Federal Program 16.820 Total				203,611	180,077	
16.831	Children of Incarcerated Parents		3100	211,502	0	
Federal Program 16.831 Total				211,502	0	
16.833	National Sexual Assault Kit Initiative		1000	1,332,748	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 Justice

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 16.833 Total				1,332,748	0	
16.836	Indigent Defense		0560	102,516	0	
Federal Program 16.836 Total				102,516	0	
16.838	Comprehensive Opioid, Stimulant, and Substance Abu		0550	468,937	0	
16.838		WSU004115	3650	(5,165)	0	PT
Federal Program 16.838 Total				463,772	0	
16.839	Stop School Violence		3500	166,530	138,254	
Federal Program 16.839 Total				166,530	138,254	
16.922	Equitable Sharing Program		1000	342,591	0	
16.922			1950	16,981	0	
16.922			2250	49,066	0	
16.922			3100	106,567	0	
Federal Program 16.922 Total				515,205	0	
16.U01	Justice - Unknown ALN	K16503	2250	322,642	0	
Federal Program 16.U01 Total				322,642	0	
16.U02	Justice - Unknown ALN	K17549	2250	163,140	0	
Federal Program 16.U02 Total				163,140	0	
16.U04	Justice - Unknown ALN	140G0321P0205	3650	3,500	0	
Federal Program 16.U04 Total				3,500	0	
Dept of Justice Total				72,130,068	48,535,077	

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 Labor

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
17.002	Labor Force Statistics		5400	1,504,392	0	
Federal Program 17.002 Total				1,504,392	0	
17.005	Compensation and Working Conditions		2350	184,054	0	
Federal Program 17.005 Total				184,054	0	
17.225	Unemployment Insurance		5400	1,106,796,390	0	
17.225	COVID-19 – Unemployment Insurance		5400	1,499,830,265	0	
Federal Program 17.225 Total				2,606,626,655	0	
17.235	Senior Community Service Employment Program		3000	1,622,255	1,599,701	
Federal Program 17.235 Total				1,622,255	1,599,701	
17.245	Trade Adjustment Assistance		5400	14,758,683	0	
Federal Program 17.245 Total				14,758,683	0	
17.268	H-1B Job Training Grants		2350	206,612	206,612	
17.268		F1700012910441004	3650	134,990	0	PT
17.268			6990	61,750	0	
17.268		HG-34414-2	6990	29,594	0	PT
Federal Program 17.268 Total				432,946	206,612	
17.270	Reentry Employment Opportunities		5400	1,525	0	
Federal Program 17.270 Total				1,525	0	
17.271	Work Opportunity Tax Credit Program (WOTC)		5400	454,499	0	
Federal Program 17.271 Total				454,499	0	
17.273	Temporary Labor Certification for Foreign Workers		5400	484,782	0	
Federal Program 17.273 Total				484,782	0	
17.274	YouthBuild		6990	6,371	0	
Federal Program 17.274 Total				6,371	0	
17.277	WIOA National Dislocated Worker Grants / WIA National		5400	492,149	369,812	
17.277	COVID-19 – WIOA National Dislocated Worker Grants / WIA National		5400	12,445,237	11,942,972	

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 Labor

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
17.277	WIOA National Dislocated Worker Grants / WIA National	88150	6990	16,199	0	PT
Federal Program 17.277 Total				12,953,585	12,312,784	
17.280	WIOA Dislocated Worker National Reserve Demonstration		5400	241,991	228,898	
Federal Program 17.280 Total				241,991	228,898	
17.285	Apprenticeship USA Grants		2350	537,040	189,579	
17.285			6990	22,229	0	
17.285		68450	6990	55,209	0	PT
Federal Program 17.285 Total				614,478	189,579	
17.287	Job Corps Experimental Projects and Technical Assi		6990	324,680	0	
Federal Program 17.287 Total				324,680	0	
17.503	Occupational Safety &Health State Prog		2350	7,839,844	0	
Federal Program 17.503 Total				7,839,844	0	
17.600	Mine Health and Safety Grants		3700	32,617	0	
Federal Program 17.600 Total				32,617	0	
17.805	Homeless Veterans' Reintegration Program		3050	490,750	0	
Federal Program 17.805 Total				490,750	0	
Dept of Labor Total				2,648,574,107	14,537,574	

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 State

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
19.009	Academic Exchange Programs - Undergraduate Program	PO21001873	3650	87,510	0	PT
19.009			6990	4,356	0	
19.009		SECAGD18CA	6990	151,984	0	PT
19.009		SECAGD20CA	6990	29,442	0	PT
Federal Program 19.009 Total				273,292	0	
19.010	Academic Exchange Programs - Humphrey Fellowship	3000203738AM01	3600	103,177	0	PT
19.010		3000231728	3600	122,076	0	PT
Federal Program 19.010 Total				225,253	0	
19.021	Investing in People in the Middle East and North		3800	3,815	0	
Federal Program 19.021 Total				3,815	0	
19.033	Global Threat Reduction	2000012172	3650	29,898	0	PT
Federal Program 19.033 Total				29,898	0	
19.900	AEECA/ESF PD Programs		3650	10,350	0	
19.900		142189	3650	8,991	0	PT
Federal Program 19.900 Total				19,341	0	
19.U01	State - Unknown ALN	SECAGD19CA0015	3600	13,185	0	PT
Federal Program 19.U01 Total				13,185	0	
Dept of State Total				564,784	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 Transportation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.106	Airport Improvement Program		4050	370,782	0	
Federal Program 20.106 Total				370,782	0	
20.200	Highway Research and Development Program	23506AM01	3600	946	0	PT
Federal Program 20.200 Total				946	0	
20.240	Fuel Tax Evasion-Intergovernmental Enforcement Effort		2400	51,411	0	
Federal Program 20.240 Total				51,411	0	
20.314	Railroad Development		4050	104,630	0	
Federal Program 20.314 Total				104,630	0	
20.505	Metropolitan Transportation Planning and State and		4050	2,084,759	1,960,746	
Federal Program 20.505 Total				2,084,759	1,960,746	
20.509	Formula Grants for Rural Areas		4050	81,873,009	39,466,938	
Federal Program 20.509 Total				81,873,009	39,466,938	
20.528	Rail Fixed Guideway Public Transportation System		4050	818,995	0	
Federal Program 20.528 Total				818,995	0	
20.608	Minimum Penalties for Repeat Offenders for Driving		2280	609,135	609,135	
Federal Program 20.608 Total				609,135	609,135	
20.614	National Highway Traffic Safety Administration (NHTSA)	K17663	2250	5,370	0	PT
Federal Program 20.614 Total				5,370	0	
20.615	E-911 Grant Program		2450	1,539,632	1,532,588	
Federal Program 20.615 Total				1,539,632	1,532,588	
20.700	Pipeline Safety Program Base Grants		2150	1,492,988	0	
Federal Program 20.700 Total				1,492,988	0	
20.701	University Transportation Centers Program		3650	1,970,809	1,023,336	
20.701		2016068804WSU	3650	83,779	9,003	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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Federal Programs Not Clustered

Dept of Transportation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.701	University Transportation Centers Program	G227-17-W6460 AMEND 7	3700	171,611	22,254	PT
Federal Program 20.701 Total				2,226,199	1,054,593	
20.703	Interagency Hazardous Materials Public Sector Training		2450	298,050	267,777	
Federal Program 20.703 Total				298,050	267,777	
20.933	National Infrastructure Investments		4050	3,857,652	1,537,182	
Federal Program 20.933 Total				3,857,652	1,537,182	
20.U01	DOT - Unknown ALN	DTNH2217H00153	2280	274,776	0	
20.U01		140742	3650	3,773	0	PT
Federal Program 20.U01 Total				278,549	0	
20.U02	DOT - Unknown ALN	140742001	3650	52,273	0	PT
Federal Program 20.U02 Total				52,273	0	
20.U03	DOT - Unknown ALN	DTFH70-17-E-30019L/003	3700	(613)	0	
Federal Program 20.U03 Total				(613)	0	
Dept of Transportation Total				95,663,767	46,428,959	

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 the Treasury

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
21.016	Equitable Sharing		1950	29,209	0	
Federal Program 21.016 Total				29,209	0	
21.019	COVID-19 – Coronavirus Relief Fund		0550	1,785,000	0	
21.019			1030	25,318,843	24,426,878	
21.019		S22-32401-001	1480	1,525,580	1,378,580	PT
21.019			3000	40,497,438	0	
21.019			3030	33,249,409	10,166,898	
21.019			3100	240,000,000	0	
21.019		ODE13815AM02	3600	305,744	0	PT
21.019			4950	2,000,000	598,110	
21.019			5400	229,688	0	
Federal Program 21.019 Total				344,911,702	36,570,466	
21.023	COVID-19 – Emergency Rental Assistance Program		1030	450,190,996	449,661,378	
Federal Program 21.023 Total				450,190,996	449,661,378	
21.026	COVID-19 – Homeowner Assistance Fund		1030	16,834,384	16,600,000	
21.026			1480	4,380,196	4,328,466	
Federal Program 21.026 Total				21,214,580	20,928,466	
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds		0760	799,969,715	0	
21.027			1030	132,364,129	131,253,581	
21.027			1050	625,311	0	
21.027			1070	65,213,009	0	
21.027			3000	18,263,000	0	
21.027			3030	8,863,312	0	
21.027			3100	49,124,000	0	
21.027			3500	297,296,582	0	
21.027		DOE21PA82	3600	78,780	0	PT
21.027			3870	931,429	0	
21.027			4950	46,509,838	38,565,438	
21.027			5400	29,822,247	0	
Federal Program 21.027 Total				1,449,061,352	169,819,019	
Dept of the Treasury Total				2,265,407,839	676,979,329	

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

General Services Administration

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
39.003	Donation of Federal Surplus Personal Property		1790	825	0	NC
39.003			2250	11,265	0	NC
39.003			3000	23,628	0	NC
39.003			3050	628	0	NC
39.003			3650	1,314	0	NC
39.003			4050	7,501	0	NC
39.003			4770	5,528	0	NC
39.003			4900	277	0	NC
Federal Program 39.003 Total				50,966	0	
General Services Administration Total				50,966	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

National Aeronautics & Space Admin

Assistance Listing 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	1,373,702	683,198	
43.001		1948PO25014770	3600	18,495	0	PT
43.001		22248100YR1	3600	61,804	0	PT
43.001			3650	103,419	0	
43.001		1654824	3650	105,412	0	PT
43.001		1667355	3650	88,648	0	PT
43.001		80NSSC21C0062	3650	40,000	0	PT
43.001		AW5866826652	3650	20,560	0	PT
43.001		HSTGO16188001A	3650	45,662	0	PT
43.001			3750	538,103	178,710	
43.001		239700B	3750	912	0	PT
43.001			3800	172,979	0	
43.001		15-710	3800	240,088	0	PT
43.001		1546127	3800	87,694	0	PT
43.001		1652930	3800	46,801	0	PT
43.001		44003	6990	5,991	0	PT
43.001		44621	6990	6,709	0	PT
Federal Program 43.001 Total				2,956,979	861,908	
43.007	Space Operations		3650	645,681	362,231	
43.007		320000109817193	3650	87,187	0	PT
Federal Program 43.007 Total				732,868	362,231	
43.008	Office of Stem Engagement (OSTEM)		3600	114,351	0	
43.008		21608	6990	8,106	0	PT
43.008		UWSC12451	6990	8,000	0	PT
Federal Program 43.008 Total				130,457	0	
43.012	Space Technology		3650	55,669	0	
Federal Program 43.012 Total				55,669	0	
National Aeronautics & Space Admin Total				3,875,973	1,224,139	

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

National Foundation on the Arts and the Humanities

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
45.024	Promotion of the Arts Grants to Organizations and		3500	65,000	0	
45.024			3600	40,000	0	
45.024			3760	10,247	0	
45.024			4650	30,000	0	
45.024	COVID-19 – Promotion of the Arts Grants to Organizations and		4650	25,674	0	
45.024	Promotion of the Arts Grants to Organizations and	65008	6990	1,619	0	PT
Federal Program 45.024 Total				172,540	0	
45.025	Promotion of the Arts Partnership Agreements		3870	844,537	0	
45.025	COVID-19 – Promotion of the Arts Partnership Agreements		3870	857,100	0	
Federal Program 45.025 Total				1,701,637	0	
45.129	COVID-19 – Promotion of the Humanities Federal/State Partners	ZSO-283165-21	3750	8,794	0	PT
Federal Program 45.129 Total				8,794	0	
45.149	Promotion of the Humanities Division of Preservation		0850	7,257	0	
45.149			3650	8,874	0	
Federal Program 45.149 Total				16,131	0	
45.160	Promotion of the Humanities Fellowships and Stipend		3650	4,320	0	
Federal Program 45.160 Total				4,320	0	
45.162	Promotion of the Humanities Teaching and Learning		3650	1,413	0	
45.162			6990	230,106	0	
45.162		41550	6990	60,174	0	PT
Federal Program 45.162 Total				291,693	0	
45.169	Promotion of the Humanities Office of Digital Humanities		3650	38,557	0	
Federal Program 45.169 Total				38,557	0	

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**State of Washington
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Federal Programs Not Clustered

National Foundation on the Arts and the Humanities

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
45.301	Museums for America		3600	68,122	0	
Federal Program 45.301 Total				68,122	0	
45.310	Grants to States		0850	3,856,019	132,371	
45.310	COVID-19 – Grants to States		0850	1,222,617	944,180	
45.310	Grants to States		6990	9,988	0	
45.310		46505	6990	8,197	0	PT
45.310		66710	6990	7,404	0	PT
45.310		G-7228	6990	19,513	0	PT
45.310		LSTA	6990	14,679	0	PT
Federal Program 45.310 Total				5,138,417	1,076,551	
45.312	National Leadership Grants		3600	168,355	0	
45.312	COVID-19 – National Leadership Grants		3750	16,966	0	
45.312	National Leadership Grants	M2200765	3750	990	0	PT
Federal Program 45.312 Total				186,311	0	
45.313	Laura Bush 21ST Century Librarian Program		3600	155,722	31,046	
45.313			3650	60,161	0	
Federal Program 45.313 Total				215,883	31,046	
45.U01	National Endowments of the Arts - Unknown ALN	ARTSWA0821	3870	33,933	0	PT
Federal Program 45.U01 Total				33,933	0	
National Foundation on the Arts and the Humanities Total				7,876,338	1,107,597	

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Federal Programs Not Clustered

Small Business Administration

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
59.037	Small Business Development Centers		3650	3,649,732	1,122,724	
Federal Program 59.037 Total				3,649,732	1,122,724	
59.061	State Trade Expansion		1030	2,042,881	647,709	
Federal Program 59.061 Total				2,042,881	647,709	
59.075	Shuttered Venue Operators Grant Program		3600	1,203,628	0	
Federal Program 59.075 Total				1,203,628	0	
Small Business Administration Total				6,896,241	1,770,433	

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

Department of Veterans Affairs

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
64.005	COVID-19 – Grants to States for Construction of State Home Fa		3050	126,855	0	
Federal Program 64.005 Total				126,855	0	
64.012	Veterans Prescription Service		3050	226,826	0	
Federal Program 64.012 Total				226,826	0	
64.015	Veterans State Nursing Home Care		3050	38,091,332	0	
64.015	COVID-19 – Veterans State Nursing Home Care		3050	11,569,961	0	
Federal Program 64.015 Total				49,661,293	0	
64.024	VA Homeless Providers Grant and Per Diem Program		3050	2,673,486	0	
Federal Program 64.024 Total				2,673,486	0	
64.035	Veterans Transportation Program/Grants for Transp		3050	48,333	0	
Federal Program 64.035 Total				48,333	0	
64.053	Payments to States for Programs to Promote the Hir		3050	159,000	0	
Federal Program 64.053 Total				159,000	0	
64.101	Burial Expenses Allowance for Veterans		3050	450,851	0	
Federal Program 64.101 Total				450,851	0	
64.116	Vocational Rehabilitation for Disabled Veterans	116	6990	141,810	0	PT
Federal Program 64.116 Total				141,810	0	
64.117	Survivors and Dependents Educational Assistance		6990	9,392	0	
Federal Program 64.117 Total				9,392	0	
64.124	All-Volunteer Force Educational Assistance		3400	366,724	366,724	
64.124			3540	282,195	0	
64.124	COVID-19 – All-Volunteer Force Educational Assistance		6990	1,315	0	
Federal Program 64.124 Total				650,234	366,724	

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**State of Washington
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Federal Programs Not Clustered

Department of Veterans Affairs

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
64.U01	VA - Unknown ALN	132054	3650	11,366	0	
Federal Program 64.U01 Total				11,366	0	
64.U02	VA - Unknown ALN	140011	3650	11,785	0	
Federal Program 64.U02 Total				11,785	0	
64.U03	VA - Unknown ALN	VA Reporting Fee	3750	11,280	0	
Federal Program 64.U03 Total				11,280	0	
64.U05	VA - Unknown ALN	IPA 2021 17	3650	7,450	0	
Federal Program 64.U05 Total				7,450	0	
64.U06	VA - Unknown ALN	IPA202108	3650	20,663	0	
Federal Program 64.U06 Total				20,663	0	
64.U07	VA - Unknown ALN	142065001	3650	9,409	0	
64.U07		Bellingham	6990	295,969	0	
Federal Program 64.U07 Total				305,378	0	
64.U08	VA - Unknown ALN	Reporting Fees	6990	23,090	0	
Federal Program 64.U08 Total				23,090	0	
64.U09	VA - Unknown ALN	64.125	6990	10,583	0	
Federal Program 64.U09 Total				10,583	0	
Department of Veterans Affairs Total				54,549,675	366,724	

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Federal Programs Not Clustered

Environmental Protection Agency

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
66.032	State Indoor Radon Grants		3030	34,717	0	
Federal Program 66.032 Total				34,717	0	
66.040	Diesel Emissions Reduction Act (Dera) State Grants		4610	446,870	446,870	
Federal Program 66.040 Total				446,870	446,870	
66.123	Puget Sound Action Agenda: Technical Investigation		3030	3,871,400	2,169,822	
66.123			4050	11,126	0	
66.123			4610	4,312,130	3,067,578	
66.123			4770	5,753,066	0	
66.123		2019-13-WDFW	4770	37,982	0	PT
66.123			4780	1,259,021	86,167	
Federal Program 66.123 Total				15,244,725	5,323,567	
66.204	Multipurpose Grants to States and Tribes		3030	71,130	0	
66.204			4610	44,510	0	
66.204			4950	84,305	0	
Federal Program 66.204 Total				199,945	0	
66.419	Water Pollution Control State, Interstate, and Tri		3030	229,589	0	
66.419			4610	414,714	0	
Federal Program 66.419 Total				644,303	0	
66.432	State Public Water System Supervision		3030	2,168,734	0	
Federal Program 66.432 Total				2,168,734	0	
66.442	Assistance for Small and Disadvantaged Communities		3030	173,374	38,479	
Federal Program 66.442 Total				173,374	38,479	
66.454	Water Quality Management Planning		4610	251,637	0	
Federal Program 66.454 Total				251,637	0	
66.456	National Estuary Program		4780	5,326,636	1,393,350	
Federal Program 66.456 Total				5,326,636	1,393,350	
66.460	Nonpoint Source Implementation Grants		4610	3,126,875	1,665,866	

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

Environmental Protection Agency

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 66.460 Total				3,126,875	1,665,866	
66.461	Regional Wetland Program Development Grants		4610	27,405	0	
66.461			4900	81,582	0	
Federal Program 66.461 Total				108,987	0	
66.472	Beach Monitoring and Notification Program Implement		4610	300,805	0	
Federal Program 66.472 Total				300,805	0	
66.605	Performance Partnership Grants		1030	10,531	0	
66.605			4610	7,320,615	1,710,225	
Federal Program 66.605 Total				7,331,146	1,710,225	
66.608	Environmental Information Exchange Network Grant P		4610	8,261	0	
66.608			4670	97,791	58,600	
66.608			4900	63,823	0	
Federal Program 66.608 Total				169,875	58,600	
66.700	Consolidated Pesticide Enforcement Cooperative Agr		4950	991,759	0	
Federal Program 66.700 Total				991,759	0	
66.707	TSCA Title IV State Lead Grants Certification of		1030	447,158	0	
Federal Program 66.707 Total				447,158	0	
66.708	Pollution Prevention Grants Program		4610	198,436	0	
Federal Program 66.708 Total				198,436	0	
66.716	Research, Development, Monitoring, Public Education	SA202119	3650	640	0	PT
66.716		SA202240	3650	9,400	0	PT
Federal Program 66.716 Total				10,040	0	
66.801	Hazardous Waste Management State Program Support		4610	1,027,657	0	
Federal Program 66.801 Total				1,027,657	0	

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Environmental Protection Agency

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
66.802	Superfund State, Political Subdivision, and Indian		4610	445,040	0	
66.802			4770	26,647	0	
Federal Program 66.802 Total				471,687	0	
66.804	Underground Storage Tank Prevention, Detection and		4610	419,010	0	
Federal Program 66.804 Total				419,010	0	
66.805	Leaking Underground Storage Tank Trust Fund Corrective		4610	543,768	0	
66.805			4620	346,152	0	
Federal Program 66.805 Total				889,920	0	
66.808	Solid Waste Management Assistance Grants		3650	26,670	0	
Federal Program 66.808 Total				26,670	0	
66.809	Superfund State and Indian Tribe CORE Program Coop		4610	103,111	0	
Federal Program 66.809 Total				103,111	0	
66.817	State and Tribal Response Program Grants		4610	743,858	0	
Federal Program 66.817 Total				743,858	0	
66.818	Brownfields Multipurpose, Assessment, Revolving Loan		1030	39,407	200	
Federal Program 66.818 Total				39,407	200	
66.951	Environmental Education Grants	140069001	3650	6,017	0	PT
66.951			3700	7,140	6,322	
66.951			3800	51,069	0	
Federal Program 66.951 Total				64,226	6,322	
66.962	Columbia River Basin Restoration (CRBR) Program		4610	32,692	0	
66.962			4950	110,724	13,497	
Federal Program 66.962 Total				143,416	13,497	
Environmental Protection Agency Total				41,104,984	10,656,976	

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Federal Programs Not Clustered

Nuclear Regulatory Commission

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
77.008	U.S. Nuclear Regulatory Commission Scholarship and		6990	5,000	0	
Federal Program 77.008 Total				5,000	0	
Nuclear Regulatory Commission Total				5,000	0	

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Federal Programs Not Clustered

Dept of Energy

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.041	State Energy Program		1030	1,247,771	42,306	
Federal Program 81.041 Total				1,247,771	42,306	
81.042	Weatherization Assist - Low Inc		1030	6,058,892	5,202,069	
Federal Program 81.042 Total				6,058,892	5,202,069	
81.049	Office of Science Financial Assistance		3600	1,230,028	0	
81.049		4020575801	3650	38,606	0	PT
Federal Program 81.049 Total				1,268,634	0	
81.087	Renewable Energy Research and Development		3600	1,061,346	880,522	
Federal Program 81.087 Total				1,061,346	880,522	
81.106	Transport of Transuranic Wastes to the Waste Isola	K16784	2250	86,727	28,317	PT
Federal Program 81.106 Total				86,727	28,317	
81.112	Stewardship Science Grant Program		3650	5,274,604	678,296	
81.112		203186WSU	3650	370,689	0	PT
Federal Program 81.112 Total				5,645,293	678,296	
81.113	Defense Nuclear Nonproliferation Research	AWD000372G1	3650	260,246	0	PT
Federal Program 81.113 Total				260,246	0	
81.117	Energy Efficiency and Renewable Energy Information		1030	(108)	0	
Federal Program 81.117 Total				(108)	0	
81.117	Energy Efficiency and Renewable Energy Information		3650	257,156	28,111	
Federal Program 81.117 Total				257,156	28,111	
81.121	Nuclear Energy Research, Development and Demonstration		3650	960,326	401,638	
Federal Program 81.121 Total				960,326	401,638	
81.122	Electricity Research, Development and Analysis		3650	(730)	0	
81.122		20150660502	3650	1,352	0	PT
81.122		S5130	3650	(11,756)	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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Federal Programs Not Clustered

Dept of Energy

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 81.122 Total				(11,134)	0	
81.U01	Energy - Unknown ALN	540104	3650	21,046	0	PT
Federal Program 81.U01 Total				21,046	0	
81.U02	Energy - Unknown ALN	0F60172	3650	60,914	0	PT
Federal Program 81.U02 Total				60,914	0	
81.U03	Energy - Unknown ALN	201360	3650	245,465	0	PT
Federal Program 81.U03 Total				245,465	0	
81.U04	Energy - Unknown ALN	316309	3650	(107)	0	PT
Federal Program 81.U04 Total				(107)	0	
81.U05	Energy - Unknown ALN	74081	3650	8,630	0	PT
Federal Program 81.U05 Total				8,630	0	
81.U06	Energy - Unknown ALN	407930	3650	16,997	0	PT
Federal Program 81.U06 Total				16,997	0	
81.U07	Energy - Unknown ALN	506560	3650	75,600	0	PT
Federal Program 81.U07 Total				75,600	0	
81.U08	Energy - Unknown ALN	526597	3650	49,097	0	PT
Federal Program 81.U08 Total				49,097	0	
81.U09	Energy - Unknown ALN	56682	3650	116,448	404	PT
Federal Program 81.U09 Total				116,448	404	
81.U10	Energy - Unknown ALN	XFC87033101	3650	224,079	0	PT
Federal Program 81.U10 Total				224,079	0	
81.U11	Energy - Unknown ALN	475231	3650	(178)	0	PT
Federal Program 81.U11 Total				(178)	0	
81.U12	Energy - Unknown ALN	480688	3650	18,796	0	PT
Federal Program 81.U12 Total				18,796	0	
81.U13	Energy - Unknown ALN	502231	3650	44,579	0	PT
Federal Program 81.U13 Total				44,579	0	
81.U14	Energy - Unknown ALN	506570	3650	106,493	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 Energy

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 81.U14 Total				106,493	0	
81.U15	Energy - Unknown ALN	500293	3650	24,208	0	PT
Federal Program 81.U15 Total				24,208	0	
81.U16	Energy - Unknown ALN	501621	3650	6,636	0	PT
Federal Program 81.U16 Total				6,636	0	
81.U17	Energy - Unknown ALN	508638	3650	(993)	0	PT
Federal Program 81.U17 Total				(993)	0	
81.U18	Energy - Unknown ALN	518593	3650	52,754	0	PT
Federal Program 81.U18 Total				52,754	0	
81.U19	Energy - Unknown ALN	508280	3650	(105)	0	PT
Federal Program 81.U19 Total				(105)	0	
81.U20	Energy - Unknown ALN	540055	3650	44,557	0	PT
Federal Program 81.U20 Total				44,557	0	
81.U21	Energy - Unknown ALN	0F60061	3650	(29,668)	0	PT
Federal Program 81.U21 Total				(29,668)	0	
81.U22	Energy - Unknown ALN	hold	1030	2,087,145	1,750,326	
81.U22		426011	3650	48,053	0	PT
Federal Program 81.U22 Total				2,135,198	1,750,326	
81.U23	Energy - Unknown ALN	506217	3650	(1,368)	0	PT
Federal Program 81.U23 Total				(1,368)	0	
81.U24	Energy - Unknown ALN	540570	3650	102,985	0	PT
Federal Program 81.U24 Total				102,985	0	
81.U25	Energy - Unknown ALN	516084	3650	6	0	PT
Federal Program 81.U25 Total				6	0	
81.U26	Energy - Unknown ALN	489324	3650	(1,343)	0	PT
Federal Program 81.U26 Total				(1,343)	0	
81.U27	Energy - Unknown ALN	493865	3650	(1,784)	0	PT
Federal Program 81.U27 Total				(1,784)	0	

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Dept of Energy

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.U28	Energy - Unknown ALN	C20-123	3650	(10,387)	0	PT
Federal Program 81.U28 Total				(10,387)	0	
81.U29	Energy - Unknown ALN	528677	3650	59,985	0	PT
Federal Program 81.U29 Total				59,985	0	
81.U30	Energy - Unknown ALN	432041	3650	(21,686)	0	PT
Federal Program 81.U30 Total				(21,686)	0	
81.U31	Energy - Unknown ALN	438660	3650	172,302	0	PT
Federal Program 81.U31 Total				172,302	0	
81.U32	Energy - Unknown ALN	381667	3650	31,335	0	PT
Federal Program 81.U32 Total				31,335	0	
81.U33	Energy - Unknown ALN	550188	3650	22,696	0	PT
Federal Program 81.U33 Total				22,696	0	
81.U34	Energy - Unknown ALN	IF60329	3650	24,847	0	PT
Federal Program 81.U34 Total				24,847	0	
81.U35	Energy - Unknown ALN	551933	3650	37,362	0	PT
Federal Program 81.U35 Total				37,362	0	
81.U36	Energy - Unknown ALN	555239	3650	10,697	0	PT
Federal Program 81.U36 Total				10,697	0	
81.U37	Energy - Unknown ALN	556825	3650	6,571	0	PT
Federal Program 81.U37 Total				6,571	0	
81.U38	Energy - Unknown ALN	555468	3650	62,913	0	PT
Federal Program 81.U38 Total				62,913	0	
81.U39	Energy - Unknown ALN	B644429	3650	97,317	0	PT
Federal Program 81.U39 Total				97,317	0	
81.U40	Energy - Unknown ALN	B644928	3650	45,886	0	PT
Federal Program 81.U40 Total				45,886	0	
81.U41	Energy - Unknown ALN	555156	3650	11,159	0	PT
Federal Program 81.U41 Total				11,159	0	

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Dept of Energy

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.U42	Energy - Unknown ALN	130248FPCA	3650	1,423	0	PT
Federal Program 81.U42 Total				1,423	0	
81.U43	Energy - Unknown ALN	562117	3650	5,051	0	PT
Federal Program 81.U43 Total				5,051	0	
81.U44	Energy - Unknown ALN	561086	3650	134,918	0	PT
Federal Program 81.U44 Total				134,918	0	
81.U45	Energy - Unknown ALN	135945001	3650	(3,090)	0	PT
Federal Program 81.U45 Total				(3,090)	0	
81.U46	Energy - Unknown ALN	74081	3650	4,997	0	PT
Federal Program 81.U46 Total				4,997	0	
81.U47	Energy - Unknown ALN	574231	3650	66,731	0	PT
Federal Program 81.U47 Total				66,731	0	
81.U48	Energy - Unknown ALN	569664	3650	50,466	0	PT
Federal Program 81.U48 Total				50,466	0	
81.U49	Energy - Unknown ALN	578780	3650	80,094	0	PT
Federal Program 81.U49 Total				80,094	0	
81.U50	Energy - Unknown ALN	579806	3650	24,967	0	PT
Federal Program 81.U50 Total				24,967	0	
81.U51	Energy - Unknown ALN	578270	3650	56,760	0	PT
Federal Program 81.U51 Total				56,760	0	
81.U52	Energy - Unknown ALN	580745	3650	110,021	0	PT
Federal Program 81.U52 Total				110,021	0	
81.U53	Energy - Unknown ALN	1F60450	3650	126,078	0	PT
Federal Program 81.U53 Total				126,078	0	
81.U54	Energy - Unknown ALN	586620	3650	45,853	0	PT
Federal Program 81.U54 Total				45,853	0	
81.U55	Energy - Unknown ALN	1F60533	3650	49,289	0	PT
Federal Program 81.U55 Total				49,289	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Energy

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.U56	Energy - Unknown ALN	592418	3650	89,820	0	PT
Federal Program 81.U56 Total				89,820	0	
81.U57	Energy - Unknown ALN	74081	3650	9,847	0	PT
Federal Program 81.U57 Total				9,847	0	
81.U58	Energy - Unknown ALN	74081	3650	9,537	0	PT
Federal Program 81.U58 Total				9,537	0	
81.U59	Energy - Unknown ALN	74081	3650	21,007	0	PT
Federal Program 81.U59 Total				21,007	0	
81.U60	Energy - Unknown ALN	74081	3650	2,413	0	PT
Federal Program 81.U60 Total				2,413	0	
81.U61	Energy - Unknown ALN	74081	3650	8,777	0	PT
Federal Program 81.U61 Total				8,777	0	
81.U62	Energy - Unknown ALN	595028	3650	247,845	0	PT
Federal Program 81.U62 Total				247,845	0	
81.U63	Energy - Unknown ALN	606555	3650	72,310	0	PT
Federal Program 81.U63 Total				72,310	0	
81.U64	Energy - Unknown ALN	607067	3650	21,130	0	PT
Federal Program 81.U64 Total				21,130	0	
81.U65	Energy - Unknown ALN	607066	3650	19,585	0	PT
Federal Program 81.U65 Total				19,585	0	
81.U66	Energy - Unknown ALN	607899	3650	36,318	0	PT
Federal Program 81.U66 Total				36,318	0	
81.U67	Energy - Unknown ALN	607327	3650	12,585	0	PT
Federal Program 81.U67 Total				12,585	0	
81.U68	Energy - Unknown ALN	607903	3650	39,523	0	PT
Federal Program 81.U68 Total				39,523	0	
81.U69	Energy - Unknown ALN	608584	3650	21,703	0	PT
Federal Program 81.U69 Total				21,703	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Energy

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.U70	Energy - Unknown ALN	608314	3650	19,162	0	PT
Federal Program 81.U70 Total				19,162	0	
81.U71	Energy - Unknown ALN	B649812	3650	235,591	0	PT
Federal Program 81.U71 Total				235,591	0	
81.U72	Energy - Unknown ALN	78119	3650	208,755	0	PT
Federal Program 81.U72 Total				208,755	0	
81.U73	Energy - Unknown ALN	260738	3650	1,031	0	PT
Federal Program 81.U73 Total				1,031	0	
81.U74	Energy - Unknown ALN	74081	3650	3,643	0	PT
Federal Program 81.U74 Total				3,643	0	
81.U75	Energy - Unknown ALN	7624942	3650	20,240	0	PT
Federal Program 81.U75 Total				20,240	0	
81.U76	Energy - Unknown ALN	617259	3650	39,542	0	PT
Federal Program 81.U76 Total				39,542	0	
81.U77	Energy - Unknown ALN	617774	3650	5,461	0	PT
Federal Program 81.U77 Total				5,461	0	
81.U78	Energy - Unknown ALN	C1937	3650	26,182	0	PT
Federal Program 81.U78 Total				26,182	0	
81.U79	Energy - Unknown ALN	B651327	3650	19,971	0	PT
Federal Program 81.U79 Total				19,971	0	
81.U80	Energy - Unknown ALN	SUB202110564	3650	9,797	0	PT
Federal Program 81.U80 Total				9,797	0	
81.U81	Energy - Unknown ALN	SUB202010319	3650	8,954	0	PT
Federal Program 81.U81 Total				8,954	0	
81.U82	Energy - Unknown ALN	MA243766TO354654MOD0	3600	1,944	0	PT
Federal Program 81.U82 Total				1,944	0	
81.U83	Energy - Unknown ALN	0201.22.073754	4770	31,306	0	PT
Federal Program 81.U83 Total				31,306	0	

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Federal Programs Not Clustered

Dept of Energy

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.U84	Energy - Unknown ALN	0303.20.07318	4770	19,618	0	PT
Federal Program 81.U84 Total				19,618	0	
81.U85	Energy - Unknown ALN	1995-027-00	4770	3,128	0	PT
Federal Program 81.U85 Total				3,128	0	
81.U86	Energy - Unknown ALN	22-026G	4770	396,528	0	PT
Federal Program 81.U86 Total				396,528	0	
81.U87	Energy - Unknown ALN	22-138G	4770	4,183	0	PT
Federal Program 81.U87 Total				4,183	0	
81.U88	Energy - Unknown ALN	22-139G	4770	10,680	0	PT
Federal Program 81.U88 Total				10,680	0	
81.U89	Energy - Unknown ALN	71419	3650	1,222,956	1,194,975	
Federal Program 81.U89 Total				1,222,956	1,194,975	
81.U90	Energy - Unknown ALN	89009	3650	353,898	280,969	
Federal Program 81.U90 Total				353,898	280,969	
81.U91	Energy - Unknown ALN	SC0017923	3650	184,585	0	
Federal Program 81.U91 Total				184,585	0	
81.U92	Energy - Unknown ALN	WSU004141	3650	8,557	0	
Federal Program 81.U92 Total				8,557	0	
81.U93	Energy - Unknown ALN	00084038	6990	155,482	0	
Federal Program 81.U93 Total				155,482	0	
Dept of Energy Total				25,062,240	10,487,933	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Education

Assistance Listing 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	000000	6990	9,936	0	PT
84.002		ABE	6990	12,030,921	(20,726)	
Federal Program 84.002 Total				12,040,857	(20,726)	
84.010	Title I Grants to Local Educational Agencies	84.010A	3500	261,160,510	256,803,725	
Federal Program 84.010 Total				261,160,510	256,803,725	
84.011	Migrant Education_State Grant Program	84.011A	3500	27,769,994	18,833,594	
Federal Program 84.011 Total				27,769,994	18,833,594	
84.013	Title I State Agency Program for Neglected and DEL	84.013A	3500	2,578,753	2,561,454	
Federal Program 84.013 Total				2,578,753	2,561,454	
84.015	National Resource Centers Program for Foreign Lang	84.015A	3600	836,782	91,620	
84.015		84.015B	3600	1,184,129	0	
Federal Program 84.015 Total				2,020,911	91,620	
84.031	Higher Education_Institutional Aid	84.031S	3600	52,693	0	PT
84.031		P031A200206	3700	318,046	0	
84.031		n/a	6990	6,968,800	0	
Federal Program 84.031 Total				7,339,539	0	
84.048	Career and Technical Education -- Basic Grants to	V048A190047	3540	144,110	15,138	
84.048		V048A200047	3540	10,325,547	7,780,712	
84.048		V048A210047	3540	11,529,052	575,841	
84.048		128-PERKINS	6990	267,729	0	PT
84.048		n/a	6990	1,207,067	0	
Federal Program 84.048 Total				23,473,505	8,371,691	
84.101	Career and Technical Education - Indian Set-Aside	18190309ES	6990	171,029	0	PT
Federal Program 84.101 Total				171,029	0	
84.116	Fund for the Improvement of Postsecondary Education	n/a	6990	308,827	0	

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Dept of Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 84.116 Total				308,827	0	
84.126	Rehabilitation Services Vocational Rehabilitation	126A00	3000	9,179,409	0	
84.126		126A10	3000	33,917,535	0	
84.126		126A20	3000	813	0	
84.126		PROGRAM INCOME	3000	4,346,701	0	
84.126		H126	3150	10,015,022	0	
84.126		n/a	6990	129,450	0	
Federal Program 84.126 Total				57,588,930	0	
84.129	Rehabilitation Long-Term Training	H129B190019	3800	60,569	0	
84.129		H129B190019 - 21	3800	130,920	0	
Federal Program 84.129 Total				191,489	0	
84.141	Migrant Education_High School Equivalency Program	S141A160003	3750	1,840	0	
84.141		S141A210017	3750	426,740	0	
84.141		n/a	6990	395,395	0	
Federal Program 84.141 Total				823,975	0	
84.144	Migrant Education_Coordination Program	84.144F	3500	87,151	0	
Federal Program 84.144 Total				87,151	0	
84.149	Migrant Education_College Assistance Migrant Program		3650	548,378	0	
84.149		S149A200032 ACTION 1	3700	171,728	0	
84.149		S149AA200032	3700	318,263	0	
84.149		S149A160001	3750	510	0	
84.149		S149A210008	3750	410,987	0	
84.149		n/a	6990	1,362,920	0	
Federal Program 84.149 Total				2,812,786	0	
84.177	Rehabilitation Services Independent Living Service	H177	3150	805,420	805,420	
Federal Program 84.177 Total				805,420	805,420	
84.181	Special Education-Grants for Infants and Families	0	3070	9,946,390	6,338,990	

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Dept of Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.181	COVID-19 – Special Education-Grants for Infants and Families	0	3070	685,838	670,728	
Federal Program 84.181 Total				10,632,228	7,009,718	
84.184	School Safety National Activities	84.184F	3500	798,344	459,118	
Federal Program 84.184 Total				798,344	459,118	
84.187	Supported Employment Services for Individuals With	187A20	3000	171,153	0	
84.187		187B20	3000	171,153	0	
84.187		H187	3150	12,302	0	
Federal Program 84.187 Total				354,608	0	
84.196	Education for Homeless Children and Youth	84.196A	3500	1,463,059	1,190,790	
Federal Program 84.196 Total				1,463,059	1,190,790	
84.200	Graduate Assistance in Areas of National Need		3650	284,578	0	
84.200		P200A210129	3700	39,162	0	
Federal Program 84.200 Total				323,740	0	
84.220	Centers for International Business Education	84.220A	3600	311,526	0	
Federal Program 84.220 Total				311,526	0	
84.287	Twenty-First Century Community Learning Centers	84.287C	3500	19,258,823	18,551,108	
Federal Program 84.287 Total				19,258,823	18,551,108	
84.315	Traditionally Undeserved Populations	NWIC-21060-SA-M01	3800	14,125	0	PT
Federal Program 84.315 Total				14,125	0	
84.323	Special Education - State Personnel Development	84.323A	3500	987,740	737,316	
Federal Program 84.323 Total				987,740	737,316	
84.325	Special Education - Personnel Development to Impro	84.325L	3500	185,430	136,280	
84.325		84.325P	3500	141,654	6,252	

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Dept of Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.325	Special Education - Personnel Development to Impro	84.325H	3600	107,645	0	PT
84.325		84.325K	3600	569,606	0	
84.325		84.325N	3600	156,055	0	
Federal Program 84.325 Total				1,160,390	142,532	
84.326	Special Education Technical Assistance and Dissemi	84.326T	3500	211,774	211,774	
Federal Program 84.326 Total				211,774	211,774	
84.334	Gaining Early Awareness and Readiness for Undergraduate	P334S1700009	3400	2,923,936	2,923,936	
84.334		84.334A	3600	8,744,087	6,242,976	
84.334			3650	9,101,840	979,743	
84.334		P334A140076	3750	488,166	54,961	
Federal Program 84.334 Total				21,258,029	10,201,616	
84.335	Child Care Access Means Parents in School	84.335A	3600	55,171	0	
84.335			3650	222,156	0	
84.335		P335A190347	3760	84,583	0	
84.335		CPTC	6990	28,939	0	
84.335		FY20	6990	110,000	0	PT
84.335		n/a	6990	598,968	0	
Federal Program 84.335 Total				1,099,817	0	
84.358	Rural Education	84.358B	3500	788,616	729,422	
Federal Program 84.358 Total				788,616	729,422	
84.365	English Language Acquisition State Grants	84.365A	3500	14,967,235	14,202,245	
84.365		84.365D	3500	88,284	0	
84.365		84.365Z	3600	1,021,731	208,263	
84.365			3650	185,702	0	
84.365		2417080112010	3650	14,504	0	PT
Federal Program 84.365 Total				16,277,456	14,410,508	
84.367	Supporting Effective Instruction State Grant (Formerly	84.367A	3500	32,279,697	31,058,884	

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 Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 84.367 Total				32,279,697	31,058,884	
84.369	Grants for State Assessments and Related Activities	84.369A	3500	7,584,160	0	
Federal Program 84.369 Total				7,584,160	0	
84.372	Statewide Longitudinal Data Systems	84.372A	3500	966,812	0	
Federal Program 84.372 Total				966,812	0	
84.377	School Improvement Grants	84.377A	3500	276,514	276,514	
Federal Program 84.377 Total				276,514	276,514	
84.382	Strengthening Minority-Serving Institutions	n/a	6990	388,472	0	
Federal Program 84.382 Total				388,472	0	
84.407	Transition Programs for Students w/Intellectual Di		3650	459,519	0	
84.407		n/a	6990	40,025	0	
Federal Program 84.407 Total				499,544	0	
84.411	Education Innovation and Research (Formerly Invest	92-WA02-2020i3WP	3750	16,507	0	PT
Federal Program 84.411 Total				16,507	0	
84.424	Student Support and Academic Enrichment Program	84.424A	3500	15,896,387	15,479,102	
84.424		000000	6990	144,880	0	PT
84.424		NA	6990	96,947	0	PT
Federal Program 84.424 Total				16,138,214	15,479,102	
84.425	COVID-19 – Education Stabilization Fund	COVID-19, 84.425C	3070	20,847,000	0	
84.425		COVID-19, 84.425D	3500	522,285,529	521,357,063	
84.425		COVID-19, 84.425R	3500	18,852,147	17,619,924	
84.425		COVID-19, 84.425U	3500	356,252,284	342,820,838	
84.425		COVID-19, 84.425W	3500	1,422,528	1,081,324	
84.425		COVID-19, 84.425E	3600	23,808,391	0	
84.425		COVID-19, 84.425F	3600	54,340,310	0	
84.425		COVID-19, 84.425L	3600	18,156	0	
84.425		COVID-19, 84.425E	3650	28,765,948	3	

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 Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.425	COVID-19 – Education Stabilization Fund	COVID-19, 84.425F	3650	54,410,833	0	
84.425		COVID-19, 84.425C	3700	2,596,703	0	
84.425		COVID-19, 84.425E	3700	14,795,652	0	
84.425		COVID-19, 84.425E	3700	175	0	
84.425		COVID-19, 84.425E	3700	6,726	0	
84.425		COVID-19, 84.425F	3700	10,401,142	0	
84.425		COVID-19, 84.425F	3700	174,125	0	
84.425		COVID-19, 84.425F	3700	1,621,483	0	
84.425		COVID-19, 84.425E	3750	8,820,917	0	
84.425		COVID-19, 84.425F	3750	6,002,772	0	
84.425		COVID-19, 84.425M	3750	12,500	0	
84.425		COVID-19, 84.425D	3760	49,875	0	PT
84.425		COVID-19, 84.425E	3760	5,417,258	0	
84.425		COVID-19, 84.425F	3760	7,470,388	0	
84.425		COVID-19, 84.425M	3760	453,559	0	
84.425		COVID-19, 84.425C	3800	1,901,270	0	
84.425		COVID-19, 84.425E	3800	13,067,934	0	
84.425		COVID-19, 84.425F	3800	700,260	0	
84.425		COVID-19, 84.425D	6990	8,943	0	PT
84.425		COVID-19, 84.425C	6990	7,200,653	0	
84.425		COVID-19, 84.425D	6990	557,574	0	
84.425		COVID-19, 84.425E	6990	141,096,681	0	
84.425		COVID-19, 84.425E	6990	4,636,720	0	
84.425		COVID-19, 84.425F	6990	80,959,862	0	
84.425		COVID-19, 84.425F	6990	1,729,942	0	
84.425		COVID-19, 84.425L	6990	437,800	0	
84.425		COVID-19, 84.425M	6990	1,263,913	0	
84.425		COVID-19, 84.425P	6990	1,385,323	0	
84.425		COVID-19, 84.425R	6990	7,780	0	
84.425		COVID-19, 84.425S	6990	3,460,648	0	
Federal Program 84.425 Total				1,397,241,704	882,879,152	
84.U01	Department of Education - Unknown ALN	Green River	6990	1,786	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 84.U01 Total				1,786	0	
84.U02	Department of Education - Unknown ALN	Grays Harbor	6990	69,783	0	
Federal Program 84.U02 Total				69,783	0	
Dept of Education Total				1,929,577,144	1,270,784,332	

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**State of Washington
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Federal Programs Not Clustered

Miscellaneous Commissions

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
90.404	COVID-19 – 2018 HAVA Election Security Grants		0850	308,740	0	
Federal Program 90.404 Total				308,740	0	
Miscellaneous Commissions Total				308,740	0	

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Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.041	Special Programs for the Aging Title VII, Chapter		3000	104,661	72,191	
Federal Program 93.041 Total				104,661	72,191	
93.042	Special Programs for the Aging Title VII, Chapter		3000	398,920	0	
93.042	COVID-19 – Special Programs for the Aging Title VII, Chapter		3000	222,171	7,255	
Federal Program 93.042 Total				621,091	7,255	
93.043	Special Programs for the Aging Title III, Part D_D		3000	438,438	438,438	
93.043	COVID-19 – Special Programs for the Aging Title III, Part D_D		3000	193,750	193,750	
Federal Program 93.043 Total				632,188	632,188	
93.048	Special Programs for the Aging Title Iv and Title		3000	76,972	18,478	
93.048	COVID-19 – Special Programs for the Aging Title Iv and Title		3000	766,475	710,475	
Federal Program 93.048 Total				843,447	728,953	
93.052	National Family Caregiver Support, Title III, Part		3000	3,444,241	3,197,146	
93.052	COVID-19 – National Family Caregiver Support, Title III, Part		3000	1,393,200	1,393,200	
Federal Program 93.052 Total				4,837,441	4,590,346	
93.059	Training in General, Pediatric, and Public Health		3600	758,867	0	
Federal Program 93.059 Total				758,867	0	
93.067	Global AIDS		3600	62,225,176	41,091,360	
93.067	COVID-19 – Global AIDS		3600	943,969	34,723	
93.067	Global AIDS	001PO001AM01	3600	255,454	0	PT
93.067		2020UWITECH001	3600	119,442	0	PT
93.067		2020UWITECH002	3600	21,773	0	PT
93.067		2021UWITECH001	3600	149,134	0	PT
93.067		A157946AM01	3600	82,988	0	PT

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Dept of Health & Human Services

Assistance Listing 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	A177143	3600	3,909	0	PT
93.067		CDC57928401709063SUBA	3600	1,126,143	321,774	PT
93.067	COVID-19 – Global AIDS	CDC57928401709063SUBA	3600	13,936	0	PT
93.067	Global AIDS	CDCRFAGH212137	3600	109,657	0	PT
93.067		CDCRFAGH212137AM01	3600	698,796	0	PT
93.067		NU2GGH00236001UWITEC	3600	149,263	0	PT
93.067		UW632264	3600	76,116	0	PT
93.067		UW666837	3600	51,244	0	PT
Federal Program 93.067 Total				66,027,000	41,447,857	
93.069	Public Health Emergency Preparedness		3030	10,678,900	5,998,689	
Federal Program 93.069 Total				10,678,900	5,998,689	
93.070	Environmental Public Health and Emergency Response		3030	1,530,851	155,418	
Federal Program 93.070 Total				1,530,851	155,418	
93.071	Medicare Enrollment Assistance Program		1600	231,299	0	
93.071			3000	1,593	1,593	
Federal Program 93.071 Total				232,892	1,593	
93.072	Lifespan Respite Care Program		3000	188,870	2,178	
Federal Program 93.072 Total				188,870	2,178	
93.079	Cooperative Agreements to Promote Adolescent Health		3500	12,024	0	
Federal Program 93.079 Total				12,024	0	
93.083	COVID-19 – Prevention of Disease Disability and Death Through	140809001	3650	17,272	0	PT
Federal Program 93.083 Total				17,272	0	
93.084	Prevention of Disease, Disability, and Death By in	1164040486001AM03	3600	86,237	0	PT
93.084		1170701392448AM05	3600	173,285	0	PT
93.084		493075	3600	84,668	0	PT
93.084			3650	8,291	0	
Federal Program 93.084 Total				352,481	0	

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Federal Programs Not Clustered

Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.087	Enhance Safety of Children Affected By Substance A	132359001	3650	108,660	0	PT
Federal Program 93.087 Total				108,660	0	
93.090	Guardianship Assistance		3070	11,824	0	
93.090	COVID-19 – Guardianship Assistance		3070	3,044,284	0	
Federal Program 93.090 Total				3,056,108	0	
93.092	Affordable Care Act Personal Resp. Ed Program		3030	1,090,301	346,895	
Federal Program 93.092 Total				1,090,301	346,895	
93.093	Health Profession Opportunity Grants	20645HWF	3600	36,422	0	PT
93.093			6990	693,732	0	
Federal Program 93.093 Total				730,154	0	
93.103	Food and Drug Administration_Research	C0007147213	3600	4,000	0	PT
Federal Program 93.103 Total				4,000	0	
93.104	Comprehensive Community Mental Health Services for		1070	3,612,400	777,227	
Federal Program 93.104 Total				3,612,400	777,227	
93.107	Area Health Education Centers Point of Service Mai		3600	756,452	562,794	
93.107	COVID-19 – Area Health Education Centers Point of Service Mai		3600	4,070	0	
Federal Program 93.107 Total				760,522	562,794	
93.110	Maternal and Child Health Federal Consolidated Pro		3030	265,968	98,709	
93.110			3600	1,948,844	291,026	
93.110		1557GZC461	3600	1,712	0	PT
93.110		807958UW181AM03REV	3600	(909)	0	PT
93.110		GB10656PO2121838AM03	3600	6,837	0	PT
Federal Program 93.110 Total				2,222,452	389,735	
93.116	Project Grants and Cooperative Agreements for Tube		3030	1,815,644	662,436	
Federal Program 93.116 Total				1,815,644	662,436	

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Federal Programs Not Clustered

Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.127	Emergency Medical Services for Children		3030	125,749	0	
93.127		12428SUBMOD01	3600	17,900	0	PT
93.127		12676SUBPRIOR12428SUB	3600	78,268	0	PT
Federal Program 93.127 Total				221,917	0	
93.130	Cooperative Agreements to States/Territories for		3030	182,972	0	
Federal Program 93.130 Total				182,972	0	
93.136	Injury Prevention and Control Research and State		3600	384,291	28,395	
Federal Program 93.136 Total				384,291	28,395	
93.137	Community Programs to Improve Minority Health Gran		3600	354,918	28,151	
93.137		55624	3650	10,911	0	PT
Federal Program 93.137 Total				365,829	28,151	
93.145	HIV-Related Training and Technical Assistance		3600	3,683,319	1,900,128	
93.145	COVID-19 – HIV-Related Training and Technical Assistance		3600	15,953	15,912	
Federal Program 93.145 Total				3,699,272	1,916,040	
93.150	Projects for Assistance in Transition From Homeless		1070	1,283,347	1,225,077	
Federal Program 93.150 Total				1,283,347	1,225,077	
93.153	Coordinated Services and Access to Research for Women,	UW633542	3600	60,866	0	PT
93.153		UW668550	3600	5,675	0	PT
Federal Program 93.153 Total				66,541	0	
93.155	Rural Health Research Centers	5122884	3600	111,164	0	PT
Federal Program 93.155 Total				111,164	0	
93.161	COVID-19 – Health Program for Toxic Substances and Disease Re	100316AM02	3600	26,398	0	PT
93.161	Health Program for Toxic Substances and Disease Re	771122UW	3600	9,265	0	PT

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Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.161	Health Program for Toxic Substances and Disease Re	771122UWPO100202AM01	3600	33,032	0	PT
93.161		PO100681	3600	5,826	0	PT
93.161		PO100681AM01	3600	136,282	0	PT
93.161		PO100797AM01	3600	65,462	0	PT
Federal Program 93.161 Total				276,265	0	
93.165	Grants to States for Loan Repayment Program		3400	730,261	730,261	
Federal Program 93.165 Total				730,261	730,261	
93.197	Childhood Lead Poisoning Prevention Projects State		3030	373,870	0	
93.197		158689AM02	3600	9,475	0	PT
Federal Program 93.197 Total				383,345	0	
93.211	Telehealth Programs	5112962AM02	3600	24,809	0	PT
Federal Program 93.211 Total				24,809	0	
93.217	Family Planning_Services		3030	982,034	645,960	
Federal Program 93.217 Total				982,034	645,960	
93.236	Grants to States to Support Oral Health Workforce		3030	374,716	149,251	
93.236		19255010690AM03	3600	82,429	0	PT
Federal Program 93.236 Total				457,145	149,251	
93.237	Special Diabetes Program for Indians Diabetes Prev		3650	462,678	23,459	
Federal Program 93.237 Total				462,678	23,459	
93.240	State Capacity Building		3030	430,899	0	
Federal Program 93.240 Total				430,899	0	
93.241	State Rural Hospital Flexibility Program		3030	1,166,532	11,275	
Federal Program 93.241 Total				1,166,532	11,275	
93.243	Substance Abuse and Mental Health Services_Project		1070	4,084,401	2,069,949	
93.243		75S20321F42001	1070	203,792	0	PT

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Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.243	Substance Abuse and Mental Health Services_Project		3030	557	0	
93.243			3500	1,773,586	1,356,689	
93.243			3600	639,640	424,129	
93.243		UW638667	3600	259,254	0	PT
93.243			3650	664,111	100,009	
93.243			3700	19,272	0	
Federal Program 93.243 Total				7,644,613	3,950,776	
93.247	Advanced Nursing Education Grant Program		3100	619,349	0	
93.247			3650	675,130	71,783	
Federal Program 93.247 Total				1,294,479	71,783	
93.251	Early Hearing Detection and Intervention		3030	183,973	56,405	
Federal Program 93.251 Total				183,973	56,405	
93.262	Occupational Safety and Health Program	3001120613AM01	3600	48,326	0	PT
93.262		30011210AM01	3600	42,194	0	PT
93.262		30011310AM01	3600	196,821	0	PT
Federal Program 93.262 Total				287,341	0	
93.266	Health Systems Strengthening and HIV/AIDS Prevention		3600	13,169,017	6,049,526	
Federal Program 93.266 Total				13,169,017	6,049,526	
93.268	Immunization Cooperative Agreements		3030	94,521,210	0	NC
93.268			3030	7,613,205	1,364,215	
93.268	COVID-19 – Immunization Cooperative Agreements		3030	36,614,690	12,864,898	
Federal Program 93.268 Total				138,749,105	14,229,113	
93.270	Viral Hepatitis Prevention and Control		3030	632,469	249,212	
93.270			3600	286,963	0	
Federal Program 93.270 Total				919,432	249,212	
93.297	Teenage Pregnancy Prevention Program		3030	1,489,194	689,969	
Federal Program 93.297 Total				1,489,194	689,969	

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Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.301	Small Rural Hospital Improvement Grant Program		3030	575,837	555,466	
Federal Program 93.301 Total				575,837	555,466	
93.314	Early Hearing Detection and Intervention Information		3030	154,810	0	
Federal Program 93.314 Total				154,810	0	
93.318	Protecting and Improving Health Globally: Building		3600	86,569	0	
93.318	COVID-19 – Protecting and Improving Health Globally: Building		3600	1,868,102	10,506	
93.318			3650	5,598,348	1,127,775	
93.318	Protecting and Improving Health Globally: Building	GT3202107	3650	27,007	0	PT
Federal Program 93.318 Total				7,580,026	1,138,281	
93.322	CSELS Partnership: Strengthening Public Health Lab	gvf27532	3030	40,111	0	PT
93.322		564012505012201	3600	239,296	0	PT
Federal Program 93.322 Total				279,407	0	
93.323	Epidemiology and Laboratory Capacity for Infectious		3030	7,684,872	1,159,959	
93.323	COVID-19 – Epidemiology and Laboratory Capacity for Infectious		3030	322,109,331	101,386,367	
Federal Program 93.323 Total				329,794,203	102,546,326	
93.324	State Health Insurance Assistance Program		1600	1,392,828	0	
Federal Program 93.324 Total				1,392,828	0	
93.326	COVID-19 – Strengthening Public Health Through Surveillance		3650	4,859,000	2,309,731	
Federal Program 93.326 Total				4,859,000	2,309,731	
93.336	Behavioral Risk Factor Surveillance System		3030	259,993	0	
Federal Program 93.336 Total				259,993	0	
93.354	COVID-19 – Public Health Emergency Response: Cooperative Agree		3030	4,370,070	793,128	

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Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 93.354 Total				4,370,070	793,128	
93.358	Advanced Education Nursing Traineeships	45010	6990	66,000	0	PT
Federal Program 93.358 Total				66,000	0	
93.359	Nurse Education, Practice and Retention Grants		3600	663,378	94,032	
Federal Program 93.359 Total				663,378	94,032	
93.367	Flexible Funding Model-Infrastructure Development		4950	500,396	0	
Federal Program 93.367 Total				500,396	0	
93.369	ACL Independent Living State Grants		3000	367,157	320,802	
Federal Program 93.369 Total				367,157	320,802	
93.380	The CDC Public Health Cancer Genomics Program Tran		3030	377,425	82,923	
Federal Program 93.380 Total				377,425	82,923	
93.387	National and State Tobacco Control Program		3030	1,211,113	364,441	
Federal Program 93.387 Total				1,211,113	364,441	
93.391	COVID-19 – Activities to Support State, Tribal, Local and Ter		3030	2,368,384	365,149	
Federal Program 93.391 Total				2,368,384	365,149	
93.408	ARRA - Nurse Faculty Loan Program		3600	(2,121)	0	OL
93.408			3600	20,317	0	OL
Federal Program 93.408 Total				18,196	0	
93.413	The State Flexibility to Stabilize the Market Gran		1600	55,137	0	
Federal Program 93.413 Total				55,137	0	
93.421	Strengthening Public Health Systems and Services	0052020	3600	11,520	6,060	PT
93.421		1462021	3600	37,069	31,684	PT
93.421	COVID-19 – Strengthening Public Health Systems and Services	1712021	3600	13,014	0	PT

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Dept of Health & Human Services

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93.421	Strengthening Public Health Systems and Services	2021040802MOD01	3600	6,343	0	PT
93.421		2021110201	3600	557,900	104,821	PT
93.421	COVID-19 – Strengthening Public Health Systems and Services	2022041202	3600	10,408	0	PT
93.421	Strengthening Public Health Systems and Services	220237	3600	85,774	30,977	PT
93.421		23218815	3600	12,515	0	PT
93.421		G2117AG0693AM01	3600	23,571	0	PT
93.421		G2128AG0753	3600	46,213	0	PT
93.421	COVID-19 – Strengthening Public Health Systems and Services	G2148AG0768	3600	17,993	0	PT
93.421	Strengthening Public Health Systems and Services	UW669784	3600	125,866	0	PT
93.421		V178142020AM01	3600	742	0	PT
Federal Program 93.421 Total				948,928	173,542	
93.426	Improving the Health of Americans Through Prevention		3030	1,800,933	609,615	
Federal Program 93.426 Total				1,800,933	609,615	
93.433	ACL National Institute on Disability, Independent		3600	2,115,722	192,758	
93.433		000513370002A06	3600	10,280	0	PT
93.433			3650	196,579	33,237	
Federal Program 93.433 Total				2,322,581	225,995	
93.434	Every Student Succeeds Act/Preschool Development		3070	10,145,663	791,575	
Federal Program 93.434 Total				10,145,663	791,575	
93.435	Innovative State and Local Public Health Strategies		3030	583,953	312,735	
Federal Program 93.435 Total				583,953	312,735	
93.436	Well-Integrated Screening and Evaluation for Women		3030	551,367	172,757	
Federal Program 93.436 Total				551,367	172,757	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington
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Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.439	State Physical Activity and Nutrition (Span)		3030	869,984	324,526	
Federal Program 93.439 Total				869,984	324,526	
93.461	COVID-19 – HRSA Covid-19 Claims Reimbursement for the Uninsured		3600	30,744,953	0	
Federal Program 93.461 Total				30,744,953	0	
93.464	ACL Assistive Technology		3600	817,485	0	
Federal Program 93.464 Total				817,485	0	
93.478	Preventing Maternal Deaths: Supporting Maternal Mo		3030	390,667	0	
Federal Program 93.478 Total				390,667	0	
93.488	National Harm Reduction Technical Assistance and Syringe		3600	2,500,757	1,057,060	
Federal Program 93.488 Total				2,500,757	1,057,060	
93.495	COVID-19 – Community Health Workers for Public Health Response		3030	2,803,513	39,311	
Federal Program 93.495 Total				2,803,513	39,311	
93.498	COVID-19 – Provider Relief Fund		3000	1,264,198	0	
93.498			3050	1,581,330	0	
93.498			3600	34,574,310	0	
93.498			3700	51,125	0	
93.498			3750	160,535	0	
Federal Program 93.498 Total				37,631,498	0	
93.530	Teaching Health Center Graduate Medical Education	5123432	3600	133,472	0	PT
Federal Program 93.530 Total				133,472	0	
93.556	Marylee Allen Promoting Safe and Stable Families		3070	5,815,920	0	
93.556		KC281800 AMEND 2	3700	189,349	0	PT
Federal Program 93.556 Total				6,005,269	0	
93.558	Temporary Assistance for Needy Families		3000	372,469,278	0	
93.558			6990	903,623	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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 93.558 Total				373,372,901	0	
93.563	Child Support Enforcement		3000	118,440,202	19,529,653	
Federal Program 93.563 Total				118,440,202	19,529,653	
93.566	Refugee and Entrant Assistance State Administered		1070	31,868	0	
93.566			3000	24,981,174	5,844,943	
93.566			3760	5	0	
Federal Program 93.566 Total				25,013,047	5,844,943	
93.568	Low-Income Home Energy Assistance		1030	99,319,564	91,925,352	
93.568	COVID-19 – Low-Income Home Energy Assistance		1030	2,857,342	2,456,867	
Federal Program 93.568 Total				102,176,906	94,382,219	
93.569	Community Services Block Grant		1030	7,856,538	7,377,459	
93.569	COVID-19 – Community Services Block Grant		1030	4,678,296	4,550,977	
Federal Program 93.569 Total				12,534,834	11,928,436	
93.576	Refugee and Entrant Assistance_Discretionary Grant	NA	6990	1,059,199	0	PT
Federal Program 93.576 Total				1,059,199	0	
93.579	U.S. Repatriation		3000	417	0	
Federal Program 93.579 Total				417	0	
93.586	State Court Improvement Program		0550	685,442	0	
Federal Program 93.586 Total				685,442	0	
93.590	Community-Based Child Abuse Prevention Grants		3070	1,298,507	637,663	
93.590	COVID-19 – Community-Based Child Abuse Prevention Grants		3070	226,712	52,312	
Federal Program 93.590 Total				1,525,219	689,975	
93.597	Grants to States for Access and Visitation Program		3000	152,035	116,402	
Federal Program 93.597 Total				152,035	116,402	

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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.599	Chafee Education and Training Vouchers Program		3070	1,040,206	0	
93.599	COVID-19 – Chafee Education and Training Vouchers Program		3070	370,461	0	
Federal Program 93.599 Total				1,410,667	0	
93.602	Assets for Independence Demonstration Program		3650	155,323	0	
Federal Program 93.602 Total				155,323	0	
93.624	Community Health Access and Rural Transformation (1070	366,507	0	
Federal Program 93.624 Total				366,507	0	
93.630	Developmental Disabilities Basic Support and Advocacy		1030	1,113,403	240,141	
Federal Program 93.630 Total				1,113,403	240,141	
93.632	University Centers for Excellence in Developmental		3600	580,466	0	
93.632	COVID-19 – University Centers for Excellence in Developmental		3600	17,408	0	
Federal Program 93.632 Total				597,874	0	
93.643	Children's Justice Grants to States		3070	125,318	0	
Federal Program 93.643 Total				125,318	0	
93.645	Stephanie Tubbs Jones Child Welfare Services Program		3070	4,251,280	0	
93.645	COVID-19 – Stephanie Tubbs Jones Child Welfare Services Program		3070	114,731	0	
Federal Program 93.645 Total				4,366,011	0	
93.652	Adoption Opportunities		3070	1,964,113	0	
Federal Program 93.652 Total				1,964,113	0	
93.658	Foster Care Title IV-E		3070	103,731,393	0	
93.658	COVID-19 – Foster Care Title IV-E		3070	20,186,915	0	
93.658	Foster Care Title IV-E	KC279000 AMEND 4	3700	1,330,617	84,336	PT
93.658		KC287600 AMEND 2	3700	642,738	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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 93.658 Total				125,891,663	84,336	
93.659	Adoption Assistance		3070	9,599,300	0	
93.659	COVID-19 – Adoption Assistance		3070	49,057,422	0	
Federal Program 93.659 Total				58,656,722	0	
93.664	Substance Use Disorder Prevention that Promotes Opioid		1070	1,457,163	75,000	
Federal Program 93.664 Total				1,457,163	75,000	
93.665	COVID-19 – Emergency Grants to Address Mental and Substance		1070	2,630,240	2,137,500	
Federal Program 93.665 Total				2,630,240	2,137,500	
93.667	Social Services Block Grant		3000	5,675,000	0	
93.667			3070	35,948,531	0	
Federal Program 93.667 Total				41,623,531	0	
93.669	Child Abuse and Neglect State Grants		3070	1,694,750	0	
93.669	COVID-19 – Child Abuse and Neglect State Grants		3070	254,383	0	
Federal Program 93.669 Total				1,949,133	0	
93.670	Child Abuse and Neglect Discretionary Activities		3070	616,914	137,533	
Federal Program 93.670 Total				616,914	137,533	
93.671	Family Violence Prevention and Services/Grants for		3000	2,321,336	2,236,490	
93.671	COVID-19 – Family Violence Prevention and Services/Grants for		3000	971,920	875,500	
Federal Program 93.671 Total				3,293,256	3,111,990	
93.674	John H. Chafee Foster Care Program for Successful		3070	3,507,299	2,819,418	
93.674	COVID-19 – John H. Chafee Foster Care Program for Successful		3070	4,394,277	1,214,649	
Federal Program 93.674 Total				7,901,576	4,034,067	
93.732	Mental and Behavioral Health Education and Training		3600	274,108	0	

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Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 93.732 Total				274,108	0	
93.734	Empowering Older Adults & Adults with Disabilities		3000	162,605	0	
Federal Program 93.734 Total				162,605	0	
93.747	Elder Abuse Prevention Interventions Program		3000	319,476	0	
93.747	COVID-19 – Elder Abuse Prevention Interventions Program		3000	1,636,621	0	
Federal Program 93.747 Total				1,956,097	0	
93.761	Evidence-Based Falls Prevention Programs Fina		3030	87,241	8,018	
Federal Program 93.761 Total				87,241	8,018	
93.767	Children's Health Insurance Program		1070	708,889	0	
93.767	COVID-19 – Children's Health Insurance Program		1070	155,431,083	0	
93.767	Children's Health Insurance Program		3000	1,568,610	0	
93.767	COVID-19 – Children's Health Insurance Program		3000	75,236	0	
Federal Program 93.767 Total				157,783,818	0	
93.788	Opioid STR		1070	28,386,858	21,963,870	
93.788		167154	3600	14,191	0	PT
93.788			3650	260,465	0	
Federal Program 93.788 Total				28,661,514	21,963,870	
93.791	Money Follows the Person Rebalancing Demonstration		3000	27,089,642	154,104	
Federal Program 93.791 Total				27,089,642	154,104	
93.800	Organized Approaches to Increase Colorectal Cancer		3030	552,960	190,117	
Federal Program 93.800 Total				552,960	190,117	
93.817	Hospital Preparedness Program (HPP) Ebola Prepared		3030	333,757	308,218	
Federal Program 93.817 Total				333,757	308,218	

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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.860	COVID-19 – Emerging Infections Sentinel Networks	2022R3	3600	37,703	0	PT
Federal Program 93.860 Total				37,703	0	
93.870	Maternal, Infant and Early Childhood Home Visiting		3070	9,709,054	7,885,760	
93.870	COVID-19 – Maternal, Infant and Early Childhood Home Visiting		3070	510,187	328,633	
Federal Program 93.870 Total				10,219,241	8,214,393	
93.876	Antimicrobial Resistance Surveillance in Retail Food		3030	120,256	0	
Federal Program 93.876 Total				120,256	0	
93.877	Autism Collaboration, Accountability, Research, Ed	2000GYC804	3600	72,109	0	PT
93.877		2000GYC804AM002	3600	189,312	0	PT
Federal Program 93.877 Total				261,421	0	
93.884	Primary Care Training and Enhancement		3650	370,475	18,203	
Federal Program 93.884 Total				370,475	18,203	
93.889	National Bioterrorism Hospital Preparedness Program		3030	4,647,726	2,989,273	
93.889	COVID-19 – National Bioterrorism Hospital Preparedness Program		3030	1,848,253	917,136	
Federal Program 93.889 Total				6,495,979	3,906,409	
93.898	Cancer Prevention and Control Programs for State,		3030	5,243,994	3,423,244	
Federal Program 93.898 Total				5,243,994	3,423,244	
93.913	Grants to States for Operation of Offices of Rural		3030	309,110	11,598	
Federal Program 93.913 Total				309,110	11,598	
93.914	HIV Emergency Relief Project Grants		3600	282,106	9,594	
Federal Program 93.914 Total				282,106	9,594	
93.917	HIV Care Formula Grants		3030	14,423,317	0	
93.917	COVID-19 – HIV Care Formula Grants		3030	25,867	9,808	

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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 93.917 Total				14,449,184	9,808	
93.924	Ryan White HIV/AIDS Dental Reimbursements\Community	1013415_cl	6990	4,191	0	PT
Federal Program 93.924 Total				4,191	0	
93.940	HIV Prevention Activities_Health Department Based		3030	6,718,652	4,322,763	
Federal Program 93.940 Total				6,718,652	4,322,763	
93.944	Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency		3030	1,174,578	882,126	
Federal Program 93.944 Total				1,174,578	882,126	
93.945	Assistance Programs for Chronic Disease Prevention		3030	257,488	68,448	
Federal Program 93.945 Total				257,488	68,448	
93.946	Cooperative Agreements to Support State-Based Safe		3030	157,494	0	
Federal Program 93.946 Total				157,494	0	
93.958	Block Grants for Community Mental Health Services		1070	22,768,736	13,585,672	
93.958	COVID-19 – Block Grants for Community Mental Health Services		1070	8,927,413	6,958,219	
93.958	Block Grants for Community Mental Health Services	1565-52693	3760	32,910	0	PT
93.958		21ASO2486	6990	82,820	0	PT
Federal Program 93.958 Total				31,811,879	20,543,891	
93.959	Block Grants for Prevention and Treatment of Substance		1070	48,478,564	35,474,008	
93.959	COVID-19 – Block Grants for Prevention and Treatment of Substance		1070	18,687,595	16,556,768	
93.959	Block Grants for Prevention and Treatment of Substance	18332745160AM03	3600	100,409	0	PT
93.959		196354	3600	45,659	0	PT
Federal Program 93.959 Total				67,312,227	52,030,776	
93.969	PPHF Geriatric Education Centers		3600	776,542	272,907	

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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.969	COVID-19 – PPHF Geriatric Education Centers		3600	719	0	
Federal Program 93.969 Total				777,261	272,907	
93.970	Health Professions Recruitment Program for Indians	1016600WSU	3650	112,892	0	PT
Federal Program 93.970 Total				112,892	0	
93.977	Sexually Transmitted Diseases (STD) Prevention and		3030	1,938,309	928,974	
93.977	COVID-19 – Sexually Transmitted Diseases (STD) Prevention and		3030	1,700,217	796,956	
Federal Program 93.977 Total				3,638,526	1,725,930	
93.978	Sexually Transmitted Diseases (STD) Provider Education		3600	1,352,734	77,008	
Federal Program 93.978 Total				1,352,734	77,008	
93.981	Improving Student Health and Academic Achievement		3500	338,654	77,569	
Federal Program 93.981 Total				338,654	77,569	
93.982	Mental Health Disaster Assistance and Emergency Me		1070	2,205,551	2,145,052	
Federal Program 93.982 Total				2,205,551	2,145,052	
93.991	Preventive Health and Health Services Block Grant		3030	1,411,763	467,009	
Federal Program 93.991 Total				1,411,763	467,009	
93.994	Maternal and Child Health Services Block Grant to		3030	7,690,455	4,528,399	
Federal Program 93.994 Total				7,690,455	4,528,399	
93.U01	HHS - Unknown ALN	WSU003704	3650	23,488	18,641	PT
Federal Program 93.U01 Total				23,488	18,641	
93.U02	HHS - Unknown ALN	12427SUB	3650	81,969	0	PT
Federal Program 93.U02 Total				81,969	0	
93.U03	HHS - Unknown ALN	136558	3650	10,074	0	PT

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Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 93.U03 Total				10,074	0	
93.U04	HHS - Unknown ALN	HHSN275201300024I	3650	97,663	0	PT
Federal Program 93.U04 Total				97,663	0	
93.U05	HHS - Unknown ALN	21001	3650	3,345	0	PT
Federal Program 93.U05 Total				3,345	0	
93.U06	HHS - Unknown ALN	0001104394PROJECT22528	3600	10,192	0	PT
Federal Program 93.U06 Total				10,192	0	
93.U07	HHS - Unknown ALN	00062660AM04	3600	11,839	0	PT
Federal Program 93.U07 Total				11,839	0	
93.U08	HHS - Unknown ALN	3732CHSAM03	3600	(318)	0	PT
Federal Program 93.U08 Total				(318)	0	
93.U09	COVID-19 – HHS - Unknown ALN	3RJK7AM05	3600	82,879	0	PT
Federal Program 93.U09 Total				82,879	0	
93.U10	HHS - Unknown ALN	AM02	3600	3,128	0	PT
Federal Program 93.U10 Total				3,128	0	
93.U11	HHS - Unknown ALN	MIDS19F0003T0014	3600	430	0	PT
Federal Program 93.U11 Total				430	0	
93.U12	HHS - Unknown ALN	MIDS19F0003T0014MOD0	3600	3,742	0	PT
Federal Program 93.U12 Total				3,742	0	
93.U13	HHS - Unknown ALN	PO1557PZA551	3600	6,168	0	PT
Federal Program 93.U13 Total				6,168	0	
93.U14	HHS - Unknown ALN	UW666174	3600	5,805	0	PT
Federal Program 93.U14 Total				5,805	0	
93.U15	COVID-19 – HHS - Unknown ALN	VUMC97784AM01	3600	75,929	0	PT
Federal Program 93.U15 Total				75,929	0	
93.U16	HHS - Unknown ALN	19IPA1916684	3650	2,557	0	
Federal Program 93.U16 Total				2,557	0	
93.U17	HHS - Unknown ALN	75D30121C11954	3650	29,689	0	

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Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 93.U17 Total				29,689	0	
93.U18	HHS - Unknown ALN	1 CPIMP211	6990	19,636	0	PT
Federal Program 93.U18 Total				19,636	0	
93.U19	HHS - Unknown ALN	HHSS283201600001C	1070	117,915	0	PT
93.U19		SP23337006T	1070	11,838	0	PT
93.U19		2065-86002	6990	75,610	0	PT
Federal Program 93.U19 Total				205,363	0	
93.U20	HHS - Unknown ALN	40262	6990	6,525	0	PT
Federal Program 93.U20 Total				6,525	0	
93.U21	HHS - Unknown ALN	NU50CK0005	6990	6,245	0	PT
Federal Program 93.U21 Total				6,245	0	
Dept of Health & Human Services Total				1,997,770,584	466,398,093	

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Corp for National & Community Service

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
94.002	Retired and Senior Volunteer Program		6990	74,347	0	
Federal Program 94.002 Total				74,347	0	
94.003	State Commissions		1050	639,665	13,997	
Federal Program 94.003 Total				639,665	13,997	
94.006	AmeriCorps		1050	12,268,741	5,444,213	
94.006		2320200	3600	142,465	0	PT
94.006			3760	1,260	0	
94.006			3800	1,370,193	0	
94.006			6990	121,832	0	
Federal Program 94.006 Total				13,904,491	5,444,213	
94.008	Commission Investment Fund		1050	5,668	0	
Federal Program 94.008 Total				5,668	0	
94.009	Training and Technical Assistance		1050	181,333	0	
Federal Program 94.009 Total				181,333	0	
94.021	Volunteer Generation Fund		1050	111,124	50,029	
Federal Program 94.021 Total				111,124	50,029	
Corp for National & Community Service Total				14,916,628	5,508,239	

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Executive Office of the President

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
95.001	High Intensity Drug Trafficking Areas Program		2250	531,936	0	
95.001		C120331GSC	2250	886	0	PT
95.001		9001800032AM01	3600	11,939	0	PT
95.001		PRIMEG20NW0014AAM02	3600	2,838	0	PT
Federal Program 95.001 Total				547,599	0	
Executive Office of the President Total				547,599	0	

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Federal Programs Not Clustered

Dept of Homeland Security

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
97.008	Non-Profit Security Program		2450	833,595	833,595	
Federal Program 97.008 Total				833,595	833,595	
97.012	Boating Safety Financial Assistance		4650	1,701,315	0	
Federal Program 97.012 Total				1,701,315	0	
97.023	Community Assistance Program State Support Service		4610	174,000	0	
Federal Program 97.023 Total				174,000	0	
97.029	Flood Mitigation Assistance		2450	98,119	67,385	
Federal Program 97.029 Total				98,119	67,385	
97.036	COVID-19 – Disaster Grants - Public Assistance (Presidentially)		2450	677,939,624	677,939,624	
97.036	Disaster Grants - Public Assistance (Presidentially)		6990	92,979	0	
Federal Program 97.036 Total				678,032,603	677,939,624	
97.039	Hazard Mitigation Grant		2450	3,307,184	3,307,184	
Federal Program 97.039 Total				3,307,184	3,307,184	
97.041	National Dam Safety Program		4610	100,081	18,266	
Federal Program 97.041 Total				100,081	18,266	
97.042	Emergency Management Performance Grants		2450	8,400,123	5,118,555	
Federal Program 97.042 Total				8,400,123	5,118,555	
97.043	State Fire Training Systems Grants		2250	7,841	0	
Federal Program 97.043 Total				7,841	0	
97.045	Cooperating Technical Partners		4610	149,699	0	
Federal Program 97.045 Total				149,699	0	
97.046	Fire Management Assistance Grant		2450	148,737	148,737	
Federal Program 97.046 Total				148,737	148,737	
97.047	BRIC: Building Resilient Infrastructure and Community		2450	3,688,681	3,337,233	
Federal Program 97.047 Total				3,688,681	3,337,233	

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 Homeland Security

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
97.050	COVID-19 – Presidential Declared Disaster Assistance to Indiv		5400	2,907,196	0	
Federal Program 97.050 Total				2,907,196	0	
97.056	Port Security Grant Program		2250	165,500	0	
97.056			4050	691,431	0	
97.056			4770	175,889	0	
Federal Program 97.056 Total				1,032,820	0	
97.067	Homeland Security Grant Program		2450	11,767,433	10,614,799	
97.067		201810011	4770	24,800	0	PT
97.067		Letter 1/18/21	4770	28,328	0	PT
97.067		Letter 4/13/21	4770	61,530	0	PT
97.067		OPSGFFY2019	4770	15,300	0	PT
97.067		Stonegarden	4770	10,518	0	PT
Federal Program 97.067 Total				11,907,909	10,614,799	
97.082	Earthquake Consortium		2450	77,809	0	
Federal Program 97.082 Total				77,809	0	
97.091	Homeland Security Biowatch Program	PRV23029	3030	502,839	0	PT
Federal Program 97.091 Total				502,839	0	
97.U01	Homeland Security - Unknown ALN	Agreement	4770	1,669	0	
Federal Program 97.U01 Total				1,669	0	
97.U02	Homeland Security - Unknown ALN	C1A4000200	3600	26,613	0	PT
Federal Program 97.U02 Total				26,613	0	
97.U03	Homeland Security - Unknown ALN	97.024	6990	2,614	0	
Federal Program 97.U03 Total				2,614	0	
Dept of Homeland Security Total				713,101,447	701,385,378	

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Federal Programs Not Clustered

U.S. Agency for International Development

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
98.001	USAID Foreign Assistance for Programs Overseas	1024620010020011244000	3600	137,430	0	PT
98.001		3497001MOD2	3600	115,865	0	PT
98.001		AM02	3600	79,660	0	PT
98.001			3650	2,205,740	923,880	
98.001		45136419276	3650	(1,271)	0	PT
98.001		45136419276A	3650	5,146	0	PT
98.001		WSU004120	3650	33,183	0	PT
Federal Program 98.001 Total				2,575,753	923,880	
98.U01	US Agency for Internat Develop - Unknown ALN RC102095BHEARDBANGL		3650	(1,202)	0	PT
Federal Program 98.U01 Total				(1,202)	0	
98.U02	US Agency for Internat Develop - Unknown ALN 19390031245514		3650	54,797	0	PT
Federal Program 98.U02 Total				54,797	0	
98.U03	US Agency for Internat Develop - Unknown ALN 141061SPC003515		3600	20,899	0	PT
Federal Program 98.U03 Total				20,899	0	
U.S. Agency for International Development Total				2,650,247	923,880	

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Federal Programs Not Clustered

Undetermined Fed Agency

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
99.U01	Unknown Fed Agency Unknown ALN	17111009000004AM05	3600	17,624	0	
Federal Program 99.U01 Total				17,624	0	
99.U02	Unknown Fed Agency Unknown ALN	221290120000000	3600	7,076	0	
Federal Program 99.U02 Total				7,076	0	
99.U03	Unknown Fed Agency Unknown ALN	n/a	6990	105,391	0	
Federal Program 99.U03 Total				105,391	0	
99.U04	Unknown Fed Agency Unknown ALN	n/a	6990	1,675,730	0	
Federal Program 99.U04 Total				1,675,730	0	
99.U05	Unknown Fed Agency Unknown ALN	None	6990	37,993	0	PT
Federal Program 99.U05 Total				37,993	0	
99.U06	Unknown Fed Agency Unknown ALN	none	6990	121,861	0	PT
Federal Program 99.U06 Total				121,861	0	
Undetermined Fed Agency Total				1,965,675	0	
Federal Programs Not Clustered Total				10,798,429,651	3,419,579,422	

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Research and Development

Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.001	Agricultural Research_Basic and Applied Research		3600	78,291	0	
10.001		DAA919653831MOD4	3600	10,130	0	PT
10.001			3650	3,447,138	7,467	
10.001	COVID-19 – Agricultural Research_Basic and Applied Research	130576003	3650	121,919	0	PT
10.001	Agricultural Research_Basic and Applied Research	138557	3650	170	0	PT
10.001		28377	3650	19,698	0	PT
10.001		R0783AA	3650	62,941	0	PT
10.001		R0813AH	3650	88,975	0	PT
10.001			4950	5,003	0	
Federal Program 10.001 Total				3,834,265	7,467	
Agricultural Research Service Total				3,834,265	7,467	
10.025	Plant and Animal Disease, Pest Control, and Animal	1903AM002	3600	36,123	0	PT
Federal Program 10.025 Total				36,123	0	
Animal and Plant Health Inspection Service Total				36,123	0	
10.170	Specialty Crop Block Grant Program - Farm Bill	A210144S002AM02	3600	51,569	0	PT
Federal Program 10.170 Total				51,569	0	
10.174	Acer Access Development Program		3600	426,351	25,713	
Federal Program 10.174 Total				426,351	25,713	
Agricultural Marketing Service Total				477,920	25,713	
10.200	Grants for Agricultural Research, Special Research		3600	772,722	356,418	
10.200			3650	761,370	441,085	
10.200		A20-1347-S061	3650	48,436	0	PT
10.200		A201347A010	3650	1,378	0	PT
10.200		A201347S002	3650	10,511	0	PT
10.200		A201347S003	3650	2,161	0	PT
10.200		A201347S029	3650	1,434	0	PT

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10.200	Grants for Agricultural Research, Special Research	A201347S036	3650	(146)	0	PT
10.200		A201347S037	3650	5,000	0	PT
10.200		A201347S038	3650	4,722	0	PT
10.200		A201347S041	3650	1,939	0	PT
10.200		A201347S058	3650	779	0	PT
10.200		A201347S059	3650	20,938	0	PT
10.200		A201347S062	3650	215	0	PT
10.200		A201347S063	3650	7,695	0	PT
10.200		A21-3578-S005	3650	7,321	0	PT
10.200		A213578S011	3650	15,000	0	PT
10.200		A213578S030	3650	20,906	0	PT
10.200		AP4292870302	3650	7,561	0	PT
10.200		AP5081870745	3650	18,821	0	PT
10.200		AP5923870186	3650	8,449	0	PT
10.200		RC110588WSU	3650	6,499	0	PT
Federal Program 10.200 Total				1,723,711	797,503	
10.202	Cooperative Forestry Research		3600	673,793	0	
10.202			3650	259,040	0	
Federal Program 10.202 Total				932,833	0	
10.203	Payments to Agricultural Experiment Stations Under	NRSP8	3600	10,154	0	PT
10.203			3650	3,679,862	0	
Federal Program 10.203 Total				3,690,016	0	
10.207	Animal Health and Disease Research		3650	89,280	0	
Federal Program 10.207 Total				89,280	0	
10.212	Small Business Innovation Research	13772201	3650	6,313	0	PT
10.212		139060001	3650	5,744	0	PT
10.212		139867001	3650	29,441	0	PT
10.212		139870001	3650	9,619	0	PT
Federal Program 10.212 Total				51,117	0	

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Dept of Agriculture

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10.215	Sustainable Agriculture Research and Education	140867029223	3650	(1,288)	0	PT
10.215		201207548	3650	26,592	12,520	PT
10.215		201207564	3650	74,612	0	PT
10.215		201207568	3650	12,949	0	PT
10.215		G10822W8612	3650	11,197	0	PT
10.215		G10920W7504	3650	(485)	0	PT
10.215		G13020W7504	3650	2,087	0	PT
10.215		G13220W7504	3650	52,386	0	PT
10.215		G13520W7507	3650	24,935	14,134	PT
10.215		G15121W7902	3650	9,762	0	PT
10.215		G16219W7506	3650	2,065	0	PT
10.215		G16920W7507	3650	14,830	0	PT
10.215		G20322W7905	3650	18,042	0	PT
10.215		G23422W8615	3650	406	0	PT
10.215		G23620W7504	3650	3,014	0	PT
10.215		G23920W7506	3650	27,347	0	PT
10.215		G25421W7904	3650	987	0	PT
10.215		G26022W8618	3650	992	0	PT
10.215		G26219W7502	3650	7,830	0	PT
10.215		G36521W8617	3650	30,328	0	PT
10.215		G36921W8612	3650	95,508	5,608	PT
10.215		ONE19350B33243	3650	13,456	0	PT
Federal Program 10.215 Total				427,552	32,262	
10.217	Higher Education - Institution Challenge Grants Pr		3600	2,688	2,688	
Federal Program 10.217 Total				2,688	2,688	
National Institute of Food and Agriculture Total				6,917,197	832,453	
10.219	Biotechnology Risk Assessment Research		3650	107,359	22,717	
Federal Program 10.219 Total				107,359	22,717	
Economic Research Service Total				107,359	22,717	

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Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.227	1994 Institutions Research Program	NWIC-SA28759-WWU	3800	7,963	0	PT
Federal Program 10.227 Total				7,963	0	
National Institute of Food and Agriculture Total				7,963	0	
10.307	Organic Agriculture Research and Extension Initiative		3650	463,416	76,868	
Federal Program 10.307 Total				463,416	76,868	
Agricultural Marketing Service Total				463,416	76,868	
10.307	Organic Agriculture Research and Extension Initiative	202524666	3650	51,384	0	PT
10.307		C0519AA	3650	18,447	0	PT
10.307		FAR0035170	3650	51,836	0	PT
10.307		G19419W7408	3650	45,975	0	PT
10.307		WSU004151	3650	16,894	0	PT
Federal Program 10.307 Total				184,536	0	
10.310	Agriculture and Food Research Initiative (AFRI)		3600	1,052,690	268,894	
10.310		0001090789	3600	12,523	0	PT
10.310		0001090979	3600	9,287	0	PT
10.310		20142DRESCHLERNIFAA	3600	307,283	0	PT
10.310		60080949SPC1000004542	3600	24,533	0	PT
10.310		A584843	3600	12,511	0	PT
10.310		P008176601	3600	11,624	0	PT
10.310			3650	7,094,636	1,033,555	
10.310		0000000930	3650	7,763	0	PT
10.310		09486017405	3650	81,306	0	PT
10.310		09974217884	3650	14,226	0	PT
10.310		102117659	3650	20	0	PT
10.310		20160356617	3650	214,678	0	PT
10.310		21A550	3650	24,934	0	PT
10.310		21A59702	3650	9,997	0	PT
10.310		24012W	3650	63,812	0	PT
10.310		3TC156	3650	5,735	0	PT

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10.310	Agriculture and Food Research Initiative (AFRI)	8605PO137170	3650	12,863	0	PT
10.310		9500092668	3650	12,752	0	PT
10.310		9500092915	3650	65,725	0	PT
10.310		A181616S001	3650	(10)	0	PT
10.310		A221483S020	3650	5,764	0	PT
10.310		AA5212771875	3650	25,031	0	PT
10.310		AWD00000384SUB0000019	3650	7,714	0	PT
10.310		AWD10040101	3650	16	0	PT
10.310		BJKQ80SB001	3650	42,681	0	PT
10.310		C0564AA	3650	36,646	0	PT
10.310		C4996	3650	63,495	0	PT
10.310		FAR0033162	3650	81,481	0	PT
10.310		M1903768	3650	38,466	0	PT
10.310		RC104967WSU	3650	(18,879)	0	PT
10.310		RC111302G	3650	147,468	0	PT
10.310		S002184USDA	3650	19,573	0	PT
10.310		UFDSP00011803	3650	75,559	0	PT
10.310		3200003877-21-271 /	3800	9,803	0	PT
10.310			4950	34,003	23,432	
10.310			6990	16,295	0	
Federal Program 10.310 Total				9,624,004	1,325,881	
10.320	Sun Grant Program		3650	10,269	0	
10.320		U1408CC	3650	7,177	0	PT
10.320		U1522CD	3650	40,843	0	PT
Federal Program 10.320 Total				58,289	0	
National Institute of Food and Agriculture Total				9,866,829	1,325,881	
10.674	Wood Utilization Assistance	WAS210106010WOODINN	3600	83,087	0	PT
Federal Program 10.674 Total				83,087	0	
10.675	Urban and Community Forestry Program	95176Z5220201	3600	19,081	0	PT
Federal Program 10.675 Total				19,081	0	

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Dept of Agriculture

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10.680	Forest Health Protection		3650	120,818	0	
10.680		1101	3650	5	0	PT
10.680		18CA11062765726	3650	12,788	0	PT
10.680			4900	184,158	0	
10.680			4950	84,028	31,044	
Federal Program 10.680 Total				401,797	31,044	
10.684	International Forestry Programs		3600	226,327	0	
Federal Program 10.684 Total				226,327	0	
Forest Service Total				730,292	31,044	
Dept of Agriculture Total				22,441,364	2,322,143	

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Dept of Commerce

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
11.011	Ocean Exploration		3600	407,575	0	
11.011		18120501MOD01	3600	47,789	0	PT
11.011		24185600AM02	3600	131,702	0	PT
11.011		80000948201UG000120AM	3600	41,447	0	PT
11.011		A10153324170700	3600	25,000	0	PT
Federal Program 11.011 Total				653,513	0	
11.012	Integrated Ocean Observing System (IOOS)		3600	3,654,132	1,496,058	
11.012		A190200S001P0693599AM0	3600	48,987	0	PT
11.012		H240063AM08	3600	18,779	0	PT
11.012		H249303AM01	3600	78,271	0	PT
11.012		H3152	3600	17,781	0	PT
Federal Program 11.012 Total				3,817,950	1,496,058	
National Oceanic and Atmospheric Administration (N Total)				4,471,463	1,496,058	
11.016	Statistical, Research, and Methodology Assistance		3600	200,124	0	
Federal Program 11.016 Total				200,124	0	
U.S. Census Bureau Total				200,124	0	
11.017	Ocean Acidification Program		3600	177,418	0	
Federal Program 11.017 Total				177,418	0	
11.022	Bipartisan Budget Act of 2018		3600	52,778	0	
Federal Program 11.022 Total				52,778	0	
11.417	Sea Grant Support		3600	3,603,758	568,293	
11.417	COVID-19 – Sea Grant Support		3600	38,648	4,873	
11.417	Sea Grant Support	364379AM02	3600	23,149	0	PT
11.417		426131AM01	3600	5,345	0	PT
11.417		A211572S002AM01	3600	15,958	0	PT
11.417		NA325XA	3600	28,666	0	PT
Federal Program 11.417 Total				3,715,524	573,166	
11.419	Coastal Zone Management Administration Awards	SUBK00014242AM01	3600	3,579	0	PT

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Federal Program 11.419 Total				3,579	0	
11.420	Coastal Zone Management Estuarine Research Reserve		3600	35,233	0	
11.420			4610	872,473	0	
Federal Program 11.420 Total				907,706	0	
11.427	Fisheries Development and Utilization Research and		3600	76,075	556	
11.427		959902300	3600	6,670	0	PT
11.427		UA210120AM01	3600	48,154	0	PT
Federal Program 11.427 Total				130,899	556	
11.431	Climate and Atmospheric Research		3600	1,766,139	68,113	
11.431		NA345AAAM01	3600	31,423	0	PT
Federal Program 11.431 Total				1,797,562	68,113	
11.432	National Oceanic and Atmospheric Administration (N		3600	19,748,288	849,098	
Federal Program 11.432 Total				19,748,288	849,098	
11.437	Pacific Fisheries Data Program	21031G	3600	87	0	PT
11.437		22033G	3600	90,001	0	PT
11.437		22055G	3600	90,908	0	PT
11.437		22102G	3600	19,858	0	PT
Federal Program 11.437 Total				200,854	0	
11.454	Unallied Management Projects		3600	21,011	0	
Federal Program 11.454 Total				21,011	0	
11.459	Weather and Air Quality Research		3600	182,246	0	
Federal Program 11.459 Total				182,246	0	
11.467	Meteorologic and Hydrologic Modernization Development		2450	528,742	202,455	
Federal Program 11.467 Total				528,742	202,455	
11.468	Applied Meteorological Research		3600	266,611	40,049	
Federal Program 11.468 Total				266,611	40,049	

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11.472	Unallied Science Program	NA18NMF7420007	3050	45,286	0	PT
11.472		177508AM05	3600	139,469	0	PT
11.472		180503AM03	3600	68,102	0	PT
11.472		180603AM01	3600	10,222	0	PT
11.472		180801AM03	3600	49,877	0	PT
11.472		1901AM001	3600	194,477	0	PT
11.472		1914A	3600	871	0	PT
11.472		2003A	3600	169,869	0	PT
11.472		2004G1AM02	3600	25,958	0	PT
11.472		2006AAM02	3600	161,100	0	PT
11.472		21146G	3600	55,158	0	PT
11.472		A9202CAM01	3600	106,572	0	PT
11.472		A9302CAM001	3600	39,461	0	PT
11.472		COOP18082AM06	3600	256,096	0	PT
11.472		L3601A	3600	23,859	0	PT
11.472		2108 / F9108-00	3800	24,704	0	PT
11.472			4770	627,524	0	
11.472		0303.20/070437	4770	53,737	0	PT
11.472		0303.22.073537	4770	64,409	0	PT
11.472		J2391A-C	4770	183	0	PT
Federal Program 11.472 Total				2,116,934	0	
11.478	Center for Sponsored Coastal Ocean Research_Coastal		3600	726,337	180,947	
11.478		A101508PROJECT24018900	3600	20,992	0	PT
11.478		NA355AAAM02	3600	102,704	0	PT
11.478		UW664469	3600	2,371	0	PT
Federal Program 11.478 Total				852,404	180,947	
National Oceanic and Atmospheric Administration (N Total)				30,702,556	1,914,384	
11.609	Measurement and Engineering Research and Standards		3600	319,908	0	
Federal Program 11.609 Total				319,908	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Commerce

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
National Institute of Standards and Technology (Ni Total)				319,908	0	
11.RD	Commerce - Unknown ALN	1305M318PNFFS0284P2100	3600	39,251	0	
11.RD		1305M321CNFFN0034P220	3600	48,910	0	
11.RD		AC2104A	3600	6,017	0	PT
11.RD		MA243766TO440225MOD0	3600	20,812	0	PT
Federal Program 11.RD Total				114,990	0	
Commerce Contract Number Only Provided Total				114,990	0	
Dept of Commerce Total				35,809,041	3,410,442	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Defense

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.300	Basic and Applied Scientific Research		3600	18,178,774	1,584,364	
12.300		1140209405780AM05	3600	196,126	0	PT
12.300		1140217441214AM02	3600	63,321	0	PT
12.300		13294800AM06	3600	13,994	0	PT
12.300		417318URFAOGR510770A	3600	123,134	0	PT
12.300		4500002947N00014181206	3600	23,923	0	PT
12.300		572339AM06	3600	163,373	0	PT
12.300		62733327220488AM01	3600	422	0	PT
12.300		7855910699AM07	3600	147,268	0	PT
12.300		7855910699N00014161261	3600	38,308	0	PT
12.300		A10145413260300AM03	3600	104,220	0	PT
12.300		A10146213296800AM03	3600	38,878	0	PT
12.300		E2045223AM04	3600	352,865	0	PT
12.300		F116803AM02	3600	156,210	0	PT
12.300		G5732103	3600	23,242	0	PT
12.300		KK2108AM01	3600	24,213	0	PT
12.300		MES202001AM01	3600	140,530	0	PT
12.300		N0357AAAM01	3600	214,646	0	PT
12.300		SMC7XOBO54	3600	48,894	0	PT
12.300		UA220028PO554891	3600	101,125	0	PT
12.300		US01AM01	3600	17,377	0	PT
12.300			3650	1,017,592	132,727	
12.300		181106ONRSC03	3650	1,315	0	PT
12.300		18390	3650	408	0	PT
12.300		N0353AB	3650	1,420	0	PT
12.300			4770	19,520	0	
Federal Program 12.300 Total				21,211,098	1,717,091	
Department of the Navy, Office of the Chief of Nav Total				21,211,098	1,717,091	
12.351	Basic Scientific Research - Combating Weapons of		3600	1,574,662	37,089	
12.351		60060420UWA01	3600	139,624	0	PT
12.351			3650	125,207	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Defense

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.351	Basic Scientific Research - Combating Weapons of	07137709652346	3650	178,637	0	PT
12.351		2004721972	3650	206,140	0	PT
12.351		BS12NBODTR002DTR0020	3650	57,501	0	PT
Federal Program 12.351 Total				2,281,771	37,089	
Office of the Secretary of Defense Total				2,281,771	37,089	
12.420	Military Medical Research and Development		3600	14,787,788	970,001	
12.420		0000977406AM03	3600	113,636	0	PT
12.420		0000984530AM03	3600	42,528	0	PT
12.420		0001039633	3600	9,954	0	PT
12.420		0001039633AM001	3600	182,455	0	PT
12.420		0001042755	3600	7,411	0	PT
12.420		0001042755AM001	3600	6,915	0	PT
12.420		0001042759	3600	5,141	0	PT
12.420		0001042759AM01	3600	8,690	0	PT
12.420		025810314609AM05	3600	19,161	0	PT
12.420		025810314609AM06	3600	65,313	0	PT
12.420		08027000X17501AM01	3600	48,092	0	PT
12.420		1001453UWA	3600	81,873	0	PT
12.420		10566SCAM04	3600	379,438	0	PT
12.420		11281SCAM02	3600	2,968	0	PT
12.420		11281SCAM03	3600	9,163	0	PT
12.420		1130264436464	3600	32,751	0	PT
12.420		115002	3600	227,804	0	PT
12.420		11948SCAM004	3600	44,312	0	PT
12.420		12187179901GIAM06	3600	424,462	0	PT
12.420		12287SUBMOD01	3600	133,325	0	PT
12.420		1719GWB554AM03	3600	23,969	0	PT
12.420		2004209935AM04	3600	51,238	0	PT
12.420		2004338156AM03	3600	21,126	0	PT
12.420		203758UWAM03	3600	116,277	0	PT

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Dept of Defense

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.420	Military Medical Research and Development	27R49457	3600	72,789	0	PT
12.420		4500002564	3600	2,782	0	PT
12.420		5770PO1030289HJF66716	3600	306,887	0	PT
12.420		60054759UW	3600	26,141	0	PT
12.420		6986713291UWAM03	3600	55,489	0	PT
12.420		7045313551UW	3600	17,937	0	PT
12.420		8058311223AM04	3600	177,030	0	PT
12.420		8455SCAM10	3600	76,857	0	PT
12.420		AGMT00005361	3600	45,709	0	PT
12.420		CHAO202201AM03	3600	(1,668)	0	PT
12.420		CNTR20PROP05AM01	3600	216,563	0	PT
12.420		FP00013312SA002AM01	3600	146,408	0	PT
12.420		GJ112UW1AM02	3600	51,157	0	PT
12.420		MSRCFY1601MOD03	3600	92,395	10,053	PT
12.420		PO66220	3600	15,906	0	PT
12.420		RC108014UWAM01	3600	6,365	0	PT
12.420		RES515707AM01	3600	34,253	0	PT
12.420		S0186401AM01	3600	13,020	0	PT
12.420		SUB00002109AM01	3600	11,643	0	PT
12.420		UW631034	3600	14	0	PT
12.420		UW665710	3600	22,075	0	PT
12.420		UWA28151901AM01	3600	5,423	0	PT
12.420		UWA281519PO67938703	3600	58,946	0	PT
12.420			3650	1,982,818	102,574	
12.420		UWSC13463	3650	27,698	0	PT
Federal Program 12.420 Total				20,310,427	1,082,628	
U.S. Army Medical Command Total				20,310,427	1,082,628	
12.431	Basic Scientific Research		3600	1,583,598	133,438	
12.431		0518GWA899AM03	3600	1,505	0	PT
12.431		ASUB00000760AM01	3600	152,460	0	PT
12.431		FT1920193	3600	62,447	0	PT

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Dept of Defense

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.431	Basic Scientific Research	FT1921207AM01	3600	137,135	0	PT
12.431		GG12239PO2275765AM02	3600	24,775	0	PT
12.431		KK1810AM09	3600	470,777	0	PT
12.431		S4661PO236230AM03	3600	118,220	0	PT
12.431		S4661PO236230AM08	3600	223,718	0	PT
12.431		SCON00002261	3600	94,983	0	PT
12.431			3650	558,445	77,426	
12.431		06080336152701	3650	613,942	0	PT
12.431		20150616603	3650	(1,989)	0	PT
12.431		A210235S001	3650	29,673	0	PT
Federal Program 12.431 Total				4,069,689	210,864	
U.S. Army Materiel Command Total				4,069,689	210,864	
12.630	Basic, Applied, and Advanced Research in Science		3600	920,198	21,877	
12.630		PO145723	3600	27,051	0	PT
Federal Program 12.630 Total				947,249	21,877	
Office of the Secretary of Defense Total				947,249	21,877	
12.750	Uniformed Services University Medical Research Projects	4771PO960154AM02	3600	(18,408)	0	PT
12.750		5414PO1001209AM01	3600	97,576	0	PT
12.750		5768PO1024199HJFAWD66	3600	108,108	0	PT
12.750		S1056101	3600	15,234	0	PT
12.750		S1115001AM03	3600	83,712	0	PT
Federal Program 12.750 Total				286,222	0	
Uniformed Services University of the Health Science Total				286,222	0	
12.800	Air Force Defense Resch Sciences Program		3600	6,395,453	2,406,106	
12.800		00010733AM01	3600	225,821	0	PT
12.800		000531881SC001	3600	27,770	0	PT
12.800		0205GYD166AM01	3600	69,807	0	PT
12.800		204282UWAM01	3600	25,580	0	PT
12.800		707824874JAM11	3600	79,746	0	PT

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12.800	Air Force Defense Resch Sciences Program		3650	109,074	0	
12.800		10049788WSU	3650	24,534	0	PT
12.800		10059059WSU	3650	205,374	0	PT
12.800		139471002	3650	36,000	0	PT
12.800		SA10012021MM0336	3650	381,936	74,084	PT
Federal Program 12.800 Total				7,581,095	2,480,190	
Department of the Air Force, Materiel Command Total				7,581,095	2,480,190	
12.902	Information Security Grant Program		3600	74,703	0	
12.902			6990	1,750,195	0	
Federal Program 12.902 Total				1,824,898	0	
12.905	Cybersecurity CORE Curriculum		3600	133,647	0	
Federal Program 12.905 Total				133,647	0	
National Security Agency Total				1,958,545	0	
12.910	Research and Technology Development		3600	8,382,649	787,147	
12.910		00010533AM02	3600	120,576	0	PT
12.910		28M1802338AM06	3600	122,697	0	PT
12.910		SUB0000246AM04	3600	248,786	0	PT
12.910		SUB0000301AM05	3600	246,262	0	PT
12.910	COVID-19 – Research and Technology Development	VUMC81898AM02	3600	59,325	0	PT
12.910	Research and Technology Development		3650	346,243	0	
Federal Program 12.910 Total				9,526,538	787,147	
Advanced Research Projects Agency Total				9,526,538	787,147	
12.RD	DOD - Unknown ALN	K13138	2250	231,137	0	
12.RD		11154SCW81XWH1590001	3600	92,432	0	PT
12.RD		1626431926C1MOD09	3600	36,788	0	PT
12.RD		18323	3600	4,553	0	PT
12.RD		194000022008STARUWM	3600	148,847	0	PT
12.RD		201818041000004MOD006	3600	148,628	0	
12.RD		20200043MOD05	3600	474,278	0	PT
12.RD		2020SLIMUWMOD01	3600	7,965	0	PT

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Dept of Defense

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12.RD	DOD - Unknown ALN	20210023	3600	121,357	0	PT
12.RD		20210023MOD2	3600	581,886	0	PT
12.RD		2021010MOD01	3600	133,509	0	PT
12.RD		401102349AM06REV07	3600	(20)	0	PT
12.RD		69333Z8133201AME	3600	55,971	0	PT
12.RD		6H84UW	3600	22,873	0	PT
12.RD		90144MOD010	3600	170,995	0	PT
12.RD		90185	3600	72,463	0	PT
12.RD		A101493WHOIPROJECT10	3600	69,559	0	PT
12.RD		A159116	3600	111,662	0	PT
12.RD		A161935	3600	101,658	0	PT
12.RD		A171854	3600	74,811	0	PT
12.RD		AFTTSENHUU002AM02	3600	30,203	0	PT
12.RD		AM03	3600	73,960	0	PT
12.RD		APLUW0674MOD02	3600	48,119	0	PT
12.RD		AWD000298811PRIMEW81	3600	2,633	0	PT
12.RD		AWD001331S5AM01	3600	(7,404)	0	PT
12.RD		CKM2STOTTLERHENKEU	3600	43,512	0	PT
12.RD		CS20180009AM01	3600	190,078	0	PT
12.RD		F1SRQ21085M001	3600	45,583	0	
12.RD		F30178G50002SC1964	3600	15,678	0	PT
12.RD		FA489019PA002	3600	81,024	0	
12.RD		FA875017C0219	3600	427,368	0	
12.RD		FY22891024	3600	760	0	PT
12.RD		H9823019C0445AM02	3600	184,215	0	
12.RD		HR001117C0076	3600	343,111	105,446	
12.RD		HR001117C0095	3600	1,315,800	0	
12.RD		HR001121C0171	3600	2,140,433	0	
12.RD		HR00112290005	3600	72,169	0	
12.RD		HR00112290005P00001	3600	138,789	88,874	
12.RD		MA1400AM05	3600	19,427	0	PT
12.RD		MA1677AM01	3600	9,511	0	PT

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Dept of Defense

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12.RD	DOD - Unknown ALN	N0001412G0078N0001416F	3600	(8,788)	0	
12.RD		N0001417C7033	3600	93,141	0	
12.RD		N0001419C2054	3600	401,098	0	
12.RD		N0001419C2076	3600	1,739,023	0	
12.RD		N0001421C2021	3600	2,241	0	
12.RD		N0002410D63180081	3600	957,493	185,940	
12.RD		N0002410D6318N0002417F	3600	148,802	0	
12.RD		N0002410D6318N0002418F	3600	4,211,332	80,069	
12.RD		N0002410D6318N0002419F	3600	2,491,158	582,878	
12.RD		N0002410D6318N0002420F	3600	5,035,017	1,926,141	
12.RD		N0002421D6400N0002421F	3600	11,293,025	826,935	
12.RD		N0002421D6400N0002422F	3600	1,922,158	0	
12.RD		N3943016C1865	3600	60,536	0	
12.RD		N3943018C2075	3600	18,658	0	
12.RD		N3943022P2400	3600	29,121	0	
12.RD		N6600120P6473	3600	24,599	0	
12.RD		N6600121P6330	3600	88,116	0	
12.RD		NC6833517C0553	3600	219,937	0	PT
12.RD		NTRAP1802W81XWH18C0	3600	35,425	0	PT
12.RD		P010262074AM001	3600	2,651	0	PT
12.RD		P010262074AM02	3600	521,484	0	PT
12.RD		PE26UW1AM01	3600	401,560	0	PT
12.RD		PO15945SD50MOD01	3600	41,876	0	PT
12.RD		PO20220110MOD01	3600	101,257	0	PT
12.RD		PO401153010AM01	3600	231,842	0	PT
12.RD		PO44989MOD11	3600	231,522	0	PT
12.RD		PO47109MOD06	3600	333,304	0	PT
12.RD		PO57718MOD01	3600	119,591	0	PT
12.RD		RAPTR1000000061MOD0	3600	152,302	0	PT
12.RD		ROS002904AM06POROS07	3600	98,573	0	PT
12.RD		S200335004250UWA	3600	115,787	0	PT
12.RD		S644003552UWMOD05	3600	6,019	0	PT

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Dept of Defense

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12.RD	DOD - Unknown ALN	S729PO108018AM05	3600	4,019	0	PT
12.RD		SC00031AM02	3600	142,655	0	PT
12.RD		SC1712603MOD05	3600	271,024	0	PT
12.RD		SCN09654MOD0005	3600	267,850	0	PT
12.RD		SCN09841MOD003	3600	637,524	0	PT
12.RD		SCN09848MOD02	3600	1,534,179	0	PT
12.RD	COVID-19 – DOD - Unknown ALN	SCOV2AGOTC2AM02	3600	868,681	0	PT
12.RD	DOD - Unknown ALN	SOCIALITESC01	3600	25,382	0	PT
12.RD		SUBCONTRACT89236AM0	3600	2,391	0	PT
12.RD		UW630555	3600	6,191	0	PT
12.RD		UW667155	3600	150,313	0	PT
12.RD		UW668289	3600	233,811	0	PT
12.RD		UW669254	3600	34,775	0	PT
12.RD		UW686205	3600	113,308	0	PT
12.RD		W81XWH16C0020	3600	(28,972)	0	
12.RD		W911NF17C0043	3600	923,116	144,338	
12.RD		W912CG20C0032	3600	234,915	67,409	
12.RD		W912HQ18C0023	3600	367,580	0	
12.RD		W912HQ18C0066	3600	114,497	0	
12.RD		W912HQ18C0067	3600	128,102	0	
12.RD		W912HQ19C0058	3600	253,274	0	
12.RD		W912HQ20C0061	3600	242,780	0	
12.RD		W912HQ20C0072	3600	133,441	0	
12.RD		W912HQ20P0067	3600	148,153	0	
12.RD		WASH2110460MOD1	3600	126,440	0	PT
12.RD		W81XWH1810137	3650	40,666	0	
12.RD		22-161P	4770	39,325	0	PT
12.RD		Agreement	4770	36,399	0	
12.RD		EIS_2022-11	4770	30,535	0	PT
12.RD		N62473-20-2-0005	4770	40,593	0	
12.RD		W9127N-20-C-0015	4770	518,087	0	
12.RD		W912DW21P0019	4770	39,276	0	

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Dept of Defense

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Federal Program 12.RD Total				46,636,491	4,008,030	
DOD Contract Number Only Provided Total				46,636,491	4,008,030	
Dept of Defense Total				114,809,125	10,344,916	

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Dept of the Interior

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15.156	Tribal Climate Resilience	AM02	3600	(39)	0	PT
15.156		UW807433	3600	12,159	0	PT
Federal Program 15.156 Total				12,120	0	
Bureau of Indian Affairs Total				12,120	0	
15.232	Joint Fire Science Program		3600	4,595	0	
Federal Program 15.232 Total				4,595	0	
15.245	Plant Conservation and Restoration Management		3600	21,450	0	
Federal Program 15.245 Total				21,450	0	
15.246	Threatened and Endangered Species		3600	38,682	0	
Federal Program 15.246 Total				38,682	0	
15.248	National Landscape Conservation System		3600	411	0	
Federal Program 15.248 Total				411	0	
Bureau of Land Management Total				65,138	0	
15.423	Bureau of Ocean Energy Management (BOEM) Environment	A9499	3600	30,968	0	PT
Federal Program 15.423 Total				30,968	0	
15.424	Marine Minerals Activities		3600	94,445	0	
Federal Program 15.424 Total				94,445	0	
Minerals Management Service Total				125,413	0	
15.512	Central Valley Improvement Act, Title XXXIV		3600	421,129	0	
Federal Program 15.512 Total				421,129	0	
15.517	Fish and Wildlife Coordination Act		3600	91,024	0	
Federal Program 15.517 Total				91,024	0	
15.560	Secure Water Act - Research Agreements		3600	61,843	0	
Federal Program 15.560 Total				61,843	0	
Bureau of Reclamation Total				573,996	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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Research and Development

Dept of the Interior

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.615	Cooperative Endangered Species Conservation Fund	4384010C	3600	296,085	0	PT
15.615		697144OMAM02	3600	34,057	0	PT
Federal Program 15.615 Total				330,142	0	
15.620	African Elephant Conservation Fund	AM01	3600	13,166	0	PT
Federal Program 15.620 Total				13,166	0	
15.648	Central Valley Project Improvement Act (CVPIA)		3600	39,531	0	
Federal Program 15.648 Total				39,531	0	
15.657	Endangered Species Recovery Implementation		3600	211,160	0	
Federal Program 15.657 Total				211,160	0	
15.664	Fish and Wildlife Coordination and Assistance Program		4670	75,131	0	
15.664			4770	122,493	0	
Federal Program 15.664 Total				197,624	0	
15.678	Cooperative Ecosystem Studies Unit		3600	51,381	0	
Federal Program 15.678 Total				51,381	0	
Fish and Wildlife Service Total				843,004	0	
15.805	Assistance to State Water Resources Research Institutes		3650	129,990	8,571	
Federal Program 15.805 Total				129,990	8,571	
15.807	Earthquake Hazards Program Assistance		3600	145,954	0	
15.807			3750	57,489	0	
Federal Program 15.807 Total				203,443	0	
15.808	U.S. Geological Survey_ Research and Data Collection		3600	1,496,862	0	
15.808			3650	102,810	0	
15.808			3700	16,115	0	
15.808			3750	218,711	0	
15.808			3800	74,008	0	

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Research and Development

Dept of the Interior

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.808	U.S. Geological Survey_ Research and Data Collection		4610	322,823	0	
Federal Program 15.808 Total				2,231,329	0	
15.812	Cooperative Research Units Program		3600	808,472	0	
Federal Program 15.812 Total				808,472	0	
15.820	National and Regional Climate Adaptation Science		3600	1,355,221	317,104	
Federal Program 15.820 Total				1,355,221	317,104	
U.S. Geological Survey Total				4,728,455	325,675	
15.945	Cooperative Research & Training Programs - Resources		3600	167,951	0	
15.945			3650	9,417	0	
15.945			3750	123,050	0	
15.945			3760	6,216	0	
15.945			3800	37,405	0	
Federal Program 15.945 Total				344,039	0	
National Park Service Total				344,039	0	
15.RD	Department of the Interior - Unknown ALN	AM05	3600	13,357	0	PT
15.RD		DSC21032	3600	5,431	0	PT
15.RD		UW635685	3600	9,262	0	PT
15.RD		UW667015	3600	11,054	0	PT
15.RD		UW800619	3600	43,989	0	PT
Federal Program 15.RD Total				83,093	0	
DOI Contract Number Only Provided Total				83,093	0	
Dept of the Interior Total				6,775,258	325,675	

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Research and Development

Dept of Justice

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
16.026	OVW Research and Evaluation Program		3600	134,943	0	
Federal Program 16.026 Total				134,943	0	
16.525	Grants to Reduce Domestic Violence, Dating Violence,		3600	68,468	0	
Federal Program 16.525 Total				68,468	0	
Violence Against Women Office Total				203,411	0	
16.560	National Institute of Justice Research, Evaluation		2250	18,742	0	
16.560			3600	877,837	98,481	
16.560			3650	519,658	34,651	
16.560		43685200002	3650	12,981	0	PT
Federal Program 16.560 Total				1,429,218	133,132	
National Institute of Justice Total				1,429,218	133,132	
Dept of Justice Total				1,632,629	133,132	

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 Transportation

Assistance Listing 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	256,826	101,882	
Federal Program 20.108 Total				256,826	101,882	
20.109	Air Transportation Centers of Excellence		3600	373,216	0	
20.109			3650	727,354	0	
Federal Program 20.109 Total				1,100,570	0	
Federal Aviation Administration (Faa) Total				1,357,396	101,882	
20.200	Highway Research and Development Program		3600	39,677	0	
20.200		HR17100POSUB0001800	3600	23,457	0	PT
20.200		M2102306	3600	308	0	PT
20.200			3650	26,921	0	
20.200		1033080	3650	4,948	0	PT
20.200			4050	2,800,267	0	
Federal Program 20.200 Total				2,895,578	0	
20.215	Highway Training and Education		3600	3,884	0	
Federal Program 20.215 Total				3,884	0	
Federal Highway Administration (FHWA) Total				2,899,462	0	
20.701	University Transportation Centers Program		3600	3,050,448	1,648,559	
20.701		000582AM05PRIOR000402	3600	65,263	0	PT
20.701		17175AM06PTE69A355174	3600	36,086	0	PT
20.701		80000734904UG800094800	3600	11,260	0	PT
20.701		80000734904UGAM04	3600	31,388	0	PT
20.701		F874103	3600	5,809	0	PT
20.701		F874103AM01	3600	(8,915)	0	PT
20.701		F874103AM04	3600	89,876	0	PT
20.701		UAF18005469A3551747129	3600	233,021	0	PT
Federal Program 20.701 Total				3,514,236	1,648,559	
Research and Innovative Technology Administration Total				3,514,236	1,648,559	
20.935	State and Local Government Data Analysis Tools for	UW684356	3600	160,331	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 Transportation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 20.935 Total				160,331	0	
Off of Secretary (OST) Administration Secretariate Total				160,331	0	
20.RD	Department of Transportation - Unknown ALN	160140DTFH6116D00051L0	3600	1,489	0	PT
20.RD		160140TASKORDER029M	3600	13,522	0	PT
20.RD		743493POUS001000074349	3600	91,967	0	PT
20.RD		POUS0010000778774	3600	68,415	0	PT
20.RD		TOPR715001RR07UWMOD	3600	(2,779)	0	PT
20.RD		US0010000778774MOD06	3600	73,519	0	PT
Federal Program 20.RD Total				246,133	0	
DOT Contract Number Only Provided Total				246,133	0	
Dept of Transportation Total				8,177,558	1,750,441	

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Research and Development

Dept of the Treasury

Assistance Listing 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	100,903	0	
Federal Program 21.008 Total				100,903	0	
Internal Revenue Service (IRS) Total				100,903	0	
Dept of the Treasury Total				100,903	0	

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Research and Development

National Aeronautics & Space Admin

Assistance Listing 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	13,080,576	1,657,648	
43.001		0000001801AM01	3600	102,735	0	PT
43.001		00001738AM01	3600	56,293	0	PT
43.001		100436602AM01REV	3600	8,624	0	PT
43.001		1110244437124AM02	3600	76,079	0	PT
43.001		1110247441540	3600	55,575	0	PT
43.001		1559326AM03	3600	26,634	0	PT
43.001		1654687	3600	41,453	0	PT
43.001		1656043MOD01	3600	2,519	0	PT
43.001		1657584MOD01	3600	89,017	0	PT
43.001		1660044MOD001	3600	35,851	0	PT
43.001		1668318	3600	11,616	0	PT
43.001		1670442	3600	109,393	0	PT
43.001		1675036MOD01	3600	14,997	0	PT
43.001		1675068	3600	30,302	0	PT
43.001		1826UWASH	3600	13,665	0	PT
43.001		1GG013115PTENNX17AH0	3600	15,634	0	PT
43.001		21M14AM01	3600	26,806	0	PT
43.001		239700AAM05	3600	126,904	15,600	PT
43.001		391447	3600	6,296	0	PT
43.001		3GG015418AM03	3600	54,458	0	PT
43.001		5111900AM04	3600	42,654	0	PT
43.001		5121651AM01	3600	7,258	0	PT
43.001		555432AM03	3600	18,464	0	PT
43.001		AWD102489SUB00000614	3600	29,834	0	PT
43.001		AWD103070G2PO5067106	3600	35,969	0	PT
43.001		G23819W7767AM03	3600	102,878	0	PT
43.001		GO122080XAM01	3600	21,096	0	PT
43.001		GRT00206W2	3600	43,484	0	PT
43.001		GRT00206W2AM01	3600	9,742	0	PT
43.001		HSTAR13901005AAM05	3600	(480)	0	PT
43.001		HSTAR15042003AAM03	3600	2,419	0	PT

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National Aeronautics & Space Admin

Assistance Listing 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	HSTAR16120005A	3600	13,256	0	PT
43.001		HSTAR16122002A	3600	23,673	0	PT
43.001		HSTAR16144009A	3600	11,993	0	PT
43.001		HSTAR16635002A	3600	13,609	0	PT
43.001		HSTAR16640003A	3600	6,515	0	PT
43.001		HSTGO1205501AAM13	3600	126,190	0	PT
43.001		HSTGO14610001AAM03	3600	57,652	0	PT
43.001		HSTGO14786001AAM02	3600	9,870	0	PT
43.001		HSTGO15154001AAM04	3600	(332)	0	PT
43.001		HSTGO15216004AAM004	3600	44,051	0	PT
43.001		HSTGO15275009AAM06	3600	11,371	0	PT
43.001		HSTGO15293008AAM07	3600	16,406	0	PT
43.001		HSTGO15302004AAM003	3600	19,989	0	PT
43.001		HSTGO15656003AAM04	3600	82,534	0	PT
43.001		HSTGO15703001A	3600	4,832	0	PT
43.001		HSTGO15875004AAM02	3600	20,382	0	PT
43.001		HSTGO15877005AAM04	3600	101,089	0	PT
43.001		HSTGO15880011AAM02	3600	16,763	0	PT
43.001		HSTGO15891005AAM03	3600	15,933	0	PT
43.001		HSTGO15912006A	3600	5,874	0	PT
43.001		HSTGO15932005AAM01	3600	20,058	0	PT
43.001		HSTGO16046001A	3600	552	0	PT
43.001		HSTGO16162007A	3600	12,050	0	PT
43.001		HSTGO16165006A	3600	13,524	0	PT
43.001		HSTGO16185013A	3600	2,039	0	PT
43.001		HSTGO16191016A	3600	13,256	0	PT
43.001		HSTGO16207013A	3600	14,270	0	PT
43.001		HSTGO16222003A	3600	3,205	0	PT
43.001		HSTGO16292007A	3600	9,641	0	PT
43.001		HSTGO16293004A	3600	1,233	0	PT
43.001		HSTGO16650001A	3600	7,304	0	PT
43.001		HSTGO16778001A	3600	2,300	0	PT

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National Aeronautics & Space Admin

Assistance Listing 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	HSTHF251471001AAM01	3600	93,420	0	PT
43.001		MA1314AM07	3600	32,495	0	PT
43.001		NASA000402AM04	3600	30,846	0	PT
43.001		NS343AB	3600	8,313	0	PT
43.001		R200020AM02	3600	138,629	0	PT
43.001		S001254	3600	24,914	0	PT
43.001		SC3365MOD005	3600	66,063	0	PT
43.001		SC3365MOD006	3600	2,868	0	PT
43.001		SOF070149MOD04	3600	56,735	0	PT
43.001		SUBAWD002083MOD03	3600	2,723	0	PT
43.001		SUBAWD002895M01	3600	26,788	0	PT
43.001		UAF200140AM02	3600	8,152	0	PT
43.001		UNIV62488AM01	3600	8,111	0	PT
Federal Program 43.001 Total				15,499,884	1,673,248	
43.002	Aeronautics		3600	856,345	403,958	
Federal Program 43.002 Total				856,345	403,958	
43.003	Exploration		3600	85,909	24,725	
43.003		EXP0010PO7000001663	3600	68,920	0	PT
Federal Program 43.003 Total				154,829	24,725	
43.008	Office of Stem Engagement (OSTEM)		3600	744,357	183,554	
Federal Program 43.008 Total				744,357	183,554	
43.009	Safety, Security and Mission Services		3600	5,836	0	
43.009			3650	64,298	0	
Federal Program 43.009 Total				70,134	0	
43.012	Space Technology		3600	191,973	0	
Federal Program 43.012 Total				191,973	0	
National Aeronautic & Space Administration Total				17,517,522	2,285,485	
43.RD	National Aeronautics and Space Administration - Un	120233MOD13REV	3600	150,200	0	PT
43.RD		1303809MOD36	3600	128,338	0	PT

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National Aeronautics & Space Admin

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
43.RD	National Aeronautics and Space Administration - Un	1318945MOD30	3600	176,942	0	PT
43.RD		15110	3600	40,000	0	PT
43.RD		1587724MOD04	3600	96,310	0	PT
43.RD		1634821MOD03	3600	121,345	57,888	PT
43.RD		1655697MOD07	3600	325,717	0	PT
43.RD		1657522MOD01	3600	44,095	0	PT
43.RD		1665856	3600	47,371	0	PT
43.RD		2003281677AM05	3600	27,547	0	PT
43.RD		200337076AM10	3600	22,889	0	PT
43.RD		NNG16PJ28CMOD08	3600	155,361	100,156	
43.RD		PO20170038	3600	15,050	0	PT
43.RD		SC1526158MOD09	3600	31,362	0	PT
43.RD		SC1526158MOD10	3600	290	0	PT
43.RD		UW663895	3600	80,189	0	PT
43.RD		UW665850	3600	118,257	0	PT
Federal Program 43.RD Total				1,581,263	158,044	
NASA Contract Number Only Provided Total				1,581,263	158,044	
National Aeronautics & Space Admin Total				19,098,785	2,443,529	

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Research and Development

National Foundation on the Arts and the Humanities

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
45.312	National Leadership Grants		3600	279,733	36,116	
45.312	COVID-19 – National Leadership Grants	A158437	3600	11,147	0	PT
Federal Program 45.312 Total				290,880	36,116	
45.313	Laura Bush 21ST Century Librarian Program		3600	155,766	0	
45.313		414313UW	3600	16,180	0	PT
Federal Program 45.313 Total				171,946	0	
Institute of Museum and Library Services Total				462,826	36,116	
National Foundation on the Arts and the Humanities Total				462,826	36,116	

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Research and Development

National Science Foundation

Assistance Listing 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	14,595,679	822,693	
47.041	COVID-19 – Engineering		3600	121,345	0	
47.041	Engineering	00009375AM09	3600	104,637	0	PT
47.041		00010849	3600	53,339	0	PT
47.041		10001604005AM02	3600	15,960	0	PT
47.041		10343318508AM01	3600	3,453	0	PT
47.041		1240505104118AM06	3600	63,516	0	PT
47.041		1556900AM01	3600	(14,101)	0	PT
47.041	COVID-19 – Engineering	194NS1C5308MOD01	3600	47,615	0	PT
47.041	Engineering	2019UWALGBTQMOD03	3600	17,273	0	PT
47.041		2020IRES764UW	3600	4,102	0	PT
47.041		4500003860	3600	22,105	0	PT
47.041		47985219124AAM01	3600	164	0	PT
47.041		47985219124MOD002	3600	59,374	0	PT
47.041		8901911283AM02	3600	71,252	0	PT
47.041		A145636AM02	3600	(104)	0	PT
47.041		A160090S001AM003	3600	65,000	0	PT
47.041		A160090S001AM04	3600	44,790	0	PT
47.041		A170680	3600	112,423	0	PT
47.041		A211719S002	3600	70,989	0	PT
47.041		GR105156CON80001606A	3600	152,267	0	PT
47.041		S2239AAAM01	3600	66,652	0	PT
47.041		UTA20000984UTAUSSUB0	3600	40,654	0	PT
47.041		UW684085	3600	40,101	0	PT
47.041			3650	2,234,243	101,004	
47.041		135456004	3650	10,027	0	PT
47.041		140108001	3650	10,663	0	PT
47.041		2825004301S26	3650	1,120	1,120	PT
47.041		358007874P	3650	58,080	0	PT
47.041		7692069	3650	96,775	0	PT
47.041		FAR0032826	3650	936	0	PT
47.041		FY2020018	3650	96,651	0	PT

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Research and Development

National Science Foundation

Assistance Listing 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	S2746.1-01-00	3750	14,148	0	PT
47.041			3800	28,561	0	
Federal Program 47.041 Total				18,309,689	924,817	
47.049	Mathematical and Physical Sciences		3600	16,226,508	503,817	
47.049		00010006AM02	3600	192,333	0	PT
47.049		0009390AM04	3600	(218)	0	PT
47.049		203405468AM05	3600	114,265	0	PT
47.049		27473	3600	7,838	0	PT
47.049		3332770AM01	3600	159,167	0	PT
47.049		63016A20	3600	9,345	0	PT
47.049		A374567AM05	3600	64,219	0	PT
47.049		MA1713	3600	6,470	0	PT
47.049		N51948CAM09	3600	3,112,836	0	PT
47.049		RC104177UWAM08	3600	35,656	0	PT
47.049		S2270BO	3600	15,005	0	PT
47.049		S2270BOAM01	3600	30,733	0	PT
47.049		SSP546AM04	3600	165,866	0	PT
47.049		SSP547AM02	3600	144,340	0	PT
47.049			3650	1,535,617	0	
47.049			3700	118,380	0	
47.049			3750	162,601	0	
47.049			3800	1,350,780	0	
Federal Program 47.049 Total				23,451,741	503,817	
47.050	Geosciences		3600	34,298,974	588,034	
47.050		000000506AM02	3600	46,800	0	PT
47.050		024680A	3600	2,894	0	PT
47.050		182708UW	3600	1,299	0	PT
47.050		18352AM04	3600	101,235	0	PT
47.050		18352AM05	3600	49,400	0	PT
47.050		202111AM01	3600	92,495	0	PT
47.050		2110911AM01	3600	101,755	0	PT
47.050		22295CD	3600	17,552	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

Assistance Listing 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	5857UWNSF8934AM04	3600	51,389	0	PT
47.050		8057210906MOD02	3600	219	0	PT
47.050		A101403	3600	4,311,978	0	PT
47.050		A101403AM08	3600	3,126,667	0	PT
47.050		A101403AM10	3600	8,092	0	PT
47.050		A101403AM13	3600	1,168,839	0	PT
47.050		A101403AMEND13	3600	3,977,814	0	PT
47.050		A101403AMEND15	3600	(56,517)	0	PT
47.050		AWD002863G1	3600	2,806	0	PT
47.050		E2048691AM02	3600	73,655	0	PT
47.050		KK1641AM05	3600	8,468	0	PT
47.050		KK2137AM01	3600	54,972	0	PT
47.050		KR704187AM002	3600	6,803	0	PT
47.050		KR704367	3600	25,765	0	PT
47.050		PO2011050	3600	3,278,624	0	PT
47.050		PO2011050MOD04	3600	411,015	0	PT
47.050		PO2110546AM01	3600	290,442	0	PT
47.050		S2119AAAM02	3600	11,245	0	PT
47.050		S2119AAAM03	3600	7,068	0	PT
47.050		S2295CD	3600	360,319	0	PT
47.050		S431504AM002	3600	153,186	0	PT
47.050		SU19100107UWA02TO103	3600	4,613	0	PT
47.050		SU19100107UWATO104	3600	14,272	0	PT
47.050		SUB0000005AM12	3600	(4,600)	0	PT
47.050		SUB0000386AM03	3600	87,696	0	PT
47.050		SUBAWD001365MOD02	3600	51,888	0	PT
47.050		SUBAWD003261	3600	33,627	0	PT
47.050			3650	1,783,637	23,459	
47.050		18190166SUB	3650	461	0	PT
47.050	COVID-19 – Geosciences	GG1259002	3650	(853)	0	PT
47.050	Geosciences	IBK289SB001	3650	10,005	0	PT
47.050		S2295CE	3650	22,928	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

Assistance Listing 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	SUB0000169	3650	(59)	0	PT
47.050		WSU003361	3650	2,753	0	PT
47.050			3750	59,173	0	
47.050		5862-CWU-NSF-8934	3750	59,735	0	PT
47.050		S18-EAR1724794-S1	3750	133,617	0	PT
47.050			3800	1,244,546	0	
47.050			6990	57,236	0	
Federal Program 47.050 Total				55,545,928	611,493	
47.070	Computer and Information Science and Engineering		3600	16,868,987	571,768	
47.070	COVID-19 – Computer and Information Science and Engineering		3600	52,518	0	
47.070	Computer and Information Science and Engineering	000105501564351	3600	10,265	0	PT
47.070		00010901	3600	50,699	0	PT
47.070		000431AM03	3600	6,273	0	PT
47.070		1121PO1215394MOD05	3600	99,043	0	PT
47.070		121847117MPINVS9002372	3600	221,047	0	PT
47.070		1556133AM05	3600	122,179	0	PT
47.070		2006061Z2AM01	3600	1,720	0	PT
47.070		2006061Z4AM02	3600	51,050	0	PT
47.070		201242480AM005	3600	23,331	0	PT
47.070		2021CIFUWASHINGTON29	3600	90,382	0	PT
47.070		2021CIFUWASHINGTON66	3600	57,173	0	PT
47.070		203405442AM002	3600	146,725	0	PT
47.070		21S24AM01	3600	1,496	0	PT
47.070		27338Z4338001AMD	3600	752	0	PT
47.070		27338Z4338001AME	3600	3,341	0	PT
47.070		47959019124A	3600	(3)	0	PT
47.070		61688AM01	3600	9,056	0	PT
47.070		91563015AM03	3600	91,615	0	PT
47.070		A006581303AM002	3600	733	0	PT
47.070		CIF2020UW06AM001	3600	20,790	0	PT

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National Science Foundation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.070	Computer and Information Science and Engineering	CIF2020UW53	3600	117,754	0	PT
47.070		GA11473PO2271430	3600	10,464	0	PT
47.070		SUB0000281AM04	3600	101,715	0	PT
47.070		UTA20000943AM01	3600	490,159	0	PT
47.070		UTA20000943AM02	3600	104,973	0	PT
47.070			3650	1,991,381	331,792	
47.070		10054032WSU	3650	55,104	0	PT
47.070		19062062011806	3650	14,632	0	PT
47.070		Z0051A-B	3650	109,401	0	PT
47.070			3800	59,756	0	
Federal Program 47.070 Total				20,984,511	903,560	
47.074	Biological Sciences		3600	6,340,300	693,983	
47.074	COVID-19 – Biological Sciences		3600	122,034	0	
47.074	Biological Sciences	00001	3600	2,315	0	PT
47.074		00009877AM02	3600	(342)	0	PT
47.074		1658,PO1392504	3600	8,036	0	PT
47.074		170251616821AM04	3600	133,985	0	PT
47.074		3004946906AM02	3600	31,892	0	PT
47.074		3357200201908AM01	3600	46,947	0	PT
47.074		493174AM03	3600	16,679	0	PT
47.074		612075UWAM22	3600	(6,510)	0	PT
47.074		91874Z3500201AMB	3600	11,128	0	PT
47.074		AWD102042SUB00000570	3600	12,844	0	PT
47.074		C000509742AM006	3600	276,209	0	PT
47.074		C000671931AM01	3600	9,078	0	PT
47.074		J201611557186AM04	3600	1,514	0	PT
47.074		KK2128AM01	3600	60,374	0	PT
47.074		SS173PO524705AM01	3600	61,764	0	PT
47.074		UA210063	3600	3,304	0	PT
47.074			3650	3,781,472	392,121	
47.074	COVID-19 – Biological Sciences		3650	133,142	88,594	

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National Science Foundation

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47.074	Biological Sciences	17014S1	3650	44,200	0	PT
47.074		20171	3650	3,179	0	PT
47.074		2017978001	3650	(11)	0	PT
47.074		5GG014070	3650	28,828	0	PT
47.074		9500073626	3650	11,352	0	PT
47.074		C000573932	3650	4,989	0	PT
47.074		C000622112	3650	152,606	0	PT
47.074		SF0037	3650	(1,052)	0	PT
47.074			3700	61,429	0	
47.074		RR167-627/S000812	3750	17,967	0	PT
47.074			3760	38,231	0	
47.074			3800	559,405	0	
47.074		UAF 18-0059/P0521291	3800	220,955	0	PT
Federal Program 47.074 Total				12,188,243	1,174,698	
47.075	Social, Behavioral, and Economic Sciences		3600	1,752,695	38,906	
47.075		3029105288S01AM03	3600	56,068	0	PT
47.075		PO0000137333AM03	3600	39,462	0	PT
47.075	COVID-19 – Social, Behavioral, and Economic Sciences	PO0000137333AM03	3600	2,000	0	PT
47.075	Social, Behavioral, and Economic Sciences	SUB0000421AM01	3600	15,904	0	PT
47.075		UTA19001010AM01	3600	12,617	0	PT
47.075		UW664661	3600	14,251	0	PT
47.075			3650	464,848	0	
47.075	COVID-19 – Social, Behavioral, and Economic Sciences		3650	36,448	0	
47.075	Social, Behavioral, and Economic Sciences	40460WSU	3650	17,444	0	PT
47.075	COVID-19 – Social, Behavioral, and Economic Sciences	48043319276	3650	1,549	0	PT
47.075	Social, Behavioral, and Economic Sciences		3800	153,004	0	
47.075		577846/PO 4598691	3800	11,611	0	PT
Federal Program 47.075 Total				2,577,901	38,906	
47.076	Education and Human Resources		3600	16,965,445	1,409,255	
47.076		0000001018AM03	3600	106,015	0	PT

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National Science Foundation

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47.076	Education and Human Resources	007800	3600	13,368	0	PT
47.076		0435600001MOD03	3600	215,085	0	PT
47.076		0499000001AM01	3600	9,547	0	PT
47.076		09546417496AM03	3600	4,591	0	PT
47.076		1760002760UW	3600	3,517	0	PT
47.076		18717UW	3600	16,179	0	PT
47.076		190115665485949AM02	3600	39,187	0	PT
47.076		2012U0BAM01	3600	19,538	0	PT
47.076		206002CAM01	3600	110,818	0	PT
47.076		210148807001AM01	3600	28,670	0	PT
47.076		21COSAM200840UWAAM0	3600	126,892	0	PT
47.076		3270403	3600	4,054	0	PT
47.076		3332804	3600	112,368	0	PT
47.076		60053825WASHAMA01	3600	12,440	0	PT
47.076		769UWWA	3600	5,078	0	PT
47.076		920152	3600	2,657	0	PT
47.076		A170794	3600	12,816	0	PT
47.076		EDC12423GN1850447	3600	8,514	0	PT
47.076		EDC12423GN1850447AM0	3600	591	0	PT
47.076		KK1938AM001	3600	43,849	0	PT
47.076		R220003AM01	3600	51,488	0	PT
47.076		RC107451UWAM02	3600	9,349	0	PT
47.076		UW668074	3600	31,099	0	PT
47.076			3650	2,133,880	63,344	
47.076		0499000002	3650	113,868	0	PT
47.076		134038001	3650	8,737	0	PT
47.076		138306-001	3650	87	0	PT
47.076		138714002	3650	29	0	PT
47.076		139000	3650	32,501	0	PT
47.076		139764004	3650	66	0	PT
47.076		140002	3650	18,081	0	PT
47.076		141453	3650	3,039	0	PT

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National Science Foundation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.076	Education and Human Resources	CRESCENT-01	3650	194,588	0	PT
47.076		DUE1700496WSU	3650	42,172	0	PT
47.076		WSU003988	3650	3,571	0	PT
47.076		WSU004153	3650	11,974	0	PT
47.076		WSUMATEEVALUATECO	3650	8,658	0	PT
47.076			3700	353,610	8,113	
47.076		402139-EWU	3700	1,980	0	PT
47.076			3750	526,593	230,742	
47.076		501546SG187	3750	6,638	0	PT
47.076			3760	26,357	0	
47.076		ESC-20-1	3760	1,692	0	PT
47.076			3800	935,938	0	
47.076		00010783 / BB0151399	3800	3,948	0	PT
47.076		1826637 / WWU-18-2	3800	4,800	0	PT
47.076		499000003	3800	11,477	0	PT
47.076			6990	5,246,956	0	
47.076		06160	6990	998	0	PT
47.076		2000281	6990	103,092	0	PT
47.076		21601	6990	7,278	0	PT
47.076		21620	6990	16,546	0	PT
47.076		371	6990	96,079	0	PT
47.076		4101-79544	6990	23,212	0	PT
47.076		44003	6990	97,504	0	PT
47.076		44685	6990	23,688	0	PT
47.076		64710	6990	32,245	0	PT
47.076		65025	6990	10,750	0	PT
47.076		DUE-205572	6990	6,613	0	PT
47.076		SCC-170053	6990	3,500	0	PT
Federal Program 47.076 Total				28,065,900	1,711,454	
47.078	Polar Programs		3600	1,478,797	98,246	
47.078		KR704264AM01	3600	54,404	0	PT
47.078		S2306BN	3600	111,942	0	PT

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National Science Foundation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.078	Polar Programs	S2306LNAM01	3600	201,530	0	PT
47.078		S2306ME	3600	120,670	0	PT
47.078		S2319AAAM01	3600	688	0	PT
47.078		SUB0000386AM02	3600	548,360	0	PT
47.078		SUB0000386AM03	3600	217,283	0	PT
47.078			3650	376,156	0	
47.078			3750	61,137	0	
47.078			3800	31,475	0	
Federal Program 47.078 Total				3,202,442	98,246	
47.079	Office of International Science and Engineering		3600	219,866	0	
47.079		FP065300C54405486012AM	3600	310,783	0	PT
47.079	COVID-19 – Office of International Science and Engineering	G20201267159MOD02	3600	27,697	0	PT
47.079	Office of International Science and Engineering		3650	66,741	0	
47.079		OISE19655020	3650	(50)	0	PT
Federal Program 47.079 Total				625,037	0	
47.083	Integrative Activities		3600	1,856,180	307,533	
47.083		AWD101485SUB00000351A	3600	21,504	0	PT
47.083		S5461PO661477	3600	167,613	0	PT
47.083		SUBK00015725	3600	63,828	0	PT
47.083		UNIV61841	3600	(433)	0	PT
47.083		UNIV62475	3600	173,212	0	PT
47.083		0000001914	3650	30,843	0	PT
47.083			3800	107,663	0	
Federal Program 47.083 Total				2,420,410	307,533	
National Science Foundation Total				167,371,802	6,274,524	
47.RD	NSF - Unknown ALN	49100421C0036	3600	212,082	0	
47.RD		1836038	3650	99,655	0	
47.RD		2022N6	3650	11,386	0	
47.RD		2030984	3650	273,584	0	

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National Science Foundation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 47.RD Total				596,707	0	
47.U01	NSF - Unknown ALN	UW639293	3600	8,294	0	PT
Federal Program 47.U01 Total				8,294	0	
NSF - Contract Number Only Provided Total				605,001	0	
National Science Foundation Total				167,976,803	6,274,524	

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Research and Development

Environmental Protection Agency

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
66.034	Surveys, Studies, Research, Investigations, Demons		4610	642,231	144,437	
Federal Program 66.034 Total				642,231	144,437	
Office of Air and Radiation Total				642,231	144,437	
66.123	Puget Sound Action Agenda: Technical Investigation	UW667142	3600	93,502	0	PT
Federal Program 66.123 Total				93,502	0	
Office of Federal Activities Total				93,502	0	
66.456	National Estuary Program	UW669954	3600	30,007	0	PT
Federal Program 66.456 Total				30,007	0	
Office of Water Total				30,007	0	
66.509	Science to Achieve Results (STAR) Research Program		3600	471,700	43,542	
66.509		1080358364871AM05	3600	8,723	0	PT
66.509		1080358364872AM02	3600	33,290	0	PT
66.509		1080358364874AM06	3600	(1)	0	PT
66.509		1080358364925AM08	3600	97,591	0	PT
Federal Program 66.509 Total				611,303	43,542	
66.511	Office of Research and Development Consolidated Re	4975RFA1912092	3600	200,372	0	PT
Federal Program 66.511 Total				200,372	0	
Office of Research and Development Total				811,675	43,542	
66.962	Columbia River Basin Restoration (CRBR) Program		3600	43,195	0	
Federal Program 66.962 Total				43,195	0	
EPA Region 10 Total				43,195	0	
66.RD	Environmental Protection Agy-Unknown ALN	03.66.444	3030	20,428	0	
66.RD		4975RFA191209AM01	3600	25,836	0	PT
66.RD		C20190479	3600	18,423	0	PT
66.RD		SUBK00011427AM01	3600	13,199	0	PT

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Environmental Protection Agency

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
66.RD	Environmental Protection Agy-Unknown ALN	SUBK00011427AM03	3600	13,286	0	PT
66.RD		UW684088	3600	14,807	0	PT
Federal Program 66.RD Total				105,979	0	
EPA Contract Number Only Provided Total				105,979	0	
Environmental Protection Agency Total				1,726,589	187,979	

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Dept of Energy

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.049	Office of Science Financial Assistance		3600	20,197,929	1,973,662	
81.049		0000001615	3600	23,555	0	PT
81.049		1561326PO1001569134	3600	61,192	0	PT
81.049		1GG014496	3600	728,968	0	PT
81.049		1GG014496AM01	3600	72,262	0	PT
81.049		202123AM01	3600	35,459	0	PT
81.049		3GG01449618	3600	113,549	0	PT
81.049		A167035	3600	35,298	0	PT
81.049		A180354S002AM04	3600	88,366	0	PT
81.049		C000554181AM04	3600	86,804	0	PT
81.049		C000634211AM02	3600	110,389	0	PT
81.049		NA	3600	13,537	0	PT
81.049		R000002914	3600	254,671	0	PT
81.049			3650	3,079,271	508,705	
81.049		135871	3650	237,883	0	PT
81.049		14000496003	3650	12,099	0	PT
81.049		140937001	3650	49,583	0	PT
81.049		23021W	3650	178,845	0	PT
81.049		2512150123011	3650	58,014	0	PT
81.049		321180	3650	(551)	0	PT
81.049		511933	3650	(3,944)	0	PT
81.049		531171	3650	387,746	0	PT
81.049		740058874P	3650	54,984	0	PT
81.049		A210036S006	3650	244,693	0	PT
81.049		BJKQ05SB001	3650	1,332	0	PT
81.049		EXMATWSUSC0022391	3650	24,203	0	PT
81.049		G14821W8564	3650	168,466	0	PT
81.049		RC105251	3650	366,892	0	PT
81.049		UTA20001016	3650	60,247	0	PT
Federal Program 81.049 Total				26,741,742	2,482,367	
Headquarters Office Total				26,741,742	2,482,367	
81.086	Conservation Research and Development		3600	982,424	50,126	

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 Energy

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.086	Conservation Research and Development		3650	797,201	170,769	
81.086		137317001	3650	63,742	23,254	PT
81.086		137491001	3650	65,013	0	PT
81.086		74488	3700	192,437	0	PT
81.086		TSC21-066	3700	24,378	0	PT
Federal Program 81.086 Total				2,125,195	244,149	
81.087	Renewable Energy Research and Development		3600	3,922,431	1,155,821	
81.087		4012025BAM03	3600	59,666	0	PT
81.087		G0152ABAM11	3600	92,950	0	PT
81.087		G0196AAAM01	3600	41,645	0	PT
81.087		OSPA171190	3600	19,924	0	PT
81.087		SCN1007304AM03	3600	68,988	0	PT
81.087		UW633999	3600	68,998	0	PT
81.087		UW665842	3600	25,837	0	PT
81.087		UW667179	3600	469	0	PT
81.087			3650	3,289,962	1,055,436	
81.087		0190GXA493	3650	103,819	0	PT
81.087		06S170616	3650	17,740	0	PT
81.087		AWD001575G1	3650	128,869	0	PT
81.087		DEEE00078880608	3650	44,303	0	PT
81.087		M1900171	3650	38,506	0	PT
81.087		UND0026128S1	3650	113,333	0	PT
Federal Program 81.087 Total				8,037,440	2,211,257	
Energy Efficiency and Renewable Energy Total				10,162,635	2,455,406	
81.089	Fossil Energy Research and Development	UTA17000308AM07	3600	169,236	0	PT
Federal Program 81.089 Total				169,236	0	
Office of Fossil Energy Total				169,236	0	
81.112	Stewardship Science Grant Program	M1803341AM05	3600	96,670	0	PT
Federal Program 81.112 Total				96,670	0	
Electricity Delivery & Energy Reliab 1000 Total				96,670	0	

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Dept of Energy

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.117	Energy Efficiency and Renewable Energy Information		3600	76,607	0	
Federal Program 81.117 Total				76,607	0	
Energy Efficiency and Renewable Energy Total				76,607	0	
81.121	Nuclear Energy Research, Development and Demonstration		3600	189,617	0	
Federal Program 81.121 Total				189,617	0	
National Nuclear Security Administration Total				189,617	0	
81.135	Advanced Research Projects Agency - Energy		3600	1,344,794	63,035	
81.135		1556660AM01	3600	11,653	0	PT
81.135		UFDSP00012001AM04	3600	3,812	0	PT
81.135		UW667972	3600	271,899	0	PT
81.135		UW668502	3600	25,975	0	PT
81.135			3650	102,372	0	
81.135		0000000025	3650	41,497	0	PT
Federal Program 81.135 Total				1,802,002	63,035	
Electricity Delivery & Energy Reliab 1000 Total				1,802,002	63,035	
81.214	Environmental Monitoring/Cleanup Cultural Rsrc Mgt		2450	713,347	626,235	
81.214			3030	809,928	0	
81.214			4610	2,319,457	0	
Federal Program 81.214 Total				3,842,732	626,235	
Savannah River Operations Office Total				3,842,732	626,235	
81.RD	Department of Energy - Unknown ALN	052022	3600	11,037	0	PT
81.RD		072021	3600	56,378	0	PT
81.RD		134124G00397114AM002	3600	254,712	0	PT
81.RD		168751MOD01	3600	80,025	0	PT
81.RD		190039MOD02	3600	82,477	0	PT
81.RD		1F60406MOD0001	3600	57,628	0	PT
81.RD		1F60417M0001	3600	42,348	0	PT

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Dept of Energy

Assistance Listing 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 ALN	1F60432	3600	41,858	0	PT
81.RD		1F60592M0002	3600	88,009	0	PT
81.RD		1F60602M0003	3600	133,896	0	PT
81.RD		243766TO257527MOD02	3600	37,016	0	PT
81.RD		252206AM17	3600	107,022	0	PT
81.RD		260424	3600	29,698	0	PT
81.RD		2F60005M0002	3600	116,202	0	PT
81.RD		2F60048M0001	3600	39,612	0	PT
81.RD		339224AM07	3600	6,000	0	PT
81.RD		344773AM09	3600	43,239	0	PT
81.RD		364211MOD04	3600	111,051	0	PT
81.RD		391075AM05	3600	274,973	0	PT
81.RD		4000193152	3600	134,259	0	PT
81.RD		4000193170MOD05	3600	32,629	0	PT
81.RD		4000193513	3600	60,997	0	PT
81.RD		409098	3600	5,486	0	PT
81.RD		507420MOD003	3600	100,321	0	PT
81.RD		520128MOD03	3600	1,021	0	PT
81.RD		571319AM01	3600	126,000	0	PT
81.RD		589676MOD01	3600	41,050	0	PT
81.RD		590135BASIC592837	3600	56,347	0	PT
81.RD		613205	3600	6,402	0	PT
81.RD		618905CONTRACT606219	3600	4,346	0	PT
81.RD		619333	3600	15,945	0	PT
81.RD		619358	3600	23,762	0	PT
81.RD		619818	3600	1,072	0	PT
81.RD		665638MOD02	3600	75,592	0	PT
81.RD		666484MOD01	3600	2,305	0	PT
81.RD		678162	3600	334,385	0	PT
81.RD		684431AM01	3600	5,504	0	PT
81.RD		7374375MOD21	3600	570,920	0	PT
81.RD		7609682	3600	5,756	0	PT

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Dept of Energy

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81.RD	Department of Energy - Unknown ALN	7642072	3600	3,190	0	PT
81.RD		76910REL17	3600	89,039	0	
81.RD		7F30111MOD06	3600	3,828	0	PT
81.RD		8F30064M0004	3600	10,963	0	PT
81.RD		9F60043M0003	3600	37,664	0	PT
81.RD		A144534DEAR0001098MO	3600	229,722	0	PT
81.RD		A151091AM01	3600	72,346	0	PT
81.RD		AM01	3600	75,838	0	PT
81.RD		AWD102934S1AM02	3600	29,278	0	PT
81.RD		B643872	3600	13,704	0	PT
81.RD		CR34218876910REL13	3600	131,181	0	
81.RD		CR34218976910REL14	3600	124,594	0	
81.RD		CR34291876910REL16	3600	252,379	0	
81.RD		CR34291976910REL15	3600	103,110	0	
81.RD		CR34974876910REL18	3600	213,605	0	
81.RD		CR34975176910REL19	3600	207,439	0	
81.RD		CR350133MASTER76910R	3600	199,803	0	
81.RD		CR35013476910REL20	3600	127,715	0	
81.RD		MA243766TO403450MOD0	3600	17,449	0	PT
81.RD		MA243766TO424177MOD0	3600	135,553	0	PT
81.RD		MA243766TO432652MOD0	3600	17,151	0	PT
81.RD		MA243766TO450523MOD0	3600	187,776	0	PT
81.RD		MA243766TO456355MOD0	3600	(6,247)	0	PT
81.RD		MA243766TO456356MOD0	3600	10,483	0	PT
81.RD		MA243766TO468365MOD0	3600	54,388	0	PT
81.RD		MA243766TO474096MOD0	3600	172,885	0	PT
81.RD		MA243766TO474098MOD4	3600	117,327	0	PT
81.RD		MA243766TO594113	3600	9,983	0	PT
81.RD		MA243766TO618109MOD0	3600	16,630	0	PT
81.RD		MA487139TO495959MOD0	3600	136,457	0	PT
81.RD		MA487139TO500469	3600	2,554	0	PT
81.RD		MA487139TO510568MOD0	3600	24,651	0	PT

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Dept of Energy

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81.RD	Department of Energy - Unknown ALN	MA487139TO516528MOD0	3600	71,088	0	PT
81.RD		MA487139TO516639MOD0	3600	113,871	0	PT
81.RD		MA487139TO527552	3600	(23,180)	0	PT
81.RD		MA487139TO534807MOD0	3600	66,542	0	PT
81.RD		MA487139TO535499MOD0	3600	187,204	0	PT
81.RD		MA487139TO539233MOD0	3600	35,183	0	PT
81.RD		MA487139TO539234	3600	48,967	0	PT
81.RD		MA487139TO539425MOD0	3600	54,526	0	PT
81.RD		MA487139TO542796MOD0	3600	8,332	0	PT
81.RD		MA487139TO544470MOD0	3600	82,724	0	PT
81.RD		MA487139TO545987MOD0	3600	62,140	0	PT
81.RD		MA487139TO549009MOD0	3600	121,794	0	PT
81.RD		MA487139TO549157MOD0	3600	51,747	0	PT
81.RD		MA487139TO554401MOD0	3600	53,790	0	PT
81.RD		MA487139TO555131MOD0	3600	178,809	0	PT
81.RD		MA487139TO559235MOD0	3600	30,609	0	PT
81.RD		MA487139TO564330MOD0	3600	36,328	0	PT
81.RD		MA487139TO574823MOD0	3600	63,130	0	PT
81.RD		MA487139TO581504MOD0	3600	65,329	0	PT
81.RD		MA487139TO588889MOD0	3600	9,713	0	PT
81.RD		MA487139TO592008	3600	148,668	0	PT
81.RD		MA487139TO592008MOD0	3600	264,509	0	PT
81.RD		MA487139TO592419MOD0	3600	59,895	0	PT
81.RD		MA487139TO593646	3600	66,704	0	PT
81.RD		MA487139TO593867	3600	28,946	0	PT
81.RD		MA487139TO596165	3600	24,992	0	PT
81.RD		MA487139TO597208	3600	212,085	0	PT
81.RD		MA487139TO602492	3600	63,056	0	PT
81.RD		MA487139TO604621MOD0	3600	33,750	0	PT
81.RD		MA487139TO607898	3600	15,000	0	PT
81.RD		MA487139TO609131MOD0	3600	7,910	0	PT
81.RD		MA487139TO610217MOD0	3600	12,506	0	PT

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Dept of Energy

Assistance Listing 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 ALN	MA487139TO618328	3600	21,101	0	PT
81.RD		MA487139TO621497	3600	13,325	0	PT
81.RD		MA612906	3600	31,291	0	PT
81.RD		MTA487139TO620416	3600	13,588	0	PT
81.RD		PO2294283	3600	7,023	0	PT
81.RD		PO2322648	3600	19,822	0	PT
81.RD		S017736MOD002	3600	11,957	0	PT
81.RD		S017997MOD1	3600	9,574	0	PT
81.RD		SAWDWD00850	3600	(518)	0	PT
81.RD		SUB202110505	3600	948	0	PT
81.RD		SUB202210073	3600	23,205	0	PT
81.RD		SUB202210174	3600	8,013	0	PT
81.RD		TASK540909MASTER4871	3600	10,071	0	PT
81.RD		TEAMERTBUW	3600	30,392	0	PT
81.RD		TO386893MASTER243766	3600	131,376	0	PT
81.RD		TO386893MOD05MASTER	3600	50,065	0	PT
81.RD		UW800761	3600	34,656	0	PT
81.RD		UW800776	3600	34,656	0	PT
81.RD		UW800777	3600	34,656	0	PT
81.RD		UW807314	3600	9,870	0	PT
81.RD		UW807331	3600	682	0	PT
81.RD		UW807335	3600	9,551	0	PT
81.RD		UW807440	3600	(6,818)	0	PT
Federal Program 81.RD Total				8,794,871	0	
DOE Contract Number Only Provided Total				8,794,871	0	
Dept of Energy Total				51,876,112	5,627,043	

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Research and Development

Dept of Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.015	National Resource Centers Program for Foreign Language	84.015A	3600	774,761	0	
84.015		84.015B	3600	577,882	0	
Federal Program 84.015 Total				1,352,643	0	
84.022	Overseas Programs - Doctoral Dissertation Research	84.022A	3600	41,166	0	
84.022			3650	4,206	0	
Federal Program 84.022 Total				45,372	0	
Office of Postsecondary Education Total				1,398,015	0	
84.149	Migrant Education_College Assistance Migrant Program	84.149A	3600	409,469	0	
Federal Program 84.149 Total				409,469	0	
Office of Elementary and Secondary Education Total				409,469	0	
84.282	Charter Schools	UW668211	3600	15,617	0	PT
Federal Program 84.282 Total				15,617	0	
Office of Innovation and Improvement Total				15,617	0	
84.305	Education Research, Development and Dissemination	0440100001MOD04	3600	109,569	0	PT
84.305		84.305A	3600	681,353	0	PT
84.305		84.305A	3600	853,550	223,329	
84.305		84.305B	3600	363,887	0	
84.305		84.305D	3600	183,790	70,994	
84.305		84.305D	3600	19,117	0	PT
84.305		84.305H	3600	113,071	15,806	
84.305		84.305N	3600	1,563	0	PT
84.305			3650	169,028	0	
Federal Program 84.305 Total				2,494,928	310,129	
Office of Educational Research and Improvement Total				2,494,928	310,129	
84.324	Research in Special Education	0438500001MOD03	3600	64,594	0	PT
84.324		84.324A	3600	158,022	0	PT
84.324		84.324A	3600	1,022,694	81,883	

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Dept of Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 84.324 Total				1,245,310	81,883	
84.325	Special Education - Personnel Development to Impro	84.325D	3600	200,814	0	
84.325		84.325K	3600	293,254	0	
Federal Program 84.325 Total				494,068	0	
84.326	Special Education_ Technical Assistance and Dissemi	84.326M	3600	453,567	0	
Federal Program 84.326 Total				453,567	0	
Office of Special Education and Rehabilitative Ser Total				2,192,945	81,883	
84.425	COVID-19 – Education Stabilization Fund	COVID-19, 84.425E	3600	15,600	0	
Federal Program 84.425 Total				15,600	0	
DOE, Undetermined Total				15,600	0	
84.RD	Department of Education - Unknown ALN	PO31603MOD03	3600	(3,274)	0	PT
Federal Program 84.RD Total				(3,274)	0	
Education Contract Number Only Provided Total				(3,274)	0	
Dept of Education Total				6,523,300	392,012	

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Dept of Health & Human Services

Assistance Listing 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 Prevention	G157UWA02	3600	92,598	0	PT
93.068		G157UWA03	3600	96,651	0	PT
Federal Program 93.068 Total				189,249	0	
93.079	Cooperative Agreements to Promote Adolescent Health	903402UWASH	3600	10,000	0	PT
Federal Program 93.079 Total				10,000	0	
93.080	Blood Disorder Program: Prevention, Surveillance,	12047SCAM01	3600	365	0	PT
93.080		12047SCAM02	3600	5,289	0	PT
Federal Program 93.080 Total				5,654	0	
93.082	Sodium Reduction in Communities	1171CDIPAM06	3600	57,629	0	PT
Federal Program 93.082 Total				57,629	0	
Centers for Disease Control and Prevention Total				262,532	0	
93.103	Food and Drug Administration_Research		3030	615,021	0	
93.103			3600	1,347	1,347	
93.103		12439SUBAM01	3600	18,916	0	PT
93.103		12512SUBMOD01	3600	16,432	0	PT
93.103		417809GURFAOGR511086	3600	12,602	0	PT
93.103		SUB00000226URFAOGR53	3600	54,721	0	PT
93.103			3650	199,414	0	
93.103			4950	2,004,092	16,585	
Federal Program 93.103 Total				2,922,545	17,932	
Food and Drug Administration Total				2,922,545	17,932	
93.110	Maternal and Child Health Federal Consolidated Pro		3600	(15)	0	
93.110		1920GWA101AM04	3600	18,079	0	PT
Federal Program 93.110 Total				18,064	0	
Health Resources and Services Administration Total				18,064	0	
93.113	Environmental Health		3600	6,933,534	1,035,693	
93.113		110056808AM03	3600	74,685	0	PT

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Dept of Health & Human Services

Assistance Listing 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	1553GZE171	3600	3,154	0	PT
93.113		1GG01304701AM03	3600	7,309	0	PT
93.113		2003249885AM04	3600	23,132	0	PT
93.113		3419052249011AM03	3600	37,623	0	PT
93.113		4500002762AM04	3600	44,578	0	PT
93.113		671400S001AM02	3600	108,692	0	PT
93.113		80001140AM04	3600	3,039	0	PT
93.113		GR104703CON80001507A	3600	38,766	0	PT
93.113		R1281337	3600	12,005	0	PT
93.113		S0146401AM02	3600	468,333	0	PT
93.113		SUBK00010622AM04	3600	43,393	0	PT
93.113		UW2020082001AM01	3600	(2,960)	0	PT
93.113		UW2020082001AM02	3600	138,783	0	PT
93.113		WU18174MOD4AM04	3600	307,983	0	PT
93.113		WU20253MOD01	3600	26,084	0	PT
93.113			3650	1,947,312	3,369	
93.113		P0516AA	3650	68,932	0	PT
93.113	COVID-19 – Environmental Health	P0516BA	3650	151,374	0	PT
Federal Program 93.113 Total				10,435,751	1,039,062	
93.121	Oral Diseases and Disorders Research		3600	2,982,177	399,319	
93.121		121660AM03	3600	103,115	0	PT
93.121		12732SUB	3600	7,627	0	PT
93.121		13590SC	3600	4,183	0	PT
93.121		234245	3600	7,050	0	PT
93.121		312041PO870767	3600	7,091	0	PT
93.121		9648SCAM06	3600	1	0	PT
93.121		S0330001	3600	3,004	0	PT
93.121		UW633543	3600	(796)	0	PT
93.121		UWASH0238102665AM05	3600	155,903	0	PT
93.121		UWASH0261862635AM005	3600	13,869	0	PT
93.121		UWASH0312742770	3600	16,728	0	PT
93.121		WASH0201022640AM03	3600	25,322	0	PT

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Research and Development

Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.121	Oral Diseases and Disorders Research		3650	223,197	0	
Federal Program 93.121 Total				3,548,471	399,319	
National Institutes of Health Total				13,984,222	1,438,381	
93.135	Centers for Research and Demonstration for Health		3600	2,359,274	300,126	
93.135	COVID-19 – Centers for Research and Demonstration for Health		3600	410,975	0	
93.135	Centers for Research and Demonstration for Health	SUB00000099	3600	32,916	0	PT
Federal Program 93.135 Total				2,803,165	300,126	
93.136	Injury Prevention and Control Research and State		3030	5,598,809	2,079,426	
93.136	COVID-19 – Injury Prevention and Control Research and State		3030	34,491	0	
93.136	Injury Prevention and Control Research and State		3600	2,148,130	547,521	
93.136		SUBK00013121AM01	3600	162,711	0	PT
Federal Program 93.136 Total				7,944,141	2,626,947	
Centers for Disease Control and Prevention Total				10,747,306	2,927,073	
93.137	Community Programs to Improve Minority Health Grant	12437SUB	3600	1,875	0	PT
Federal Program 93.137 Total				1,875	0	
Office of Minority Health Total				1,875	0	
93.142	NIEHS Hazardous Waste Worker Health and Safety Tra	2105GZA509AM002	3600	318,883	0	PT
93.142		2105GZA509AM03	3600	17,857	0	PT
Federal Program 93.142 Total				336,740	0	
93.143	NIEHS Superfund Hazardous Substances_Basic Research		3600	1,529,655	0	
Federal Program 93.143 Total				1,529,655	0	
National Institutes of Health Total				1,866,395	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.155	COVID-19 – Rural Health Research Centers		3030	11,567,076	11,370,780	
93.155	Rural Health Research Centers		3600	413,197	0	
93.155			3650	261,370	0	
Federal Program 93.155 Total				12,241,643	11,370,780	
Health Resources and Services Administration Total				12,241,643	11,370,780	
93.172	Human Genome Research		3600	19,476,396	2,808,417	
93.172		00010386AM01	3600	38,508	0	PT
93.172		00010386AM02	3600	12,960	0	PT
93.172		0255C6214609AM003	3600	173,481	0	PT
93.172		1090708456851	3600	106,247	0	PT
93.172		12702SC	3600	602,610	0	PT
93.172		131153455AM01	3600	40,142	0	PT
93.172		131153455AM02	3600	23,824	0	PT
93.172		160NH2C4909MOD01	3600	27,490	0	PT
93.172		1GG01489001AM03	3600	37,745	0	PT
93.172		2021411AM04	3600	34,783	0	PT
93.172		210314052103AM01	3600	1,661	0	PT
93.172		210314052203AM02	3600	497,205	0	PT
93.172		210368022306	3600	19,797	0	PT
93.172		50079378051	3600	81,011	0	PT
93.172		5121619	3600	52,318	0	PT
93.172		5124212AM01	3600	16,085	0	PT
93.172		583200	3600	18,696	0	PT
93.172		62305015135394AM02	3600	213,584	0	PT
93.172		9936SCAM09	3600	(1,441)	0	PT
93.172		A138585	3600	499,202	0	PT
93.172		A200450S002P0727665AM0	3600	12,001	0	PT
93.172		A200450S005P0727662AM0	3600	345,250	0	PT
93.172		A210187S001POP0753656A	3600	105,493	0	PT
93.172		BD521791DAM06	3600	124,163	0	PT
93.172		OOS030229UWAM07	3600	21,485	0	PT

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93.172	Human Genome Research	OOS030229UWAM08	3600	62,458	0	PT
93.172		OOS030229UWAM10	3600	11,781	0	PT
93.172		OSP2017191AM07	3600	79,015	0	PT
93.172		PO7000001243AM01	3600	67,832	0	PT
93.172		RNG209827UWAM0420214	3600	27,931	0	PT
93.172		UW637886	3600	20,685	0	PT
93.172		UW684576	3600	75,944	0	PT
93.172		VUMC100326	3600	67,977	0	PT
93.172		VUMC63906AM04	3600	43,923	0	PT
93.172		000525321002	3650	48,169	0	PT
Federal Program 93.172 Total				23,086,411	2,808,417	
93.173	Research Related to Deafness and Communication Disorders		3600	5,135,205	579,606	
93.173		0001023872AM02	3600	69,582	0	PT
93.173		0601146324AM03	3600	244,296	116,512	PT
93.173		1017309UWAAM001	3600	12,686	0	PT
93.173		260885UWAM03	3600	79,012	0	PT
93.173		417738GURFAOGR511053	3600	53,638	0	PT
93.173		4500004019	3600	46,516	0	PT
93.173		FY19966001PO1001128171	3600	1,828	0	PT
93.173		SP0034193PROJ0009132A	3600	49,795	0	PT
93.173		WU1845MOD7AM07	3600	50,602	0	PT
93.173		WU2119MOD1	3600	58,260	0	PT
Federal Program 93.173 Total				5,801,420	696,118	
National Institutes of Health Total				28,887,831	3,504,535	
93.178	Nursing Workforce Diversity		3600	365,903	11,867	
Federal Program 93.178 Total				365,903	11,867	
93.191	Graduate Psychology Education Program and Patient		3600	361,778	0	
Federal Program 93.191 Total				361,778	0	
93.211	Telehealth Programs		3600	243,346	0	

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93.211	Telehealth Programs	SP13977SB6AM03	3600	12,514	0	PT
Federal Program 93.211 Total				255,860	0	
Health Resources and Services Administration Total				983,541	11,867	
93.213	Research and Training in Complementary and Alterna		3600	4,050,595	1,390,484	
93.213		12419SUBMOD001	3600	5,742	0	PT
93.213		A032242AM03	3600	20,422	0	PT
93.213		A033693	3600	3,818	0	PT
93.213		A035392	3600	21,595	0	PT
93.213		A180910S005AM02	3600	5,674	0	PT
93.213		R44AT011593	3600	74,759	0	PT
93.213		RNG210883UW	3600	5,091	0	PT
93.213			3650	2,540,566	1,590,968	
93.213		62266166139496	3650	134,815	0	PT
Federal Program 93.213 Total				6,863,077	2,981,452	
National Institutes of Health Total				6,863,077	2,981,452	
93.225	National Research Service Awards_Health Services		3600	423,276	0	
Federal Program 93.225 Total				423,276	0	
93.226	Research on Healthcare Costs, Quality and Outcomes		3600	1,684,176	14,431	
93.226		00001745AM01	3600	35,476	0	PT
93.226		RNG210018BUDG03UWA	3600	32,038	0	PT
93.226		RNG210018BUDG04UW	3600	60,009	0	PT
93.226		RNG210906BUDG03UW	3600	38,208	0	PT
93.226		RNG210906BUDG04UW	3600	103,818	0	PT
93.226		RNG211586BUDG04UW	3600	90,730	0	PT
Federal Program 93.226 Total				2,044,455	14,431	
Agency for Health Care Policy and Research Total				2,467,731	14,431	
93.231	Epidemiology Cooperative Agreements	C2237	3600	113,984	0	PT
Federal Program 93.231 Total				113,984	0	

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Indian Health Service Total				113,984	0	
93.233	National Center on Sleep Disorders Research		3600	150,710	85,847	
93.233		60078515	3600	(11,403)	0	PT
93.233		PO41897AM02	3600	226,675	0	PT
93.233			3650	345,944	0	
93.233		A190461S002	3650	34,911	0	PT
Federal Program 93.233 Total				746,837	85,847	
National Institutes of Health Total				746,837	85,847	
93.239	Policy Research and Evaluation Grants	708K094AM04	3600	48,868	0	PT
Federal Program 93.239 Total				48,868	0	
Office of the Secretary Total				48,868	0	
93.242	Mental Health Research Grants		3600	29,509,211	4,591,886	
93.242	COVID-19 – Mental Health Research Grants		3600	56,920	0	
93.242	Mental Health Research Grants	000014266A	3600	97,440	0	PT
93.242		00001791	3600	22,818	0	PT
93.242		00001791AM01	3600	8,314	0	PT
93.242		100156AM02	3600	28,069	0	PT
93.242		11957SUBMOD2	3600	9,864	0	PT
93.242		12185SUBMOD03	3600	57,033	0	PT
93.242		122074AM02	3600	36,185	0	PT
93.242		123215UW01AM02	3600	157,761	0	PT
93.242		12368SUBMOD01	3600	18,589	0	PT
93.242		12662SUBMOD01	3600	57,779	0	PT
93.242		12724SUB	3600	94,252	0	PT
93.242		15340251110110002	3600	273,334	0	PT
93.242		2000GWE286AM03	3600	93,046	0	PT
93.242		2000GXQ017AM02	3600	840	0	PT
93.242		20193804AM01	3600	78,379	0	PT
93.242		20200613	3600	2,060	0	PT
93.242		20200613AM01	3600	76,961	0	PT

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93.242	Mental Health Research Grants	20210606	3600	42,809	0	PT
93.242		20210747	3600	111,553	0	PT
93.242		223004B01AM06	3600	35,546	0	PT
93.242		227381AM065R01MH10930	3600	2,145	0	PT
93.242		237573AM01	3600	42,140	0	PT
93.242		3C202201	3600	29,628	0	PT
93.242		401664	3600	(1,059)	0	PT
93.242		401664AM01	3600	324,721	0	PT
93.242		401664AM02	3600	105,134	0	PT
93.242		5111740AM03	3600	22,176	0	PT
93.242		5115684AM03	3600	24,783	0	PT
93.242		5122873	3600	19,906	0	PT
93.242		5124471AM01	3600	2,092	0	PT
93.242		568643AM05	3600	(1)	0	PT
93.242		626514UOW03AM03	3600	38,124	0	PT
93.242		626514UOW03AM04	3600	228,980	0	PT
93.242		626514UW03S2AM02	3600	29,622	0	PT
93.242		62723866144480	3600	19,709	0	PT
93.242		62825646144480	3600	10,738	0	PT
93.242		67277131S9001200AM06	3600	36,420	0	PT
93.242		A006759602AM03	3600	41,391	0	PT
93.242		A032074AM05	3600	142,955	0	PT
93.242		A613986	3600	7,940	0	PT
93.242		AM005	3600	4,454	0	PT
93.242		AM01	3600	(10,521)	0	PT
93.242		CE21SSAMSTC1SIBCR	3600	(10,787)	0	PT
93.242		CE21SSAMSTC2SIBCRM0	3600	7,783	0	PT
93.242		CE21UW3MOD01	3600	17,739	0	PT
93.242		CON80003234GR114367A	3600	770,309	0	PT
93.242		FP00011780SA003AM02	3600	21,830	0	PT
93.242		FY201021002AM02	3600	24,613	0	PT
93.242		FY21930001FY22930004A	3600	194,101	0	PT

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93.242	Mental Health Research Grants	GB10691PO2133382AM04	3600	78,268	0	PT
93.242		GR110244CON80002479	3600	502	0	PT
93.242		KR705212	3600	2,283	0	PT
93.242		M101S13F04AM02	3600	15,807	0	PT
93.242		RES515454AM02	3600	26,236	0	PT
93.242		RNG210241BUDG01UW01	3600	60,110	0	PT
93.242		RNG210279UWAM002	3600	972	0	PT
93.242		RNG211557UW	3600	65,401	0	PT
93.242		RNG211559UW	3600	74,744	0	PT
93.242		RNG211561UW	3600	31,649	0	PT
93.242		RNG211776UW	3600	747	0	PT
93.242		UKZNU1920171AM005	3600	40,498	0	PT
93.242		UTAUSUB00000385	3600	3,377	0	PT
93.242		UW631055	3600	73,799	0	PT
93.242		UW636903	3600	86,832	0	PT
93.242		UW664218	3600	(10,549)	0	PT
93.242		UW667711	3600	258,526	0	PT
93.242		WU18449MOD5	3600	53,366	0	PT
93.242		WU19307MOD3	3600	92,776	0	PT
93.242		WU19408MOD3AM03	3600	227,567	0	PT
93.242		WU19409MOD2AM03	3600	42,507	0	PT
93.242		WU20497MOD2AM02	3600	29,516	0	PT
93.242			3650	1,054,154	234,601	
93.242		FY18001018	3650	141,536	0	PT
Federal Program 93.242 Total				35,466,452	4,826,487	
National Institutes of Health Total				35,466,452	4,826,487	
93.243	Substance Abuse and Mental Health Services_Project		3600	2,335,046	5,905	
93.243		2004352474AM03	3600	14,432	0	PT
93.243		4312021718665733LMOD04	3600	616,140	0	PT
Federal Program 93.243 Total				2,965,618	5,905	
Substance Abuse and Mental Health Services Adminis Total				2,965,618	5,905	

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93.250	Geriatric Academic Career Awards		3600	74,025	0	
Federal Program 93.250 Total				74,025	0	
Health Resources and Services Administration Total				74,025	0	
93.262	Occupational Safety and Health Program		2350	499,742	(124)	
93.262	COVID-19 – Occupational Safety and Health Program		2350	188,582	0	
93.262	Occupational Safety and Health Program		3600	3,825,526	222,757	
93.262		1019570UWA	3600	30,030	0	PT
93.262		M1803758	3650	2,153	0	PT
Federal Program 93.262 Total				4,546,033	222,633	
Centers for Disease Control and Prevention Total				4,546,033	222,633	
93.266	Health Systems Strengthening and HIV/AIDS Prevention	582025	3600	26,459	0	PT
93.266		582025AM01	3600	4,877	0	PT
Federal Program 93.266 Total				31,336	0	
Health Resources and Services Administration Total				31,336	0	
93.273	Alcohol Research Programs		3600	7,236,625	821,591	
93.273	COVID-19 – Alcohol Research Programs		3600	437,599	0	
93.273	Alcohol Research Programs	000512064SC001AMA05	3600	12,287	0	PT
93.273		028400874JAM002	3600	25,959	0	PT
93.273		1031MOD01	3600	41,850	0	PT
93.273		2005307204	3600	92,756	0	PT
93.273		2005466982	3600	18,550	0	PT
93.273		2GG01720401POG15741	3600	10,769	0	PT
93.273		554169AM03	3600	53,911	0	PT
93.273		7017137290AM04	3600	44,529	0	PT
93.273		70171375971AM01	3600	1,603	0	PT
93.273		7584AM01	3600	17,775	0	PT
93.273		7584PO100250561AM002	3600	75,786	0	PT
93.273		91395UNIVOFWASHINGT	3600	12,912	0	PT
93.273		A337174AM06	3600	18	0	PT

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93.273	Alcohol Research Programs	A482233AM08	3600	61,695	0	PT
93.273		A500607	3600	68,890	0	PT
93.273		NJ13KELLYM1SIBCRM0D	3600	30,623	0	PT
93.273		NJ13NJ11SIBCRM0D1	3600	15,153	0	PT
93.273		NJ13SCSG31SIBCR	3600	10,091	0	PT
93.273		RF0012320180189AM06	3600	88,412	0	PT
93.273		RF0014320180407AM03	3600	20,324	0	PT
93.273		RF0022520210283	3600	23,729	0	PT
93.273		SA0000640AM005	3600	71,424	0	PT
93.273		SA0000640AM03	3600	1,904	0	PT
93.273		SP0001494702	3600	49,622	0	PT
93.273		SUBK00014818AM01	3600	4,114	0	PT
93.273			3650	3,255,246	727,117	
93.273		10532SC	3650	22,164	0	PT
93.273		132687002	3650	(847)	0	PT
Federal Program 93.273 Total				11,805,473	1,548,708	
93.279	Drug Abuse and Addiction Research Programs	R01DA052975	1070	27,993	0	PT
93.279			3600	17,991,460	2,472,946	
93.279		00001314AM03	3600	10,138	0	PT
93.279		0000988409AM04	3600	11,242	0	PT
93.279		000517103SC003AMA03	3600	119,602	0	PT
93.279		052020ADDENDUMNO2A	3600	17,464	0	PT
93.279		052020AM02	3600	7,776	0	PT
93.279		1004527701AM03	3600	3,191	0	PT
93.279		12434SUB	3600	13,606	0	PT
93.279		12750SUB	3600	65,119	0	PT
93.279		1312021663465463LMOD01	3600	1,303	0	PT
93.279		17880AM01	3600	29,505	0	PT
93.279		2000001005210	3600	19,181	0	PT
93.279		2000001005210AM01	3600	29,705	0	PT
93.279		20210469	3600	38,498	0	PT

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93.279	COVID-19 – Drug Abuse and Addiction Research Programs	205005	3600	20,807	0	PT
93.279	Drug Abuse and Addiction Research Programs	213499UWAM01	3600	7,758	0	PT
93.279		2203981AM02	3600	114,579	0	PT
93.279		305173REQUEST4716	3600	84,111	0	PT
93.279		3124512010000550092AM0	3600	87,300	0	PT
93.279		41251319124	3600	43,211	0	PT
93.279		A000322S004	3600	21,360	0	PT
93.279		A000322S004AM01	3600	9,183	0	PT
93.279		A157198	3600	68,383	0	PT
93.279		AM003	3600	15,915	0	PT
93.279		AM02PRIME1R44DA04405	3600	14,815	0	PT
93.279		CON80003030GR113149A	3600	227,292	0	PT
93.279		D007614702AM02	3600	30,921	0	PT
93.279		ERS2198744197AM03	3600	70,582	0	PT
93.279		GR403953UWAM03	3600	31,189	0	PT
93.279		N008205101	3600	94,511	0	PT
93.279		N008805601	3600	(2,565)	0	PT
93.279		NJ12BERGKD1SIBCRM0D	3600	13,498	0	PT
93.279		NJ12KELLYM1SIBCR	3600	53,343	0	PT
93.279		NJ12NJ11SIBCRM0D1	3600	13,114	0	PT
93.279		NJ12RIEGEN1SIBCRM0D	3600	26,732	0	PT
93.279		PO155581AM01	3600	31,593	0	PT
93.279		RNG210129UWAM02	3600	16,120	0	PT
93.279		RNG210129UWAM03	3600	8,266	0	PT
93.279		RNG210715UW01	3600	14,734	0	PT
93.279		RNG210930UWILLIAMS	3600	25,538	0	PT
93.279		SCON00002498	3600	13,857	0	PT
93.279		T855321AM045R01DA0456	3600	28,758	0	PT
93.279		UW684130	3600	37,268	0	PT
93.279			3650	1,384,645	200,011	
93.279		011130003	3650	24,450	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.279	Drug Abuse and Addiction Research Programs	12539SC	3650	14,914	0	PT
93.279		2021BAS01	3650	80,035	0	PT
93.279	COVID-19 – Drug Abuse and Addiction Research Programs	3RGH5C	3650	114,993	0	PT
93.279	Drug Abuse and Addiction Research Programs	R44DA049629	3650	(2,839)	0	PT
93.279			3800	84,123	0	
Federal Program 93.279 Total				21,308,277	2,672,957	
National Institutes of Health Total				33,113,750	4,221,665	
93.283	COVID-19 – Centers for Disease Control and Prevention_Investi	139903004	3650	79,808	0	PT
93.283		INFCVEPV2	3650	116,273	0	PT
Federal Program 93.283 Total				196,081	0	
Centers for Disease Control and Prevention Total				196,081	0	
93.286	Discovery and Applied Research for Technological I		3600	4,721,096	492,714	
93.286	COVID-19 – Discovery and Applied Research for Technological I		3600	449,509	0	
93.286	Discovery and Applied Research for Technological I	2004999881AM01	3600	49,948	0	PT
93.286		590063	3600	127,176	0	PT
93.286		96206PRIMENS108916	3600	38,957	0	PT
93.286		A008521201	3600	40,578	0	PT
93.286		A454269AM01	3600	28,227	0	PT
93.286		A580773	3600	16,009	0	PT
93.286		BL4648731UWAM04	3600	11,434	0	PT
93.286		UW635224	3600	46,565	0	PT
93.286			3650	366,248	0	
93.286	COVID-19 – Discovery and Applied Research for Technological I		3650	91,100	0	
93.286	Discovery and Applied Research for Technological I	134822002	3650	41,909	0	PT
93.286		135610002	3650	(86)	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.286	Discovery and Applied Research for Technological I	1425SUB	3650	43,263	33,957	PT
93.286		1R01EB027895-01	3760	52,814	0	PT
Federal Program 93.286 Total				6,124,747	526,671	
National Institutes of Health Total				6,124,747	526,671	
93.300	National Center for Health Workforce Analysis		3600	962,716	11,548	
Federal Program 93.300 Total				962,716	11,548	
Health Resources and Services Administration Total				962,716	11,548	
93.307	Minority Health and Health Disparities Research		3600	1,754,922	328,951	
93.307		02UW05386	3600	37,323	0	PT
93.307		12723SUBMOD01	3600	174,974	0	PT
93.307		1920GXA148AM02	3600	59,570	0	PT
93.307		1GG01183407AM11	3600	77,798	0	PT
93.307		303000172	3600	13,690	0	PT
93.307		4500003777AM01	3600	37,201	0	PT
93.307		5109073AM04	3600	(34,155)	0	PT
93.307		5109076AM03	3600	(3,442)	0	PT
93.307		577433AM04	3600	78,890	0	PT
93.307		583611	3600	53,327	0	PT
93.307		OSP2017201AM05	3600	44,762	0	PT
93.307		RNG210374UW02AM02	3600	17,635	0	PT
93.307		SUBK00016457AM01	3600	60,933	0	PT
93.307		UTA19001247AM03	3600	(9,424)	0	PT
93.307		UW662156	3600	8,777	0	PT
93.307			3650	1,876,093	982,606	
93.307		A220004S002	3650	7,285	0	PT
93.307		FY001031	3650	31,448	0	PT
93.307		FY18001024	3650	226,855	0	PT
93.307		FY21001030	3650	15,048	0	PT
Federal Program 93.307 Total				4,529,510	1,311,557	

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93.310	Trans-NIH Research Support		3600	16,114,350	4,177,958	
93.310	COVID-19 – Trans-NIH Research Support		3600	1,877,753	195,186	
93.310	Trans-NIH Research Support	1005478202AM01	3600	368,678	0	PT
93.310		220419001	3600	122,040	0	PT
93.310		311818AM02	3600	(58,975)	0	PT
93.310		312044AM04	3600	16,671	0	PT
93.310		900094AM06	3600	41,376	0	PT
93.310		900168AM07	3600	112,320	0	PT
93.310		A035261	3600	23,838	0	PT
93.310		FP13962	3600	88,345	0	PT
93.310	COVID-19 – Trans-NIH Research Support	G26721W8902AM002	3600	97,917	0	PT
93.310	Trans-NIH Research Support	S408790AM004	3600	958,382	0	PT
93.310		S408790AM03	3600	(78,576)	0	PT
93.310	COVID-19 – Trans-NIH Research Support		3650	1,740,983	1,087,486	
Federal Program 93.310 Total				21,425,102	5,460,630	
93.350	National Center for Advancing Translational Science		3600	16,007,405	2,515,129	
93.350	COVID-19 – National Center for Advancing Translational Science		3600	11,342	0	
93.350		1011902003UWA	3600	66,555	0	PT
93.350	National Center for Advancing Translational Science	1011902UWAAM05	3600	(62,290)	0	PT
93.350		12507SUB	3600	5,486	0	PT
93.350		12663SUB	3600	22,351	0	PT
93.350		16A00000700001AM03	3600	(323)	0	PT
93.350		2005069333	3600	(1)	0	PT
93.350		2005069333AM01	3600	98,816	0	PT
93.350		FY221126015PO100157866	3600	252,759	0	PT
93.350		UW669521	3600	11,792	0	PT
93.350	COVID-19 – National Center for Advancing Translational Science	VUMC85947AM02	3600	25,485	0	PT
93.350	National Center for Advancing Translational Science	WU210490PO2941111K	3600	66,711	0	PT

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Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 93.350 Total				16,506,088	2,515,129	
93.351	Research Infrastructure Programs		3600	21,653,091	126,616	
93.351			3650	7,420	0	
Federal Program 93.351 Total				21,660,511	126,616	
93.353	21ST Century Cures Act-Beau Biden Cancer Moonshot		3600	3,106,515	1,561,206	
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		0001091674	3600	1,648	0	PT
93.353		BD522497DAM05	3600	23,260	0	PT
93.353		C21868057AM06	3600	110,656	0	PT
Federal Program 93.353 Total				3,233,509	1,561,206	
93.361	Nursing Research		3600	4,549,456	1,170,276	
93.361		0255E1114609	3600	20,581	0	PT
93.361		0255E1114609AM01	3600	51,963	0	PT
93.361		12523SUB	3600	2,979	0	PT
93.361		12523SUBMOD01	3600	23,568	0	PT
93.361		12524SUBMOD01	3600	11,101	0	PT
93.361		12695SUB	3600	37,752	0	PT
93.361		20183654AM01	3600	(7,030)	0	PT
93.361		5106244AM06	3600	6,685	0	PT
93.361		7000000671AM05	3600	232,981	0	PT
93.361		7000001179AM02	3600	26,942	0	PT
93.361			3650	730,425	29,488	
93.361		5106247	3650	4,764	0	PT
Federal Program 93.361 Total				5,692,167	1,199,764	
93.368	21ST Century Cures Act-Precision Medicine Initiative		3600	18,053,542	0	
Federal Program 93.368 Total				18,053,542	0	
93.393	Cancer Cause and Prevention Research		3600	5,473,033	1,437,456	

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Assistance Listing 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	000000978	3600	6,043	0	PT
93.393		000001490	3600	25,012	0	PT
93.393		000001865	3600	11,601	0	PT
93.393		0001023364AM03	3600	99,829	0	PT
93.393		0001023364AM05	3600	107,450	0	PT
93.393		0001025948AM01	3600	143,498	0	PT
93.393		0001035919	3600	162	0	PT
93.393		0001041270AM01	3600	29,877	0	PT
93.393		0001041797	3600	3,038	0	PT
93.393		0001041797AM01	3600	10,806	0	PT
93.393		0001052585	3600	12,079	0	PT
93.393		0001067024	3600	11,133	0	PT
93.393		0001067504	3600	7,788	0	PT
93.393		0001079805	3600	58,406	0	PT
93.393		0001082328	3600	21,213	0	PT
93.393		0001084482	3600	25,887	0	PT
93.393		0001086407	3600	48,509	0	PT
93.393		0001110199	3600	11,559	0	PT
93.393		1004305702AM03	3600	(2,390)	0	PT
93.393		1004305702AM05	3600	71,304	0	PT
93.393		1004305702AM06	3600	10,551	0	PT
93.393		1160935118080AM01	3600	7,411	0	PT
93.393		1160935118080AM03	3600	128,548	0	PT
93.393		1160935121202AM01	3600	21,474	0	PT
93.393		1557GVC172AM04	3600	121,263	0	PT
93.393		1557GWA025AM03	3600	195,389	0	PT
93.393		17093AM07	3600	10,013	0	PT
93.393		20160369613A180177S004	3600	113,737	0	PT
93.393		20160369613AM03	3600	(3)	0	PT
93.393		20160369613AM04	3600	(1)	0	PT
93.393		3805581108503204110000	3600	45,301	0	PT
93.393		44956AM06	3600	11,212	0	PT

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93.393	Cancer Cause and Prevention Research	A200145S001P0726832AM0	3600	10,010	0	PT
93.393		AH000632AM04	3600	12,789	0	PT
93.393		AM01	3600	53,890	0	PT
93.393		AWD00000046SUB0000001	3600	23,158	0	PT
93.393		AWD000006641328812AM0	3600	8,331	0	PT
93.393		AWD102024SUB00000502	3600	15,475	0	PT
93.393		AWD102024SUB00000502A	3600	3,956	0	PT
93.393		CK11SSWEEKESIBCR1	3600	5,644	0	PT
93.393		CK11SWE31SIBCR	3600	900	0	PT
93.393		CK11SWE32SIBCR	3600	3,864	0	PT
93.393		CK11WE32SIBCR	3600	2,249	0	PT
93.393		CK11WE33SIBCR	3600	9,417	0	PT
93.393		CRASCR202110	3600	3,078	0	PT
93.393		GJ116GJ13SIBCR	3600	24,029	0	PT
93.393		GJ116GJ14SIBCR	3600	2,124	0	PT
93.393		GJ116HERODM1SIBCRMO	3600	83	0	PT
93.393		GJ116HERODM2SIBCR	3600	44,026	0	PT
93.393		GJ116HERODM3SIBCR	3600	6,555	0	PT
93.393		GJ116UW3AM01	3600	41,893	0	PT
93.393		N008519501	3600	148,153	0	PT
93.393		RNG210178UWAM04	3600	135,639	0	PT
93.393		RNG211580UW	3600	82,186	0	PT
93.393		RNG211637UW	3600	65,955	0	PT
93.393		S0135401AM02	3600	84,593	0	PT
93.393		UW686159	3600	11,274	0	PT
93.393		UWCA237153AM04	3600	52,737	0	PT
93.393			3650	727,450	0	
Federal Program 93.393 Total				8,420,190	1,437,456	
93.394	Cancer Detection and Diagnosis Research		3600	5,416,208	799,137	
93.394		0000988948AM002	3600	(31)	0	PT
93.394		0001032636AM01	3600	43,410	0	PT
93.394		0001038347AM01	3600	37,673	0	PT

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93.394	Cancer Detection and Diagnosis Research	0001038962AM01	3600	13,800	0	PT
93.394		0001038963	3600	5,543	0	PT
93.394		0001039282	3600	5,838	0	PT
93.394		0001039287AM01	3600	45,845	0	PT
93.394		0001052898	3600	7,607	0	PT
93.394		0001068927	3600	98,524	0	PT
93.394		0001081523	3600	37,201	0	PT
93.394		0001081524	3600	17,160	0	PT
93.394		0001081825	3600	146,145	0	PT
93.394		0001081826	3600	17,567	0	PT
93.394		0001082008	3600	6,770	0	PT
93.394		0001094363	3600	5,615	0	PT
93.394		10048SCAM04	3600	24,035	0	PT
93.394		1018110UWA	3600	29,459	0	PT
93.394		1018110UWAAM02	3600	70,173	0	PT
93.394		11124SCAM02	3600	9,472	0	PT
93.394		11124SCAM03	3600	43,863	0	PT
93.394		1557GVB811AM04	3600	261,727	0	PT
93.394		168994168546AM01	3600	723	0	PT
93.394		20210016	3600	12,184	0	PT
93.394		20A1001001955	3600	14,851	0	PT
93.394		5710004063AM04	3600	(12)	0	PT
93.394		62539499182191AM02	3600	201,253	0	PT
93.394		7621AM02	3600	18,600	0	PT
93.394		9770SCAM04	3600	8,949	0	PT
93.394		A147966A161226AM01	3600	291,729	0	PT
93.394		A147966AM01	3600	69,622	0	PT
93.394		A164794	3600	79,138	0	PT
93.394		AM01	3600	10,536	0	PT
93.394		IG114SAVARDC3SIBCRM	3600	40,217	0	PT
93.394		NIH204	3600	64,126	0	PT
93.394		PM33SUNS1SIBCR	3600	6,009	0	PT

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93.394	Cancer Detection and Diagnosis Research	PO7000000939AM03	3600	48,952	0	PT
93.394		SUBK00013600	3600	45,527	0	PT
93.394		UW633515	3600	35,393	0	PT
93.394		UW665758	3600	33,053	0	PT
93.394		UW668669	3600	80,152	0	PT
93.394			3650	98,206	1,650	
93.394	COVID-19 – Cancer Detection and Diagnosis Research	TULHSC5585862021	3650	142,219	0	PT
Federal Program 93.394 Total				7,645,031	800,787	
93.395	Cancer Treatment Research		3600	5,946,138	2,090,811	
93.395		0001020248AM02	3600	39,267	0	PT
93.395		0001025679MOD01	3600	4,366	0	PT
93.395		0001031913	3600	(1,652)	0	PT
93.395		0001031913AM01	3600	19,227	0	PT
93.395		0001041275	3600	2,875	0	PT
93.395		0001051807	3600	1,486	0	PT
93.395		0001059916AM01	3600	19,080	0	PT
93.395		0001060555AM01	3600	6,782	0	PT
93.395		0001074118	3600	42,756	0	PT
93.395		0001077860	3600	8,115	0	PT
93.395		0001083764	3600	100,549	0	PT
93.395		0001084846AM1	3600	9,385	0	PT
93.395		0001089584	3600	272,389	0	PT
93.395		0001101370	3600	1,972	0	PT
93.395		0001102734	3600	3,777	0	PT
93.395		0001110173	3600	15,106	0	PT
93.395		0129403S02	3600	31,202	0	PT
93.395		1013080UWACHIOREAN	3600	15,562	0	PT
93.395		11539SUBMOD06	3600	179,955	0	PT
93.395		11540SUBMOD05	3600	643	0	PT
93.395		11572SUBMOD07	3600	26,915	0	PT
93.395		12740SUB	3600	64,335	0	PT

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93.395	Cancer Treatment Research	13748	3600	54,782	0	PT
93.395		13765MOD01	3600	76,234	0	PT
93.395		1516301	3600	3,850	0	PT
93.395		A147165AM01	3600	54,578	0	PT
93.395		A151430AM002	3600	71,518	0	PT
93.395		AWD102398G1AM04PO500	3600	28,574	0	PT
93.395		BMXMBM001AM01	3600	2,863	0	PT
93.395		BW217BW23SIBCRM01	3600	(413)	0	PT
93.395		BW217OMERM1SIBCRM0	3600	12,778	0	PT
93.395		GY012SWISHERGY6AM04	3600	190,659	0	PT
93.395		U10CA1808200106WASH1	3600	6,506	0	PT
93.395		U10CA18082006WASH1CA	3600	10,949	0	PT
93.395		U10CA18082006WASH2CA	3600	10,004	0	PT
93.395		UW662579	3600	11,840	(307)	PT
93.395		UW663618	3600	(1,803)	0	PT
93.395			3650	398,713	26,320	
93.395		11515SUB	3650	157,610	0	PT
Federal Program 93.395 Total				7,899,472	2,116,824	
93.396	Cancer Biology Research		3600	5,334,269	769,573	
93.396		0001097934	3600	61,846	0	PT
93.396		01063086AM02	3600	125,254	0	PT
93.396		08003800S37701AM02	3600	16,504	0	PT
93.396		12288SUBMOD01	3600	21,620	0	PT
93.396		1719GXB208AM02	3600	144,285	0	PT
93.396		18A1001000999AM05	3600	66,089	0	PT
93.396		60068579AM02	3600	144,603	0	PT
93.396		62435605142396AM01	3600	16,517	0	PT
93.396		UW634967	3600	36,555	0	PT
93.396			3650	507,204	0	
93.396		08003800S37701	3650	46,207	0	PT
Federal Program 93.396 Total				6,520,953	769,573	
93.397	Cancer Centers Support Grants		3600	111,650	111,650	

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93.397	Cancer Centers Support Grants	0000958170AM03	3600	(845)	0	PT
93.397		0001028734AM04	3600	12,507	0	PT
93.397		0001028734AM05	3600	6,781	0	PT
93.397		0001028744AM05	3600	15,929	0	PT
93.397		0001028745AM04	3600	39,864	0	PT
93.397		0001028746AM05	3600	2,367	0	PT
93.397		0001028747AM04	3600	128,996	0	PT
93.397		0001028765AM04	3600	22,305	0	PT
93.397		0001028774	3600	(1)	0	PT
93.397		0001028781	3600	(47)	0	PT
93.397		0001028805AM04	3600	15,416	0	PT
93.397		0001028806AM04	3600	12,740	0	PT
93.397		0001029270AM04	3600	13,570	0	PT
93.397		0001029409AM04	3600	85,061	0	PT
93.397		0001029410AM03	3600	222,724	0	PT
93.397		0001029410AM04	3600	100,192	0	PT
93.397		0001029411AM03	3600	100,905	0	PT
93.397		0001030056AM04	3600	21,663	0	PT
93.397		0001030088AM04	3600	59,037	0	PT
93.397		0001030108AM03	3600	10,353	0	PT
93.397		0001033978AM02	3600	41,248	0	PT
93.397		0001040697	3600	34,925	0	PT
93.397	COVID-19 – Cancer Centers Support Grants	0001041996	3600	(2,161)	0	PT
93.397	Cancer Centers Support Grants	0001042506	3600	4,621	0	PT
93.397		0001045616	3600	1,362	0	PT
93.397		0001047852AM03	3600	(1,603)	0	PT
93.397		0001047852AM04	3600	17,838	0	PT
93.397		0001060045AM01	3600	5,746	0	PT
93.397		0001060853	3600	17,794	0	PT
93.397		0001060859	3600	54,234	0	PT
93.397		0001060860	3600	15,738	0	PT
93.397		0001061291	3600	57,494	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.397	Cancer Centers Support Grants	0001062188	3600	13,124	0	PT
93.397		0001062578	3600	44,468	0	PT
93.397		0001069011AM01	3600	46,050	0	PT
93.397		0001069082AM02	3600	79,957	0	PT
93.397		0001069418	3600	66,426	0	PT
93.397		0001069446AM01	3600	34,186	0	PT
93.397		0001070402AM01	3600	44,722	0	PT
93.397		0001070947	3600	14,828	0	PT
93.397		0001070948	3600	8,506	0	PT
93.397		0001071115AM01	3600	46,225	0	PT
93.397		0001071116	3600	31,277	0	PT
93.397		0001071117	3600	1,577	0	PT
93.397		0001071118AM01	3600	1,931	0	PT
93.397		0001071699AM01	3600	29,240	0	PT
93.397		0001071700AM01	3600	18,446	0	PT
93.397		0001071701AM01	3600	92,610	0	PT
93.397		0001071702AM01	3600	7,424	0	PT
93.397		0001077602	3600	32,529	0	PT
93.397		0001077628	3600	12,987	0	PT
93.397		0001077671	3600	16,299	0	PT
93.397		0001077718	3600	5,175	0	PT
93.397		0001083476AM01	3600	4,238	0	PT
93.397		0001084250	3600	19,445	0	PT
93.397		0001085616	3600	174,388	0	PT
93.397		0001094283	3600	17,938	0	PT
93.397		0001094285	3600	129,826	0	PT
93.397		0001094286	3600	62,546	0	PT
93.397		0001094307	3600	117,937	0	PT
93.397		0001094319	3600	31,438	0	PT
93.397		0001094636	3600	76,847	0	PT
93.397		0001110178	3600	7,382	0	PT
93.397		0001110481	3600	37,880	0	PT

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93.397	Cancer Centers Support Grants	001028805AM04	3600	7,738	0	PT
93.397		001070985	3600	17,603	0	PT
93.397		13209SCAM01	3600	55,811	0	PT
93.397		20180009AM03	3600	(128)	0	PT
93.397		TBCRC051MC1831AM01	3600	2,671	0	PT
93.397		UW637135	3600	2,636	0	PT
93.397		UW638644	3600	5,412	0	PT
Federal Program 93.397 Total				2,647,998	111,650	
93.398	Cancer Research Manpower		3600	2,363,942	190,342	
93.398		0001056254AM01	3600	97,820	0	PT
Federal Program 93.398 Total				2,461,762	190,342	
93.399	Cancer Control		3600	146,699	109,391	
93.399		0000001280	3600	4,315	0	PT
93.399		0000001702	3600	1,935	0	PT
93.399		0000001922	3600	29,563	0	PT
93.399		0001098107	3600	12,206	0	PT
93.399		3004538756AM07	3600	83,416	0	PT
Federal Program 93.399 Total				278,134	109,391	
National Institutes of Health Total				126,973,969	17,710,925	
93.421	Strengthening Public Health Systems and Services	AM01	3600	43,263	0	PT
93.421	COVID-19 – Strengthening Public Health Systems and Services	AWD00000288SUB0000013	3600	15,922	0	PT
93.421	Strengthening Public Health Systems and Services	G1288AM3	3600	2,583	0	PT
93.421		G1468AM01	3600	(12,632)	0	PT
93.421		G1511AM04	3600	71,768	0	PT
93.421		G1528MOD002	3600	7,921	0	PT
93.421		G1751	3600	63,302	0	PT
93.421		G1751AM01	3600	121,674	0	PT
93.421		G1780AM02	3600	(3,372)	0	PT
93.421		G1782AG035200395AM02	3600	58,849	0	PT

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93.421	Strengthening Public Health Systems and Services	G2088AG0704	3600	30,623	0	PT
93.421		G2142AG0764AM01	3600	180,499	0	PT
Federal Program 93.421 Total				580,400	0	
Centers for Disease Control and Prevention Total				580,400	0	
93.433	ACL National Institute on Disability, Independent		3600	808,713	0	
93.433		000532312SC001	3600	3,802	0	PT
93.433		1090644422918	3600	39,365	0	PT
93.433		2021YR41800UWASHINGT	3600	1,099	0	PT
93.433		2022YR51800UWASHADA	3600	2,580	0	PT
93.433		2694UWBY2AM04	3600	50,320	0	PT
93.433		2694UWBY3AM04	3600	45,911	0	PT
93.433		7258AM02	3600	52,500	0	PT
93.433		7258AM04	3600	272,189	0	PT
93.433		8699	3600	1,483	0	PT
93.433		8699PO0384123AM001	3600	3,517	0	PT
Federal Program 93.433 Total				1,281,479	0	
Administration for Community Living Total				1,281,479	0	
93.508	Affordable Care Act Tribal Maternal, Infant & Early	A71880MOD11	3600	49,559	0	PT
Federal Program 93.508 Total				49,559	0	
Administration for Children and Families Total				49,559	0	
93.516	Public Health Training Centers Program		3600	670,683	52,004	
Federal Program 93.516 Total				670,683	52,004	
Health Resources and Services Administration Total				670,683	52,004	
93.564	Child Support Enforcement Research		3000	188,169	61,620	
Federal Program 93.564 Total				188,169	61,620	
93.652	Adoption Opportunities	90CO11340201AM01	3600	204,497	4,875	PT
93.652		AM01	3600	119,765	28,657	PT
93.652		UW633294	3600	187,638	0	PT

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93.652	Adoption Opportunities	UW633698	3600	6,790	0	PT
93.652		UW667780	3600	6,019	0	PT
Federal Program 93.652 Total				524,709	33,532	
Administration for Children and Families Total				712,878	95,152	
93.732	Mental and Behavioral Health Education and Training		3600	240,707	0	
93.732		710072122200	3600	5,902	0	PT
Federal Program 93.732 Total				246,609	0	
Health Resources and Services Administration Total				246,609	0	
93.772	Tribal Public Health Capacity Building and Quality	AM02	3600	11,489	0	PT
Federal Program 93.772 Total				11,489	0	
Centers for Disease Control and Prevention Total				11,489	0	
93.788	Opioid STR	0010312300070912	3600	16,918	0	PT
93.788		0010341500070912	3600	67,690	0	PT
93.788		0010960000077332	3600	208,306	0	PT
93.788		0010981200077332AM01	3600	24,560	0	PT
Federal Program 93.788 Total				317,474	0	
Substance Abuse and Mental Health Services Adminis Total				317,474	0	
93.825	COVID-19 – National Ebola Training and Education Center (NETEC)	3412093001002	3600	140,603	0	PT
93.825		3412093001002AM01	3600	320,974	0	PT
Federal Program 93.825 Total				461,577	0	
Office of the Secretary Total				461,577	0	
93.837	Cardiovascular Diseases Research		3600	29,040,637	5,064,015	
93.837		0012348CAM02	3600	4,425	0	PT
93.837		0013892AAM01	3600	15,740	0	PT
93.837		08018007S27801AM05	3600	169,869	0	PT
93.837		10174200001HH5920AM04	3600	7,250	0	PT
93.837		122387691POS9002468AM0	3600	98,614	0	PT

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93.837	Cardiovascular Diseases Research	12730SUB	3600	63,851	0	PT
93.837		12920SC	3600	4,219	0	PT
93.837		13078SCAM01	3600	8,656	0	PT
93.837		1645925111972AM03	3600	4,075	0	PT
93.837		177494218214226028AM03	3600	4,505	0	PT
93.837		1R43HL15632701A1	3600	7,825	0	PT
93.837		2004073037AM003	3600	23,973	0	PT
93.837		2004073037AM02	3600	12,232	0	PT
93.837		2004772455AM001	3600	68,571	0	PT
93.837		218518601AM01	3600	162,217	0	PT
93.837		232954	3600	16,707	0	PT
93.837		236957AM02	3600	54,090	0	PT
93.837		3147002UWPOAM001	3600	12,900	0	PT
93.837		3GG01104605AM005	3600	49,136	0	PT
93.837		5113177AM03	3600	41,155	0	PT
93.837		580479PO4700953PRIOR46	3600	6,091	0	PT
93.837		580479PO4700955PRIOR46	3600	24,581	0	PT
93.837		60058454UOWA01	3600	90,284	1,573	PT
93.837		704747	3600	10,692	0	PT
93.837		704820	3600	164,033	0	PT
93.837		7312021703065767LMOD00	3600	33,627	0	PT
93.837		7312021703065767LMOD02	3600	3,022	0	PT
93.837		900087AM01	3600	17,760	0	PT
93.837		A032471AM02	3600	11,756	0	PT
93.837		A033025AM02	3600	146,283	0	PT
93.837		A138591	3600	55,687	0	PT
93.837		AM09	3600	177,585	0	PT
93.837		ASUB00000241AM004	3600	23,300	0	PT
93.837		GMO210303PO0000002279	3600	13,807	0	PT
93.837		GR105731CON80001726A	3600	98,370	0	PT
93.837		GR119787AM03	3600	4,860	0	PT
93.837		MOD06	3600	193	0	PT

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93.837	Cardiovascular Diseases Research	PS224978MOD09	3600	2,715	0	PT
93.837		S0045001AM03	3600	15,297	0	PT
93.837		S0045001AM04	3600	1,621	0	PT
93.837		SUBK00012868003AM002	3600	39,909	0	PT
93.837		UW666593	3600	172,561	0	PT
93.837		VUMC59733AM08	3600	484,462	0	PT
93.837		VUMC95800	3600	52,917	0	PT
93.837		WU220018	3600	8,872	0	PT
93.837		WU230010	3600	12,556	0	PT
93.837			3650	854,209	188,301	
93.837		320000360821114	3650	177,900	0	PT
93.837		599745	3650	42,502	0	PT
Federal Program 93.837 Total				32,618,099	5,253,889	
93.838	Lung Diseases Research		3600	6,856,633	826,395	
93.838		0001054456AM01	3600	31,308	0	PT
93.838		0001054457	3600	75	0	PT
93.838		0001092777	3600	198,950	0	PT
93.838		0164102S01	3600	63,821	0	PT
93.838		1018872UWAAM01	3600	106,037	0	PT
93.838	COVID-19 – Lung Diseases Research	1018896002UWAAM02	3600	2,814	0	PT
93.838	Lung Diseases Research	1018896004UWAAM01	3600	3,153	0	PT
93.838		1019395UWAAM002	3600	45,563	0	PT
93.838		1021391UW	3600	17,721	0	PT
93.838		1021855UW	3600	54,647	0	PT
93.838		20210005	3600	7,648	0	PT
93.838		20210011MOD01	3600	207,873	0	PT
93.838		21191925	3600	5,119	0	PT
93.838		2119194	3600	31,471	0	PT
93.838		239080	3600	59,196	0	PT
93.838	COVID-19 – Lung Diseases Research	239574	3600	50,171	0	PT
93.838	Lung Diseases Research	2GG01166201AM04	3600	12,449	0	PT
93.838		2GG01278210AM04POG14	3600	59,595	0	PT

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93.838	Lung Diseases Research	303862AM04	3600	82,097	0	PT
93.838	COVID-19 – Lung Diseases Research	32GG01599701POG15284A	3600	148,195	0	PT
93.838	Lung Diseases Research	5119022AM01	3600	3,985	0	PT
93.838		5122015PREVIOUSLY5119	3600	67,765	0	PT
93.838		582591	3600	29,144	0	PT
93.838		583172	3600	61,095	0	PT
93.838		6GG01792901	3600	25,450	0	PT
93.838		AM04	3600	443	0	PT
93.838		ASUB00000775AM01	3600	78,398	0	PT
93.838		EH17325S4AM04	3600	14,878	0	PT
93.838		S0006202AM05	3600	40,080	0	PT
93.838		SUBK00016195AM01	3600	48,029	0	PT
93.838		WU19105MOD4	3600	29,760	0	PT
Federal Program 93.838 Total				8,443,563	826,395	
93.839	Blood Diseases and Resources Research		3600	8,087,698	2,774,362	
93.839	COVID-19 – Blood Diseases and Resources Research		3600	358,151	250,000	
93.839	Blood Diseases and Resources Research	0000998786AM01	3600	(1,442)	0	PT
93.839		0001002754AM002	3600	(550)	0	PT
93.839		0001029239	3600	(8,064)	0	PT
93.839		0001029239AM003	3600	245,108	0	PT
93.839		0001034329AM01	3600	37,346	0	PT
93.839		0001081416	3600	329,895	0	PT
93.839		11685UW147AM03	3600	21,764	0	PT
93.839		12265SUBMOD01	3600	73,136	0	PT
93.839		12393SUB	3600	6,645	0	PT
93.839		12393SUBMOD01	3600	66,125	0	PT
93.839		12394SUBMOD02	3600	124,258	0	PT
93.839		12799SUB	3600	52,809	0	PT
93.839		12800SUB	3600	14,772	0	PT
93.839		2004868647	3600	(5,244)	0	PT
93.839		2004868647AM01	3600	154,642	0	PT

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93.839	Blood Diseases and Resources Research	33108SUB52859AM03	3600	94,292	0	PT
93.839		5112806AM03	3600	26,678	0	PT
93.839		883UW2019AM03	3600	45,723	0	PT
93.839		883UW2019AM04	3600	9,185	0	PT
93.839		883UWKONKLE	3600	7,398	0	PT
93.839		895UW2020AM02	3600	245,366	0	PT
93.839		AM03	3600	293,239	0	PT
93.839		FP066598BAM03	3600	37,077	0	PT
93.839		FP066598DAM03	3600	4,189	0	PT
93.839		SA0000420AM04	3600	47,614	0	PT
93.839		SA0000533AM03	3600	17,614	0	PT
93.839		SCON00002285AM02	3600	596,061	0	PT
93.839		SCON00003444AM03	3600	262,271	0	PT
93.839		UW636956	3600	57,431	0	PT
93.839		UW660569	3600	18,638	0	PT
93.839		UW668837	3600	(77,941)	0	PT
93.839			3800	159,015	0	
Federal Program 93.839 Total				11,400,899	3,024,362	
93.840	Translation and Implementation Science Research For		3600	1,992,148	457,323	
93.840	COVID-19 – Translation and Implementation Science Research For		3600	23,598	0	
93.840	Translation and Implementation Science Research For	AD226SHAHR3SIBCR	3600	27,134	0	PT
93.840		C0013	3600	208,376	0	PT
93.840		IDRC0003SC	3600	37,478	0	PT
93.840		RES516380AM01	3600	14,206	0	PT
93.840		VUMC95584AM01	3600	10,789	0	PT
Federal Program 93.840 Total				2,313,729	457,323	
93.846	Arthritis, Musculoskeletal and Skin Diseases Research		3600	7,867,534	761,395	
93.846		12568SUB	3600	101,859	0	PT
93.846		12568SUBMOD1	3600	61,554	0	PT

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93.846	Arthritis, Musculoskeletal and Skin Diseases Research	2004829001MOD02	3600	50,185	0	PT
93.846		20211473AM02	3600	2,568	0	PT
93.846		5122314AM01	3600	6,973	0	PT
93.846		90077AM04	3600	209,360	0	PT
93.846		LW143LW11SIBCR	3600	6,006	0	PT
93.846		LW143LW12SIBCR	3600	41,958	0	PT
93.846		LW143UW1	3600	13,354	0	PT
93.846		LW143UW2AM01	3600	74,869	0	PT
93.846		SB226AGELJ1SIBCR	3600	4,471	0	PT
93.846		UNI289755PO68352970	3600	37,467	0	PT
93.846		UW660355	3600	2,730	0	PT
93.846			3650	1,129,576	11,372	
Federal Program 93.846 Total				9,610,464	772,767	
93.847	Diabetes, Digestive, and Kidney Diseases Extramural		3600	27,433,839	6,096,482	
93.847	COVID-19 – Diabetes, Digestive, and Kidney Diseases Extramural		3600	87,141	0	
93.847	Diabetes, Digestive, and Kidney Diseases Extramural	00001250AM05	3600	31,112	0	PT
93.847		00001835AM01	3600	18,301	0	PT
93.847		0001028807	3600	9,569	0	PT
93.847		0001045697AM02	3600	58,459	0	PT
93.847		000524405SC004	3600	(2)	0	PT
93.847		000524405SC004AM001	3600	12,032	0	PT
93.847		096530003324881AM04	3600	17,492	0	PT
93.847		096530003326168AM05	3600	2,076	0	PT
93.847		098750002324153AM01	3600	3,615	0	PT
93.847		098750003325730AM002	3600	112,599	0	PT
93.847		10321SCAM03	3600	3,398	0	PT
93.847		10863SCAM04	3600	76,804	0	PT
93.847		11740SCAM02	3600	(62,248)	0	PT
93.847		11740SCAM03	3600	310,222	0	PT

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Assistance Listing 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 Extramural	12199SUBMOD03	3600	240,675	0	PT
93.847		12402SUB	3600	9,981	0	PT
93.847		12681SUB MOD01	3600	4,445	0	PT
93.847		12681SUBMOD01	3600	51,811	0	PT
93.847		12681SUBMOD01	3600	689,281	21,089	PT
93.847		1413SUBAM06	3600	82,303	4,445	PT
93.847		16924AM06	3600	16,548	0	PT
93.847		169762169761	3600	45,850	0	PT
93.847		1R41DK12293301A1	3600	15,756	0	PT
93.847		2003992125AM03	3600	35,710	0	PT
93.847		235385AM03	3600	58,926	0	PT
93.847		238171	3600	19,463	0	PT
93.847		238171AM01	3600	21,052	0	PT
93.847		238587AM01	3600	24,655	0	PT
93.847		3005085721AM01	3600	(4,785)	0	PT
93.847		310859AM10	3600	31,961	0	PT
93.847		3230782AM02	3600	38,420	0	PT
93.847		3230784	3600	(287)	0	PT
93.847		363502	3600	16,966	0	PT
93.847		363503	3600	22,191	0	PT
93.847		5013848SERVAM005	3600	16,055	0	PT
93.847		5119779AM01	3600	26,858	0	PT
93.847		577146	3600	3,703	0	PT
93.847		579594AM01	3600	2,578	0	PT
93.847		582481AM02	3600	3,732	0	PT
93.847		7000000980AM03	3600	(13,127)	0	PT
93.847		A547599	3600	202	0	PT
93.847		AM01	3600	101,690	0	PT
93.847		AWD000004171327234AM0	3600	(90,331)	0	PT
93.847		BJ211BJ24SIBCR	3600	4,181	0	PT
93.847		BJ211BJ25SIBCR	3600	2,688	0	PT
93.847		BJ211SIKKEC3SIBCR	3600	4,588	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Assistance Listing 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 Extramural	BJ211SIKKEC4SIBCR	3600	2,312	0	PT
93.847		BW2RE21OMERM1SIBCR	3600	7,214	0	PT
93.847		BW2RE21OMERM2SIBCR	3600	17,313	0	PT
93.847		FP06836601IAM04	3600	214,583	0	PT
93.847		GENFD00002039484	3600	6,646	0	PT
93.847		GENFD0002181614	3600	1,275	0	PT
93.847		GMO161129PO000000975E	3600	(77)	0	PT
93.847		GMO161129PO000000975F	3600	316	0	PT
93.847		GMO200501PO0000001992	3600	235,593	0	PT
93.847		HR15HR110SIBCR	3600	8,806	0	PT
93.847		KA1462AM03	3600	34,055	0	PT
93.847		KS121BE111SIBCR	3600	7,572	0	PT
93.847		KS16KS111SIBCR	3600	11,756	0	PT
93.847		KS16LOVATC11SIBCR	3600	3,921	0	PT
93.847		LIN91306401AM02	3600	12,277	0	PT
93.847		N006254903AM05	3600	(24,641)	0	PT
93.847		N008681702AM001	3600	44,831	0	PT
93.847		RES516361AM01	3600	257,452	0	PT
93.847		RES516472AM02	3600	11,652	0	PT
93.847		RNG003044UWDREWNO	3600	50,871	0	PT
93.847		RNG003044UWVERNEZM	3600	58,846	0	PT
93.847		S002266DHHS	3600	25,120	0	PT
93.847		SCH228401AM01	3600	11,964	0	PT
93.847		SUB00000252	3600	8,752	0	PT
93.847		SUBK00013501AM01	3600	34,440	0	PT
93.847		SUBK00017006	3600	3,570	0	PT
93.847		UK1GRADEKS110SIBCR	3600	17,559	0	PT
93.847		UK1GRADEKS19SIBCR	3600	1,763	0	PT
93.847		UK1GRADEUK17SIBCR	3600	879	0	PT
93.847		UK1GRADEUK18SIBCR	3600	9,673	0	PT
93.847		UK1GRADEWL15SIBCR	3600	1,079	0	PT
93.847		UW662724	3600	208,137	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Assistance Listing 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 Extramural	UW663868	3600	5,113	0	PT
93.847		UW666140	3600	254,094	0	PT
93.847		WP21CG11SIBCR	3600	1,114	0	PT
93.847			3650	1,161,118	147,853	
93.847		401536	3650	96,545	0	PT
93.847		401707	3650	12,031	0	PT
93.847		575452	3650	122,805	0	PT
93.847		FY17001016	3650	5,733	0	PT
93.847		FY22001017	3650	6,737	0	PT
93.847		R01DK108765S001	3650	29,021	0	PT
93.847		RGF010786A	3650	38,487	0	PT
Federal Program 93.847 Total				32,616,455	6,269,869	
93.853	Extramural Research Programs in the Neurosciences		3600	18,895,626	2,292,644	
93.853		0000000112MODO1	3600	(35)	0	PT
93.853		000013147GAM01	3600	9,628	0	PT
93.853		000013150AAM03	3600	10,399	0	PT
93.853		0001069151AM01	3600	143,182	0	PT
93.853		0001076616	3600	42,021	0	PT
93.853		01063359AM02	3600	20,666	0	PT
93.853		010785135574AM02	3600	20,826	0	PT
93.853		011337135574AM01	3600	41,458	0	PT
93.853		012043135574	3600	5,498	0	PT
93.853		012044135574AM01	3600	6,829	0	PT
93.853		0255C8014609AM03	3600	80,852	0	PT
93.853		0255C8014609AM05	3600	238,432	0	PT
93.853		1013756UWAAM01	3600	2,184	0	PT
93.853		1013756UWAAM03	3600	245,942	0	PT
93.853		1015158UWAM01	3600	2,350	0	PT
93.853		1015158UWAM02	3600	27,244	0	PT
93.853		1090654437057	3600	64,577	0	PT
93.853		1090654437057AM01	3600	112,541	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Assistance Listing 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	10945SCAM02	3600	42,851	0	PT
93.853		10945SCAM03	3600	135,226	0	PT
93.853		11037SCAM04	3600	85,418	0	PT
93.853		11713SUBMOD05	3600	6,121	0	PT
93.853		12753SUB	3600	51,864	0	PT
93.853		12754SUB	3600	43,776	0	PT
93.853		12987SC	3600	41,654	0	PT
93.853		136560897AM01	3600	(4,286)	0	PT
93.853		1482SUB	3600	7,959	0	PT
93.853		1482SUBAM01	3600	96,616	0	PT
93.853		14942051049390502AM05	3600	44,025	0	PT
93.853		1580GYB506AM01	3600	296,971	0	PT
93.853		168355168352AM02	3600	80,191	0	PT
93.853		170356170353	3600	10,384	0	PT
93.853		1713GZA878	3600	13,228	0	PT
93.853		1GG01200604AM06	3600	164,065	0	PT
93.853		1GG01200605AM07	3600	24,463	0	PT
93.853		2021001487	3600	25,230	0	PT
93.853		20210471	3600	134,919	0	PT
93.853		20210503	3600	8,160	0	PT
93.853		20210724AM01	3600	182,194	0	PT
93.853		213056UWAAM03	3600	157,316	0	PT
93.853		232940AM03	3600	244,696	0	PT
93.853		3021754AM03	3600	57,638	0	PT
93.853		3GG01714305	3600	109,754	0	PT
93.853		417793URFAOGR510748A	3600	5,854	0	PT
93.853		428629	3600	156,509	0	PT
93.853		428629AM01	3600	273,507	0	PT
93.853		4410141005203	3600	3,339	0	PT
93.853		572976AM03	3600	51,200	0	PT
93.853		580573AM02	3600	18,017	0	PT
93.853		583281AM003	3600	59,946	0	PT

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Assistance Listing 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	60043694UWAMA04	3600	(3,395)	0	PT
93.853		60043694UWAMA05	3600	14,850	0	PT
93.853		60054064WASHAMA03	3600	141,369	0	PT
93.853		61855870125439AM06	3600	30,797	0	PT
93.853		7000001516	3600	36,956	0	PT
93.853		9670SCAM08	3600	50,458	0	PT
93.853		9670SCAM09	3600	225,309	0	PT
93.853		A211324S007	3600	8,498	0	PT
93.853		A211324S007AM01	3600	34,251	0	PT
93.853		A521966FORMERLYA3653	3600	69,223	0	PT
93.853		DM24UW1	3600	16,728	0	PT
93.853		DM24UW2AM01	3600	43,662	0	PT
93.853		GB10965169717	3600	66,791	0	PT
93.853		KB26BBAKER1SIBCRMO	3600	9,714	0	PT
93.853		KB26BBENBOS2SIBCRM	3600	13,823	0	PT
93.853		KB26BECKR1SIBCR	3600	9,162	0	PT
93.853		KB26BJADHAV1SIBCR	3600	2,794	0	PT
93.853		KB26BKB22SIBCR	3600	10,524	0	PT
93.853		N008333201AM01	3600	(3,540)	0	PT
93.853		PE154PE15SIBCRM001	3600	9,219	0	PT
93.853		PE154SIKKEC1SIBCRMO	3600	12,137	0	PT
93.853		PO2005467415	3600	46,816	0	PT
93.853		PRIME5R01NS11085603A	3600	37,544	0	PT
93.853		S397592AM04	3600	1,859	1,859	PT
93.853		S397592AM07	3600	382,011	167,807	PT
93.853		S407472AM04	3600	222,796	0	PT
93.853		SA15008UWPO64053AM04	3600	2,665	0	PT
93.853		SUB00000073AM1GURFA	3600	1,862	0	PT
93.853		SUB00000073URFAOGR53	3600	23,211	0	PT
93.853		SUBK00007467AM01	3600	(348,024)	0	PT
93.853		SUBK00007467AM03	3600	634,804	0	PT
93.853		SUBK10405CSPR002	3600	68,166	0	PT

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Assistance Listing 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	TASKORDER01EN2001MO	3600	7,937	0	PT
93.853		TD116HS24SIBCRM01	3600	1,730	0	PT
93.853		TD116HS25SIBCRM01	3600	15,571	0	PT
93.853		UW635814	3600	105,314	0	PT
93.853		WAS22406304AM04	3600	1,034	0	PT
93.853			3650	1,583,846	248,626	
93.853			3700	109,549	15,755	
Federal Program 93.853 Total				26,297,046	2,726,691	
93.855	Allergy and Infectious Diseases Research		3600	75,422,129	14,892,878	
93.855	COVID-19 – Allergy and Infectious Diseases Research		3600	3,622,639	1,161,197	
93.855	Allergy and Infectious Diseases Research	0000000807	3600	32,870	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	000001055AM01	3600	92,339	0	PT
93.855	Allergy and Infectious Diseases Research	000001423	3600	85,962	0	PT
93.855		000002115	3600	38,383	0	PT
93.855		00002083	3600	650	0	PT
93.855		0000962047AM02	3600	1,143	0	PT
93.855		0000962047AM03	3600	31,877	0	PT
93.855		0001012355AM03	3600	95,391	0	PT
93.855		0001015916AM02	3600	35,687	0	PT
93.855		0001020283AM04	3600	16,899	0	PT
93.855		0001022939AM03	3600	27,091	0	PT
93.855		0001024201AM03	3600	41,000	0	PT
93.855		0001028430AM02	3600	23,579	0	PT
93.855		0001028526AM03	3600	88,338	0	PT
93.855		0001029242AM02	3600	13,244	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001029821AM02	3600	82,238	0	PT
93.855	Allergy and Infectious Diseases Research	0001033611AM01	3600	917	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001034096	3600	(8,269)	0	PT
93.855	Allergy and Infectious Diseases Research	0001035447	3600	1,778	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.855	Allergy and Infectious Diseases Research	0001036910AM01	3600	39,029	0	PT
93.855		0001037247AM1	3600	41,754	0	PT
93.855		0001037336AM03	3600	110,789	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001037385AM02	3600	174,105	0	PT
93.855	Allergy and Infectious Diseases Research	0001037495MOD01	3600	56,040	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001040438AM01	3600	95,245	0	PT
93.855		0001040489AM01	3600	37,134	0	PT
93.855		0001042324AM02	3600	3,656,972	0	PT
93.855		0001044376AM001	3600	167,034	0	PT
93.855		0001044376AM02	3600	64,234	0	PT
93.855	Allergy and Infectious Diseases Research	0001046141AM01	3600	113,138	0	PT
93.855		0001051705	3600	42,186	0	PT
93.855		0001051747AM01	3600	86,818	0	PT
93.855		0001051757AM01	3600	345,285	0	PT
93.855		0001051952	3600	44,662	0	PT
93.855		0001055535AM02	3600	85,394	0	PT
93.855		0001055789AM02	3600	333,256	0	PT
93.855		0001058261MOD1	3600	129,516	0	PT
93.855		0001058324AM01	3600	59,809	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001060397AM1	3600	(25,409)	0	PT
93.855	Allergy and Infectious Diseases Research	0001061258AM03	3600	309,153	0	PT
93.855		0001061297AM04	3600	160,204	0	PT
93.855		0001061302AM03	3600	295,906	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001061398	3600	(44,606)	0	PT
93.855		0001062472AM03	3600	414,460	0	PT
93.855	Allergy and Infectious Diseases Research	0001063058AM01	3600	22,860	0	PT
93.855		0001065948AM02	3600	55,145	0	PT
93.855		0001066781AM02	3600	148,822	0	PT
93.855		0001069954AM01	3600	54,597	0	PT
93.855		0001071171	3600	83,817	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.855	COVID-19 – Allergy and Infectious Diseases Research	0001072187	3600	27,610	0	PT
93.855	Allergy and Infectious Diseases Research	00010756AM01	3600	9,847	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001078169AM01	3600	8,397,547	0	PT
93.855	Allergy and Infectious Diseases Research	0001080572	3600	167,507	0	PT
93.855		0001085142	3600	421,195	0	PT
93.855		0001088419	3600	6,014	0	PT
93.855		0001093967	3600	48,111	0	PT
93.855		0001094728	3600	201,049	0	PT
93.855		0001094888	3600	117,981	0	PT
93.855		0001094889	3600	92,895	0	PT
93.855		0001095151	3600	76,179	0	PT
93.855		0001095152	3600	179,338	0	PT
93.855		0001095306AM04	3600	28,094	0	PT
93.855		0001095307	3600	3,750	0	PT
93.855		0001097588	3600	19,927	0	PT
93.855		0001097618	3600	49,995	0	PT
93.855		0001097675	3600	115,704	0	PT
93.855		0001099183	3600	171,570	0	PT
93.855		0001101341	3600	13,372	0	PT
93.855		0001102926PROJECT42588	3600	172,191	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001105046	3600	195,772	0	PT
93.855		0001106159	3600	537,235	0	PT
93.855		0001107418	3600	109,494	0	PT
93.855	Allergy and Infectious Diseases Research	0001110203	3600	19,717	0	PT
93.855		0001110279	3600	29,890	0	PT
93.855		0001110285	3600	312,580	0	PT
93.855		000510836006AM06	3600	40,725	0	PT
93.855		000510836006AM08	3600	153,722	0	PT
93.855		000529618SC006R24AI067	3600	940,589	0	PT
93.855		0121305S01	3600	(24,085)	0	PT

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93.855	Allergy and Infectious Diseases Research	0121405S01	3600	2,367	0	PT
93.855		0121705S02	3600	27,109	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0135002S01A01AM01	3600	590,571	0	PT
93.855	Allergy and Infectious Diseases Research	0139201S01	3600	5,710	0	PT
93.855		0255C1604609	3600	(2,546)	0	PT
93.855		10062083UW	3600	12,238	0	PT
93.855		10119SCAM04	3600	19,319	0	PT
93.855		1013170UWAAM03	3600	20,058	0	PT
93.855		10182SCAM06	3600	30,711	0	PT
93.855		10182SCAM07	3600	7,746	0	PT
93.855		1020009UWA	3600	12,640	0	PT
93.855		1020638UW	3600	3,521	0	PT
93.855		10951SCAM03	3600	57,926	0	PT
93.855		11003SCAM03	3600	(1,889)	0	PT
93.855		11003SCAM05	3600	27,328	0	PT
93.855		11313SCAM05	3600	847,320	20,594	PT
93.855		11645SUBMOD04	3600	303,275	0	PT
93.855		11670SUBMOD05	3600	112,918	0	PT
93.855		11671SUBMOD04	3600	84,417	0	PT
93.855		11927SUBMOD03	3600	7,434	0	PT
93.855		12175SUBMOD03	3600	284,533	0	PT
93.855		12179SUBMOD02	3600	193,936	0	PT
93.855		12234SUBMOD02	3600	263,891	0	PT
93.855		12331SUBMOD01	3600	111,913	0	PT
93.855		12366SUBMOD1	3600	8,507	0	PT
93.855		12490SUBMOD01	3600	88,101	0	PT
93.855		12491SUBMOD01	3600	70,989	0	PT
93.855		12509SUBMOD01	3600	207,666	0	PT
93.855		12538SUB	3600	288,004	0	PT
93.855		125394	3600	3,023	0	PT
93.855		12544SUBMOD01	3600	392,838	0	PT

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Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.855	COVID-19 – Allergy and Infectious Diseases Research	12550SUB	3600	77,701	0	PT
93.855	Allergy and Infectious Diseases Research	125980	3600	5,852	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	12725SUB	3600	36,231	0	PT
93.855		12726SUBMOD03	3600	15,637	0	PT
93.855	Allergy and Infectious Diseases Research	12760SUB	3600	197,659	0	PT
93.855		12773SUB	3600	172,524	0	PT
93.855		12783SUB	3600	4,749	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	12808SUB	3600	14,151	0	PT
93.855	Allergy and Infectious Diseases Research	12906SC	3600	67,627	0	PT
93.855		12944SC	3600	71,116	0	PT
93.855		13150SC	3600	176,421	0	PT
93.855		13150SCAM01	3600	1,009	0	PT
93.855		13889321147	3600	32,610	0	PT
93.855		15241651194570021AM01	3600	59,019	0	PT
93.855		1559GXG085AM01	3600	125,796	0	PT
93.855		1560BYC861AM02	3600	632,531	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	1560BYC861AM03	3600	2,257	0	PT
93.855		1560BZA310AM01	3600	1,480,596	0	PT
93.855	Allergy and Infectious Diseases Research	1560GWA590AM02	3600	(652)	0	PT
93.855		1626PO1389584	3600	15,426	0	PT
93.855		1650GYA480AM01	3600	229,043	0	PT
93.855		1GG01523201AM01	3600	10,115	0	PT
93.855		1R61AI16181101002AM01	3600	23,670	0	PT
93.855		2005307175	3600	598,633	0	PT
93.855		20210003AM01	3600	16,912	0	PT
93.855		202129AM01	3600	147,275	0	PT
93.855		203504UWAM03	3600	176,399	0	PT
93.855		2077	3600	215,256	0	PT
93.855		20M23AM02	3600	10,936	0	PT
93.855		212181AM3	3600	1,040	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Assistance Listing 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	218514302	3600	2,093	0	PT
93.855		21M118AM01	3600	15,936	0	PT
93.855		234124	3600	34,345	0	PT
93.855		2590072324	3600	230,915	0	PT
93.855		2590172324AM01	3600	4,564	0	PT
93.855		26570801UWASHAM01	3600	38,555	0	PT
93.855		2GG01537401	3600	16,559	0	PT
93.855		4695AM04	3600	138,290	0	PT
93.855		5118694AM01	3600	98,490	0	PT
93.855		5122353AM02	3600	364,336	0	PT
93.855		5668PO1013805HJF65843	3600	82,944	0	PT
93.855		569316AM06	3600	68,208	0	PT
93.855		571209AM04	3600	3,835	0	PT
93.855		582399AM01	3600	462,982	0	PT
93.855		584707AM02	3600	115,157	0	PT
93.855		60060177UW	3600	41,337	0	PT
93.855		7137555AM02	3600	10,291	0	PT
93.855		73440803AM005	3600	21,034	0	PT
93.855		8133UW	3600	15,287	0	PT
93.855		8989WU	3600	29,100	0	PT
93.855		8989WUAM01	3600	2,105	0	PT
93.855		90654UNIVOFWASHINGTON	3600	149,573	0	PT
93.855		9167PRIOR9155AM03	3600	179,490	0	PT
93.855		9704AM01	3600	20,435	0	PT
93.855		A011120AM03	3600	(1,192)	0	PT
93.855		A011120AM04	3600	145,258	0	PT
93.855		A147555MOD03	3600	21,160	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	A147555MOD03	3600	117,237	0	PT
93.855		A153251MOD03	3600	129,476	0	PT
93.855	Allergy and Infectious Diseases Research	A390459AM01	3600	409,622	0	PT
93.855		A390459AM02	3600	205,180	0	PT
93.855		A390459AM03	3600	11,519	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Assistance Listing 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	A400416AM02	3600	252,178	0	PT
93.855		A413725	3600	(2,568)	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	A416500	3600	90,548	0	PT
93.855		A529608A450144AM02	3600	70,022	0	PT
93.855		A549721AM02	3600	14,533	0	PT
93.855	Allergy and Infectious Diseases Research	A550333	3600	19,491	0	PT
93.855		A599934FORMERLYA5504	3600	18,254	0	PT
93.855		A603323AM01FORMERA5	3600	4,168	0	PT
93.855		A609557FORMERLYA4165	3600	127,529	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	A611940FORMERLYA5337	3600	25,306	0	PT
93.855		A644471FORMERLYA5497	3600	2,588	0	PT
93.855	Allergy and Infectious Diseases Research	ADIUW2020001AM02	3600	65,880	0	PT
93.855		AM02	3600	56,054	0	PT
93.855		AWD000026821349442AM0	3600	16,240	0	PT
93.855		CB2558SB897826AM05	3600	57,462	0	PT
93.855		FY21349001AMD2	3600	33,792	0	PT
93.855		FY21ITN293FY20ITN293A	3600	25,789	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	FY21ITN387AM02	3600	59,962	0	PT
93.855	Allergy and Infectious Diseases Research	FY21ITN396	3600	6,211	0	PT
93.855		FY21ITN420AM02	3600	3,715	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	FY21ITN474AM01	3600	11,898	0	PT
93.855		FY21ITN487PRIORFY21IT	3600	1,168	0	PT
93.855		FY21ITN488PRIORFY21IT	3600	168,679	0	PT
93.855		FY21ITN490	3600	56	0	PT
93.855		FY21ITN536	3600	1,802	0	PT
93.855	Allergy and Infectious Diseases Research	FY22ITN293AM03	3600	18,052	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	FY22ITN488FY21ITN488A	3600	161,137	0	PT
93.855		FY22ITN536AM02	3600	36,201	0	PT
93.855	Allergy and Infectious Diseases Research	G16418W7010AM06	3600	54,221	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Assistance Listing 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	G16418W7010AM07	3600	77,401	0	PT
93.855		GMO180806AM04	3600	273,712	0	PT
93.855		GR102740PRIOR60062782	3600	131,743	0	PT
93.855		GRANTIDGRT00001924	3600	7,002	0	PT
93.855		IDGUW03	3600	51,596	0	PT
93.855		LDR02MOD02,PO20049080	3600	16,419	0	PT
93.855		LDR02MOD03PO20049080	3600	22,240	0	PT
93.855		MOD02	3600	59,652	0	PT
93.855		MOD03	3600	42,786	0	PT
93.855		OSP2018036AM007	3600	271,185	0	PT
93.855		OSP2018036AM06	3600	(7,268)	0	PT
93.855		P0515AAAM02	3600	117,002	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	PO20002829MOD03	3600	29,968	0	PT
93.855	Allergy and Infectious Diseases Research	PO21000543	3600	14,251	0	PT
93.855		PO21000543MOD01	3600	20,835	0	PT
93.855		R1142049AM02	3600	2,612	0	PT
93.855		RES510939AM04	3600	158,918	0	PT
93.855		RNG210453UWAM01	3600	8,099	0	PT
93.855		RNG210453UWAM02	3600	9,187	0	PT
93.855		S001012AM04	3600	148,259	0	PT
93.855		S006256	3600	34,691	0	PT
93.855		SCON00002206	3600	29,158	0	PT
93.855		SCON00002206AM01	3600	132,739	0	PT
93.855		SP0001439601	3600	2,218	0	PT
93.855		SP0001439601AM001	3600	66,153	0	PT
93.855		TBC2021UOW	3600	238,240	0	PT
93.855		TBC2022UOW	3600	5,608	0	PT
93.855		UM1AI068632PO200491142	3600	3,315	0	PT
93.855		UW632373	3600	204,609	0	PT
93.855		UW637020	3600	93,105	0	PT
93.855		UW637454	3600	26,184	0	PT
93.855		UW637577	3600	79,640	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.855	Allergy and Infectious Diseases Research	UW637626	3600	35,228	0	PT
93.855		UW662945	3600	111,114	0	PT
93.855		UW684572	3600	37,880	0	PT
93.855		VUMC101103	3600	652	0	PT
93.855		VUMC74709AM03	3600	139,630	0	PT
93.855		VUMC85657	3600	(152)	0	PT
93.855		VUMC85657AM02	3600	41,572	0	PT
93.855			3650	3,805,846	508,713	
93.855	COVID-19 – Allergy and Infectious Diseases Research		3650	1,271,064	358,640	
93.855	Allergy and Infectious Diseases Research	31162B	3650	95,950	0	PT
93.855		43120217530	3650	67,558	0	PT
93.855		5106846	3650	206,843	0	PT
93.855		H004942302	3650	432	0	PT
93.855		H009691402	3650	37,340	0	PT
93.855		MO070619	3650	21,179	0	PT
93.855		WAS255636	3650	160,293	0	PT
Federal Program 93.855 Total				121,226,039	16,942,022	
93.859	Biomedical Research and Research Training		3600	33,541,629	1,463,599	
93.859		000577	3600	31,570	0	PT
93.859		1004493208AM006	3600	230,970	0	PT
93.859		1004493208AM05	3600	61,382	0	PT
93.859		20190005AM02	3600	125,728	0	PT
93.859		2021196AM05	3600	5,692	0	PT
93.859		2021370AM006	3600	45,970	0	PT
93.859		2021403AM05PRIOR20212	3600	21,436	0	PT
93.859		2021466	3600	57,634	0	PT
93.859		2021468	3600	31,279	0	PT
93.859		2022010	3600	25,949	0	PT
93.859		62244825136718AM01	3600	165,551	0	PT
93.859		62244825136718AM03	3600	125,927	0	PT
93.859		62244825136718AM04	3600	380,799	0	PT

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Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.859	Biomedical Research and Research Training	A032217AM01	3600	7,467	0	PT
93.859	COVID-19 – Biomedical Research and Research Training	G26622W9487	3600	114,847	0	PT
93.859	Biomedical Research and Research Training	M2003379AM01	3600	130	0	PT
93.859		R960652AM06	3600	287,382	0	PT
93.859		S002007DHHS	3600	63,296	0	PT
93.859		UNIV60752AM03	3600	257,482	0	PT
93.859		UW684314	3600	33,941	0	PT
93.859		VUMC55495AM05	3600	3	0	PT
93.859			3650	3,790,122	146,601	
93.859		139375	3650	161,993	0	PT
93.859	COVID-19 – Biomedical Research and Research Training	AWD00000238	3650	265	0	PT
93.859	Biomedical Research and Research Training	G0019077500	3650	27,878	0	PT
93.859		M2100083	3650	80,517	0	PT
93.859		NWIC24230SAWSU	3650	66,265	0	PT
93.859		R15GM132845WSU	3650	15,112	0	PT
93.859		WU17182	3650	3,220	0	PT
93.859		621-003-01	3750	8,023	0	PT
93.859			3800	2,321	0	
93.859		205cre480	6990	58,895	0	PT
Federal Program 93.859 Total				39,830,675	1,610,200	
93.865	Child Health and Human Development Extramural Research		3600	20,755,865	3,689,617	
93.865		0001027004AM03	3600	444,626	0	PT
93.865		0001033375AM02	3600	182,552	0	PT
93.865		102492001001	3600	1,211	0	PT
93.865		11420515875107643AM001	3600	600	0	PT
93.865		11614SUBMOD04	3600	44,177	0	PT
93.865		11726701875119062	3600	1,497	0	PT
93.865		11726702875119062	3600	17,675	0	PT
93.865		12119SUBMOD03	3600	190,933	0	PT
93.865		12292SUBMOD01	3600	11,148	0	PT

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Assistance Listing 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 Research	12380SUBMOD01	3600	15,033	0	PT
93.865		125594AM02	3600	39,862	0	PT
93.865		12567SUBMOD1	3600	171	0	PT
93.865		12733SUBMOD01	3600	21,260	0	PT
93.865		134751633AM02	3600	92,033	2,556	PT
93.865		1920GUA066AM04	3600	28,210	0	PT
93.865		1R44HD10120101	3600	54,472	0	PT
93.865		2004031129AM02	3600	(283)	0	PT
93.865		2022192AM03	3600	20,816	0	PT
93.865		239457AM01	3600	58,455	0	PT
93.865		28801AM04	3600	22,475	0	PT
93.865		3004910137AM04	3600	32,938	0	PT
93.865		41257919124	3600	6,663	6,130	PT
93.865		4971	3600	25,555	0	PT
93.865		500180103	3600	140,330	0	PT
93.865		500180103AM01	3600	69,751	0	PT
93.865		5109092AM03	3600	143,670	0	PT
93.865		5109092AM04	3600	162,440	0	PT
93.865		5R42HD09347603SA01	3600	3,372	0	PT
93.865		60047828WASHAM01	3600	39,047	0	PT
93.865		700000288AM04	3600	(7,146)	0	PT
93.865		773K253AM04	3600	45,741	0	PT
93.865		82326UWY2	3600	506	0	PT
93.865		AH19105003A3AM03	3600	7,148	0	PT
93.865		AWD000031884171364AM0	3600	12,323	0	PT
93.865		AWD002298G2AM01	3600	31,424	0	PT
93.865		C000753817AM01	3600	136,540	0	PT
93.865		IJ14GRANTA1SIBCR	3600	67,118	0	PT
93.865		IJ25IJ21SIBCRMOD1	3600	8,032	0	PT
93.865		KR704206AM01	3600	12,924	0	PT
93.865		SMFM2122CF13	3600	3,556	0	PT
93.865		SUB0000417	3600	16,365	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.865	Child Health and Human Development Extramural Research	SUBK00009201AM02	3600	7,643	0	PT
93.865		SUBK00009201PO30055415	3600	3,495	0	PT
93.865		SUBK00016114	3600	83,695	0	PT
93.865		UW633286	3600	12,249	0	PT
93.865		UW637725	3600	64,488	0	PT
93.865		UW665699	3600	215,748	0	PT
93.865		WU19329MOD03	3600	285,338	0	PT
93.865			3650	3,790,649	550,528	
93.865		1013518WSU	3650	33,576	0	PT
93.865		ASUB00000308	3650	78,840	0	PT
93.865		SUBK00014051	3650	2,593	0	PT
Federal Program 93.865 Total				27,539,399	4,248,831	
93.866	Aging Research		3600	49,568,403	8,860,324	
93.866		0000000685AM03	3600	15,940	0	PT
93.866		0000981488AM02	3600	46,287	0	PT
93.866		0255B7414609AM04	3600	80,552	0	PT
93.866		0255B8514609AM05	3600	91,943	0	PT
93.866		0255B8514609AM06	3600	110,034	0	PT
93.866		0255E3014609	3600	6,851	0	PT
93.866		10041896AM04	3600	22,349	0	PT
93.866		1015875UWA	3600	41,082	0	PT
93.866		1015875UWAAM01	3600	219,689	0	PT
93.866		10358900001NIH173	3600	28,975	0	PT
93.866		10803366411000000073	3600	9,587	0	PT
93.866		10841SCAM03	3600	17,675	0	PT
93.866		109309268AM03	3600	55,824	0	PT
93.866		11024511611000000260	3600	26,372	0	PT
93.866		11075SCAM05	3600	28,194	0	PT
93.866		1143366410000551083AM0	3600	195,846	0	PT
93.866		115640AM06	3600	43,357	0	PT
93.866		12347SC	3600	1,832	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	12347SCAM02	3600	222,385	0	PT
93.866		124009907AM03	3600	37,960	0	PT
93.866		125298AM01	3600	26,058	0	PT
93.866		131446809MOD1	3600	156	0	PT
93.866		13303366411000000619	3600	4,802	0	PT
93.866		137298298	3600	82,114	0	PT
93.866		137298298AM01SCON0000	3600	189,514	0	PT
93.866		1558GTA326AM09	3600	10,088	0	PT
93.866		1558GWA112AM04	3600	16,974	0	PT
93.866		164388164378AM02	3600	804	0	PT
93.866		164388164378AM03	3600	164,654	0	PT
93.866		164388164378AM04	3600	80,806	0	PT
93.866		168701168699AM02	3600	23,004	0	PT
93.866		168780167810AM01	3600	(55)	0	PT
93.866		17021705SUB04AM02	3600	115,428	0	PT
93.866		17NSCC3PILOTUW	3600	18,328	0	PT
93.866		1GG01479201AM01	3600	38,202	0	PT
93.866		2019129602AM01	3600	(1)	0	PT
93.866		20200009AM01	3600	2,677	0	PT
93.866		20M68	3600	12,474	0	PT
93.866		218557601	3600	159,903	0	PT
93.866		280201015S221AM05	3600	218,967	0	PT
93.866		30340SUB52029UOFWASH	3600	19,031	0	PT
93.866		31151CAM05	3600	167,844	0	PT
93.866		31169CAM04	3600	(1,116)	0	PT
93.866		3133204UWPOAM002	3600	36,658	0	PT
93.866		3713366410000111041AM0	3600	74,993	0	PT
93.866		3GG01535301	3600	24,129	0	PT
93.866		3GG01754301	3600	22,274	0	PT
93.866		418400002UWAM03	3600	243,102	0	PT
93.866		4500003041AM05	3600	244,959	0	PT
93.866		4500003082AM04	3600	86,567	0	PT

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Dept of Health & Human Services

Assistance Listing 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	4500003432AM02	3600	11,468	0	PT
93.866		4500003470AM001	3600	31,297	0	PT
93.866		4500003677AM002	3600	94,683	0	PT
93.866		4500003830	3600	26,717	0	PT
93.866		4500004111AM003	3600	290,364	0	PT
93.866		4500004117AM0013U01YR	3600	107,082	0	PT
93.866		5124100	3600	2,942	0	PT
93.866		573045AM03	3600	(18)	0	PT
93.866		577437AM03	3600	19,196	0	PT
93.866		580327AM02	3600	103,909	0	PT
93.866		580529AM01	3600	135,054	0	PT
93.866		582036AM02	3600	44,083	0	PT
93.866		584640AM03	3600	5,940	0	PT
93.866		5GG01582202AM01	3600	(18,146)	0	PT
93.866		5GG01582205AM003	3600	16,219	0	PT
93.866		60048329UWA04	3600	8,472	0	PT
93.866		60048330UWA05	3600	19,462	0	PT
93.866		60048331UWA04	3600	9,095	0	PT
93.866		60048332UWA04	3600	71,220	0	PT
93.866		60060219UWA	3600	16,851	0	PT
93.866		61314414124531AM09	3600	(1,180)	0	PT
93.866		61627910128473AM004	3600	45,994	0	PT
93.866		703923PROTOADC042PRA	3600	1,411	0	PT
93.866		7661	3600	(30,082)	0	PT
93.866		7661PROJECT4300630001A	3600	188,204	0	PT
93.866		87749088AM003	3600	635	0	PT
93.866		8GG01582206G15783	3600	81,672	0	PT
93.866		8GG01582207AM01	3600	12,909	0	PT
93.866		900142	3600	11,381	0	PT
93.866		97832536AM03	3600	49,434	0	PT
93.866		A033241AM02	3600	566,571	0	PT
93.866		A142285AM02	3600	620,414	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

Assistance Listing 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	A142285AM03	3600	354,560	0	PT
93.866		A371839AM02	3600	95,838	0	PT
93.866		A546972AM004	3600	264,791	0	PT
93.866		AWD000035471358751	3600	150,197	0	PT
93.866		BW218BW23SIBCR	3600	2,247	0	PT
93.866		BW218BW24SIBCR	3600	31,531	0	PT
93.866		BW218BW25SIBCR	3600	2,560	0	PT
93.866		BW218FUJIMT2SIBCR	3600	34,135	0	PT
93.866		BW218FUJIMT3SIBCR	3600	4,280	0	PT
93.866		BW218OMERM2SIBCRMO	3600	33,659	0	PT
93.866		BW218SFUJIMT2SIBCR	3600	34,135	0	PT
93.866		BW218SFUJIMT3SIBCR	3600	1,834	0	PT
93.866		BW218SRE21SIBCR	3600	7,303	0	PT
93.866		BW219OMERM2SIBCR	3600	25,773	0	PT
93.866		CCF22039468	3600	43,056	0	PT
93.866		FY19875002	3600	34,237	0	PT
93.866		FY19875002FY22875002A	3600	13,087	0	PT
93.866		FY22830001	3600	75,364	0	PT
93.866		FY22830001AM01	3600	249,493	0	PT
93.866		GJ118GJ12SIBCRM001	3600	20,269	0	PT
93.866		GJ118GJ13SIBCR	3600	2,124	0	PT
93.866		GJ118HERODM1SIBCRMO	3600	83	0	PT
93.866		GJ118HERODM2SIBCRMO	3600	39,174	0	PT
93.866		GJ118HERODM3SIBCR	3600	6,555	0	PT
93.866		GJ118UW2AM01	3600	47,905	0	PT
93.866		GL064596UWSY4AM03	3600	53,467	0	PT
93.866		IJ22BRAUNM1SIBCR	3600	17,443	0	PT
93.866		IJ22IJ23SIBCR	3600	31,165	0	PT
93.866		IJ22IJ24SIBCR	3600	2,315	0	PT
93.866		IJ22JANSSD3SIBCR	3600	8,525	0	PT
93.866		IJ22WANGM3SIBCR	3600	6,818	0	PT
93.866		KB210ABAKER1SIBCR	3600	4,032	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

Assistance Listing 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	KB210ABAKER2SIBCRM	3600	5,682	0	PT
93.866		KB210AHANM1SIBCR	3600	30,180	0	PT
93.866		KB210AHANM2SIBCR	3600	24,534	0	PT
93.866		KB210AKB21SIBCR	3600	24,556	0	PT
93.866		KB210AKB22SIBCR	3600	17,540	0	PT
93.866		KB210AMCMILP2SIBCR	3600	8,791	0	PT
93.866		KB210AMCMILP3SIBCR	3600	14,651	0	PT
93.866		KB210AWALDHS13SIBCR	3600	69	0	PT
93.866		KB211ECKR1SIBCR	3600	25,717	0	PT
93.866		KB211JADHAV1SIBCRM0	3600	29,647	0	PT
93.866		KB211KB25SIBCR	3600	31,572	0	PT
93.866		KB29AMCMILP1SIBCR	3600	20,151	0	PT
93.866		KS121WFUKS14SIBCR	3600	8,107	0	PT
93.866		LN15ELMORS1SIBCR	3600	10,541	0	PT
93.866		LN15JADHAV1SIBCR	3600	18,507	0	PT
93.866		LN15TOSCAL1SIBCR	3600	48,570	0	PT
93.866		LN15TOSCAL2SIBCR	3600	6,071	0	PT
93.866		LN15UW1	3600	152,592	0	PT
93.866		NORTIS001AM01	3600	24,596	0	PT
93.866		P008447401AM01	3600	150,473	0	PT
93.866		PE155RM16SIBCRM02	3600	46,012	0	PT
93.866		PE158PE13SIBCR	3600	7,874	0	PT
93.866		PE163LG11SIBCR	3600	6,069	0	PT
93.866		PE163PE11SIBCR	3600	3,844	0	PT
93.866		RES515786	3600	42,639	0	PT
93.866		RES516573	3600	31,232	0	PT
93.866		RNG2001882UW	3600	17,183	0	PT
93.866		RNG209925UWAM05	3600	52,085	0	PT
93.866		RNG211392UWONC	3600	63,837	0	PT
93.866		RNG211393UWOFFC	3600	899	0	PT
93.866		RNG211393UWONC	3600	183,312	0	PT
93.866		RNG211393UWSLU	3600	122,067	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

Assistance Listing 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	RNG211394UWONC	3600	84,707	0	PT
93.866		RNG211394UWLSU	3600	246,734	0	PT
93.866		RNG211395UWONC	3600	119,931	0	PT
93.866		RNG211396UWOFFC	3600	526,548	0	PT
93.866		RNG211396UWONC	3600	46,195	0	PT
93.866		RNG211397UWONC	3600	64,821	0	PT
93.866		RNG211398UWONC	3600	1,285,495	0	PT
93.866		RNG211399UWONC	3600	113,754	0	PT
93.866		RNG211399UWLSU	3600	103,123	0	PT
93.866		RNG211400UWOFFC	3600	130,298	0	PT
93.866		RNG211400UWONC	3600	96,148	0	PT
93.866		SHL212004AM03	3600	27,578	0	PT
93.866		SUB00002628AM02	3600	16,993	0	PT
93.866		SUBK00009657AM02	3600	81,311	0	PT
93.866		SUBK00011202AM02	3600	103,477	0	PT
93.866		SUBK00014556AM01	3600	(606)	0	PT
93.866		TD112ADEGRAC1SIBCR	3600	26,361	0	PT
93.866		TD112ATD14SIBCR	3600	11,487	0	PT
93.866		TD120ATD11SIBCR	3600	5,743	0	PT
93.866		TD122HS22SIBCR	3600	1,340	0	PT
93.866		TD122HS23SIBCR	3600	6,370	0	PT
93.866		TD122TD12SIBCR	3600	4,595	0	PT
93.866		TD122TD13SIBCR	3600	22,974	0	PT
93.866		TD122UW1	3600	(331)	0	PT
93.866		UOW26313402PO68234536	3600	162,408	0	PT
93.866		UW636835	3600	19,489	0	PT
93.866		UW636837	3600	13,012	0	PT
93.866		UW684267	3600	77,408	0	PT
93.866		UW684268	3600	98,269	0	PT
93.866		VUMC68180AM04	3600	164,287	0	PT
93.866		VUMC95666	3600	9,771	0	PT
93.866		VUMC95855	3600	193,721	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, 2022
(Expressed in whole dollars)*

Research and Development

Dept of Health & Human Services

Assistance Listing 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	WAS26313401AM01	3600	(4,829)	0	PT
93.866		WAS26313402	3600	24	0	PT
93.866		WU19279AM05	3600	16,047	0	PT
93.866		WU2042MOD2	3600	68	0	PT
93.866			3650	4,577,048	1,571,824	
93.866		765335874P	3650	6,072	0	PT
93.866		A201801S001	3650	151,366	0	PT
93.866		FY16001015	3650	8,818	0	PT
Federal Program 93.866 Total				67,043,308	10,432,148	
93.867	Vision Research		3600	15,222,029	900,856	
93.867		2004876349AM02	3600	547	0	PT
93.867		2004876349AM03	3600	5,148	0	PT
93.867		2005261524AM01	3600	217,852	0	PT
93.867		20200288AM02	3600	141,737	0	PT
93.867		62015716136077AM003	3600	223,252	0	PT
93.867		62015716136077AM02	3600	64,446	0	PT
93.867		62066366133041AM04	3600	207,968	0	PT
93.867		62746996206461AM01	3600	79,148	0	PT
93.867		A132551	3600	10,375	0	PT
93.867		AM001	3600	29,589	0	PT
93.867		AM01	3600	8,855	0	PT
93.867		F196001	3600	28,896	0	PT
93.867		UW667322	3600	7,159	0	PT
93.867			3650	194,636	0	
93.867		1014154WSU	3650	86,840	0	PT
93.867		2003370134	3650	132,451	0	PT
93.867		CB4725897942	3650	24,008	0	PT
Federal Program 93.867 Total				16,684,936	900,856	
National Institutes of Health Total				395,624,612	53,465,353	
93.877	Autism Collaboration, Accountability, Research, Ed		3600	10,074	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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Research and Development

Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 93.877 Total				10,074	0	
Health Resources and Services Administration Total				10,074	0	
93.879	Medical Library Assistance		3600	3,556,525	552,978	
93.879		E2048782AM02	3600	11,038	0	PT
93.879		RNG003046BUDG03UW01	3600	3,773	0	PT
93.879		SA0000747AM02	3600	39,786	0	PT
93.879			3650	10,829	0	
Federal Program 93.879 Total				3,621,951	552,978	
National Institutes of Health Total				3,621,951	552,978	
93.884	Primary Care Training and Enhancement		3600	428,861	100,177	
Federal Program 93.884 Total				428,861	100,177	
Health Resources and Services Administration Total				428,861	100,177	
93.941	HIV Demonstration, Research, Public and Profession		3600	1,125,448	73,044	
Federal Program 93.941 Total				1,125,448	73,044	
Centers for Disease Control and Prevention Total				1,125,448	73,044	
93.989	International Research and Research Training		3600	2,631,869	680,142	
93.989		002AM03	3600	9,435	0	PT
93.989		003AM02	3600	74,638	0	PT
93.989		004AM03	3600	72,844	0	PT
93.989		1005926203POU000334651	3600	20,815	0	PT
93.989		202275	3600	81,263	0	PT
93.989		A110910819CHS0502AM06	3600	75,351	0	PT
93.989		A148221	3600	11,429	0	PT
93.989		A148221YR4	3600	42,621	0	PT
93.989		A151134AM01	3600	10,096	0	PT
93.989		UON1R21TW01146001MO	3600	3,703	0	PT
93.989		UW674085	3600	541	0	PT
93.989			3650	218,719	80,568	

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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
Federal Program 93.989 Total				3,253,324	760,710	
National Institutes of Health Total				3,253,324	760,710	
93.RD	Department of Health and Human Services - Unknown	12752SUB	3070	111,063	0	PT
93.RD		0000935635AM05	3600	65,656	0	PT
93.RD		0001057710AM02	3600	3,251	0	PT
93.RD		0001063279	3600	12,948	0	PT
93.RD		0001063279AM02	3600	5,344	0	PT
93.RD		000524050T006009AM05	3600	5,821	5,821	PT
93.RD		000524050T007007AM03	3600	78,076	0	PT
93.RD		000524050T009010	3600	1,133	0	PT
93.RD		000527765T001001AM01	3600	71,758	82,912	PT
93.RD		000527765T002001AM04	3600	2,026	0	PT
93.RD		000527765T002001AM05	3600	152,508	0	PT
93.RD		000527766T002001AM03	3600	303,930	0	PT
93.RD		0215102S01	3600	25,246	0	PT
93.RD		0215103S01A01	3600	67,468	0	PT
93.RD		1004235902AM06	3600	84,619	0	PT
93.RD		1004235902AM08	3600	27,084	0	PT
93.RD		1004235902POU000343834	3600	60,000	0	PT
93.RD		1006111902UW	3600	67,544	0	PT
93.RD		1014432UWAAM004	3600	262,388	0	PT
93.RD		1014432UWAAM01	3600	312	0	PT
93.RD		1014432UWAAM03	3600	410,133	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	1020599UWAAM02	3600	174,838	0	PT
93.RD	Department of Health and Human Services - Unknown	1097865110787AM01	3600	(310)	0	PT
93.RD		1097865110787AM03	3600	734,797	0	PT
93.RD		1121100117929049AM01	3600	38,999	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	1123360117933669AM01	3600	141,312	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

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93.RD	Department of Health and Human Services - Unknown	12231SUBAM01	3600	1,077	0	PT
93.RD		12232SUBAM01	3600	3,300	0	PT
93.RD		12248SUB	3600	225,239	0	PT
93.RD		12248SUBAM02	3600	31,349	0	PT
93.RD		12409SUB	3600	4,390	0	PT
93.RD		12410SUBAM01	3600	3,854	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	12412SUB	3600	15,492	0	PT
93.RD	Department of Health and Human Services - Unknown	12421SUB	3600	35,663	0	PT
93.RD		12424SUB	3600	64,026	0	PT
93.RD		12426SUBMOD01	3600	(65,448)	0	PT
93.RD		12429SUB	3600	156,122	0	PT
93.RD		12436SUB	3600	48,895	0	PT
93.RD		12452SUBYEAR2BASEAM	3600	457,933	0	PT
93.RD		12454SUBAM01	3600	195,653	0	PT
93.RD		12455SUBAM01	3600	90,696	0	PT
93.RD		12520SUBOPTION2AM01	3600	70,574	0	PT
93.RD		12647SUB	3600	19,973	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	12649SUB	3600	671,408	0	PT
93.RD	Department of Health and Human Services - Unknown	12651SUB	3600	74,004	0	PT
93.RD		12652SUB	3600	423,160	0	PT
93.RD		12659SUB	3600	89,799	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	12660SUB	3600	96,524	0	PT
93.RD	Department of Health and Human Services - Unknown	12661SUB	3600	229,144	0	PT
93.RD		12699SUB	3600	320,338	0	PT
93.RD		12700SUB	3600	74,939	0	PT
93.RD		12709SUB	3600	1,850	0	PT
93.RD		131446521AM01	3600	89,256	0	PT
93.RD		14011000070000MOD06	3600	70,386	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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.RD	COVID-19 – Department of Health and Human Services - Unknown	146SPS260845AM001	3600	69,298	0	PT
93.RD		20042803SUB02	3600	351,122	0	PT
93.RD		20042803SUB02AM01	3600	2,747,155	1,607,610	PT
93.RD	Department of Health and Human Services - Unknown	2005413184	3600	3,375	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	22CTADM0019MOD01	3600	57,479	0	PT
93.RD	Department of Health and Human Services - Unknown	238257AM01	3600	16,911	0	PT
93.RD		31151E	3600	17,401	0	PT
93.RD		31151F	3600	10,353	0	PT
93.RD		49860MOD02	3600	9,701	0	PT
93.RD		5116778AM01	3600	15,117	0	PT
93.RD		5116789AM01	3600	12,706	0	PT
93.RD		5120343	3600	43,503	0	PT
93.RD		5122494	3600	50,486	0	PT
93.RD		660002S015MOD02	3600	16,345	0	PT
93.RD		686K862AM05	3600	(35,397)	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	75D30120C09190MOD001	3600	572,198	0	
93.RD		75D30120C09322AM002	3600	45,705	0	
93.RD		75D30120C09610MOD01	3600	598,126	186,209	
93.RD		75D30121C10207	3600	335,787	0	
93.RD	Department of Health and Human Services - Unknown	75D30121C10982	3600	715,940	60,410	
93.RD		75D30121C11341	3600	30,975	0	PT
93.RD		75N92020F00001	3600	3,259,555	282,282	
93.RD		75N92020F00002	3600	13,989	0	
93.RD		75N92021D0000675N92021	3600	1,859,134	483,207	
93.RD		75N93019C00063MOD008	3600	14,125	0	
93.RD		75N93019C00063PO54954	3600	6,321	0	
93.RD		75N93019C00063PO577456	3600	349,722	118,239	
93.RD		75N93019C00063PO606138	3600	782,207	103,034	

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

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93.RD	Department of Health and Human Services - Unknown	75N94019C00006	3600	24,467	0	PT
93.RD		75N94020D0000675N94020	3600	30,476	0	
93.RD		75N95021C00008	3600	226,182	0	
93.RD		75N95021P00295MODP000	3600	4,108	0	
93.RD		7820162400001	3600	1,498	0	PT
93.RD		811K731AMO3	3600	14,072	0	PT
93.RD		AM01	3600	42,819	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	AWD101462EAM02	3600	326,331	0	PT
93.RD	Department of Health and Human Services - Unknown	CRBSSSS18005450MOD03	3600	14,217	0	PT
93.RD		CTP0061	3600	8,859	0	PT
93.RD		HHSN268201800001I	3600	52,957	0	
93.RD		HHSN268201800001IHHSN	3600	368,328	0	
93.RD		HHSN272201800008CAM0	3600	251,640	68,284	
93.RD		HHSN272201800008CAM0	3600	822,285	158,541	
93.RD		HHSN272201800008CAM0	3600	1,588,303	0	
93.RD		HHSN275201300025IMODP	3600	1,375,118	830,592	
93.RD		HHSN275201300025IP0001	3600	274,107	0	
93.RD		MW20180621	3600	153,404	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	OOS030579UW01AM01	3600	779,080	840	PT
93.RD	Department of Health and Human Services - Unknown	P1090PO2002565212	3600	(39,810)	0	PT
93.RD		P19033	3600	30,641	0	PT
93.RD		PO2152280REV02	3600	108,437	0	PT
93.RD		RNG002833BUDG03SUBU	3600	24,286	0	PT
93.RD		RNG21046BUDG01UW00A	3600	25,609	0	PT
93.RD		RNG210945UW	3600	1,786	0	PT
93.RD		RNG210946UW	3600	1,786	0	PT
93.RD		SHSTA1001UW	3600	22,047	0	PT
93.RD		SHSTB1003UW	3600	17,236	0	PT
93.RD		SHSTB1004UW	3600	4,221	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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.RD	COVID-19 – Department of Health and Human Services - Unknown	SP0001456201	3600	81,340	0	PT
93.RD		SP0001510001AM02	3600	233,722	0	PT
93.RD	Department of Health and Human Services - Unknown	SP003377960047201UWAS	3600	2,118	0	PT
93.RD		SP13925SB11AM02	3600	2,019	0	PT
93.RD		SP14257SB11AM03	3600	18,538	0	PT
93.RD		SUBCONTRACTNO4MOD	3600	354,484	0	PT
93.RD		UW630778	3600	100,862	0	PT
93.RD		UW631885	3600	36,783	0	PT
93.RD		UW663993	3600	46	0	PT
93.RD		UW666806	3600	39,467	0	PT
93.RD		UW666857	3600	24,480	0	PT
93.RD		UW668867	3600	28,105	0	PT
93.RD		UW684295	3600	24,513	0	PT
93.RD		UWSUBCONTRACTNO3M	3600	(4,472)	0	PT
93.RD		UWSUBCONTRACTNO4	3600	116,035	0	PT
Federal Program 93.RD Total				25,989,409	3,987,981	
HHS Contract Number Only Provided Total				25,989,409	3,987,981	
Dept of Health & Human Services Total				726,997,005	108,965,531	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development

Social Security Administration

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
96.007	Social Security Research and Demonstration	0000001332MOD01	3600	44,998	0	PT
Federal Program 96.007 Total				44,998	0	
Social Security Administration Total				44,998	0	
Social Security Administration Total				44,998	0	

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Research and Development

Dept of Homeland Security

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
97.044	Assistance to Firefighters Grant	2122	3600	662	0	PT
Federal Program 97.044 Total				662	0	
97.061	Centers for Homeland Security	1000003203AM0001	3600	96,392	0	PT
97.061		M200177901AM01	3600	279,531	0	PT
97.061		UAAPO484663AM10	3600	39,817	0	PT
Federal Program 97.061 Total				415,740	0	
Homeland Security Total				416,402	0	
97.RD	Homeland Security - Unknown ALN	50518578052AM002	3600	1,578	0	PT
97.RD		70RSAT21CB0000014P0000	3600	254,519	0	
Federal Program 97.RD Total				256,097	0	
Hs Contract Number Only Provided Total				256,097	0	
Dept of Homeland Security Total				672,499	0	

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Research and Development

U.S. Agency for International Development

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
98.001	USAID Foreign Assistance for Programs Overseas		3600	244,686	207,405	
98.001		2000012483MOD01	3600	24,041	0	PT
98.001		5113403AM06	3600	71,685	0	PT
98.001		9771	3600	83,703	0	PT
98.001		AI9014AM04	3600	677,057	0	PT
98.001		CNVA000449784111052AM	3600	41,285	0	PT
98.001		PQM2105	3600	20,186	0	PT
98.001	COVID-19 – USAID Foreign Assistance for Programs Overseas	TOPQM UW2CROSSBURE	3600	79,462	0	PT
98.001	USAID Foreign Assistance for Programs Overseas	TOPQM UW3CROSSBURE	3600	42,650	0	PT
98.001		UNR2062	3600	183,308	0	PT
98.001		UW633116	3600	135,284	0	PT
Federal Program 98.001 Total				1,603,347	207,405	
International Development Total				1,603,347	207,405	
98.RD	US Agency for International Development - Unknown	ICF55615401658738CRTAM	3600	26,715	0	PT
98.RD		MTAPS20037PO21MSH032	3600	23,363	0	PT
98.RD		MTAPS21046	3600	19,998	0	PT
Federal Program 98.RD Total				70,076	0	
US Agency for International Development Total				70,076	0	
U.S. Agency for International Development Total				1,673,423	207,405	

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Research and Development

Undetermined Fed Agency

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
99.RD	Federal Assistance - Miscellaneous – Unknown ALN	1740060301MOD08PO1900	3600	(14,600)	0	PT
99.RD		1740060301MOD08PO2100	3600	103,980	0	PT
99.RD		D8919S3AM03	3600	302,684	0	PT
99.RD		MMC19173	3600	9,495	0	
99.RD		STEMWD00851	3600	3,723	0	PT
99.RD		UW637215	3600	25,331	0	PT
99.RD		UW637836	3600	12,852	0	PT
99.RD		UW684566	3600	25,500	0	PT
Federal Program 99.RD Total				468,965	0	
Unknown Fed Agy Contract Number Only Provided Total				468,965	0	
Undetermined Fed Agency Total				468,965	0	
Research and Development Total				1,167,267,183	142,420,888	

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Student Financial Assistance

Dept of Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.007	Federal Supplemental Educational Opportunity Grant	84.007A	3600	2,972,915	0	
84.007			3650	2,271,062	0	
84.007		SEOG	3700	462,799	0	
84.007		P007A214350	3750	668,943	0	
84.007		P07A204350	3750	62,557	0	
84.007		84.007	3760	283,435	0	
84.007		FSEOG	6990	5,870,162	0	
Federal Program 84.007 Total				12,591,873	0	
84.033	Federal Work-Study Program	84.033A	3600	2,977,900	0	
84.033			3650	672,826	0	
84.033		FWS	3700	264,828	0	
84.033		P033A204350	3750	4,586	0	
84.033		P033A214350	3750	186,794	0	
84.033		84.033	3760	327,578	0	
84.033		Federal Work Study	3800	381,297	0	
84.033		84.033A	6990	110,831	0	
84.033		CPTC	6990	1,224	0	
84.033		FWS	6990	2,084,578	0	
Federal Program 84.033 Total				7,012,442	0	
84.038	Federal Perkins Loan Program		3600	22,671,160	0	OL
84.038		84.038	3600	(4,336,381)	0	OL
84.038			3650	10,931,458	0	OL
84.038		WSU2022	3650	8,370,277	0	OL
84.038			3700	1,825,472	0	OL
84.038		Perkins	3700	(417,104)	0	OL
84.038			3800	4,750,388	0	OL
84.038		Perkins Loan Program	3800	(1,388,586)	0	OL
84.038			6990	652,827	0	OL
84.038		n/a	6990	(78,780)	0	OL
Federal Program 84.038 Total				42,980,731	0	
84.063	Federal Pell Grant Program	84.063A	3600	49,262,507	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

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.063	Federal Pell Grant Program		3650	31,652,661	0	
84.063		PELL Grant	3700	13,811,266	0	
84.063		P063P200412	3750	1,837	0	
84.063		P063P210412	3750	15,941,610	0	
84.063		Pell Admin Allowance	3750	18,170	0	
84.063		84.063	3760	4,800,002	0	
84.063		Federal Pell Grant Prg	3800	14,698,171	0	
84.063		CPTC PELL	6990	3,462,925	0	
84.063		PELL	6990	135,362,412	0	
Federal Program 84.063 Total				269,011,561	0	
84.268	Federal Direct Student Loans	84.268	3600	290,821,317	0	
84.268			3650	150,068,311	0	
84.268		Direct Loan	3700	43,617,954	0	
84.268		P268K210412	3750	427,407	0	
84.268		P268K220412	3750	45,171,738	0	
84.268		84.268	3760	9,809,286	0	
84.268		Federal Direct Loans	3800	37,890,596	0	
84.268		n/a	6990	46,417,407	0	
Federal Program 84.268 Total				624,224,016	0	
84.379	Teacher Education Assistance for College and Higher	84.379A	3600	104,325	0	
84.379			3650	286,672	0	
84.379		P379T220412	3750	27,346	0	
84.379		84.379	3760	7,120	0	
84.379		TEACH Grant Program	3800	30,564	0	
Federal Program 84.379 Total				456,027	0	
Dept of Education Total				956,276,650	0	

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Student Financial Assistance

Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.264	Nurse Faculty Loan Program (NFLP)		3600	813,583	0	OL
93.264			3600	968,642	0	OL
93.264			3650	2,286,909	0	OL
93.264			3650	2,111,371	0	OL
Federal Program 93.264 Total				6,180,505	0	
93.342	Health Professions Student Loans, Including Primary		3600	13,722,986	0	OL
93.342			3600	484,538	0	OL
93.342			3650	2,393,866	0	OL
93.342			3650	2,330,720	0	OL
Federal Program 93.342 Total				18,932,110	0	
93.364	Nursing Student Loans		3600	260,373	0	OL
93.364			3600	2,508,242	0	OL
93.364			3650	1,836,460	0	OL
93.364			3650	1,155,490	0	OL
Federal Program 93.364 Total				5,760,565	0	
93.925	Scholarships for Health Professions Students From		3600	606,769	0	
Federal Program 93.925 Total				606,769	0	
Dept of Health & Human Services Total				31,479,949	0	
Student Financial Assistance Total				987,756,599	0	

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SNAP

Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.551	Supplemental Nutrition Assistance Program		3000	2,572,555,745	0	NC
Federal Program 10.551 Total				2,572,555,745	0	
10.561	State Administrative Matching Grants for the Suppl		3000	123,318,207	10,342,382	
10.561			6990	515,975	0	
10.561		128-BFET-2	6990	259,741	0	PT
10.561		62306/6230	6990	40,644	0	PT
Federal Program 10.561 Total				124,134,567	10,342,382	
Dept of Agriculture Total				2,696,690,312	10,342,382	
SNAP Total				2,696,690,312	10,342,382	

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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Food Distribution

Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.565	Commodity Supplemental Food Program		3070	15,641	0	NC
10.565			4950	536,752	482,301	
Federal Program 10.565 Total				552,393	482,301	
10.568	Emergency Food Assistance Program (Administrative)		4950	5,855,844	5,001,288	
10.568	COVID-19 – Emergency Food Assistance Program (Administrative)		4950	184,417	0	
Federal Program 10.568 Total				6,040,261	5,001,288	
10.569	Emergency Food Assistance Program (Food Commodities)		4950	38,004,522	38,004,522	NC
10.569	COVID-19 – Emergency Food Assistance Program (Food Commodities)		4950	527,307	527,307	NC
Federal Program 10.569 Total				38,531,829	38,531,829	
Dept of Agriculture Total				45,124,483	44,015,418	
Food Distribution Total				45,124,483	44,015,418	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Child Nutrition

Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.553	School Breakfast Program		3500	100,257,247	100,257,247	
Federal Program 10.553 Total				100,257,247	100,257,247	
10.555	National School Lunch Program		3500	410,845,975	410,845,975	
10.555			3500	37,472,203	37,472,203	NC
10.555	COVID-19 – National School Lunch Program		3500	7,392,362	7,392,362	
Federal Program 10.555 Total				455,710,540	455,710,540	
10.556	Special Milk Program for Children		3500	71,690	71,690	
Federal Program 10.556 Total				71,690	71,690	
10.559	Summer Food Service Program for Children		3500	17,393,085	16,688,145	
Federal Program 10.559 Total				17,393,085	16,688,145	
10.582	Fresh Fruit and Vegetable Program		3500	4,118,491	4,078,187	
Federal Program 10.582 Total				4,118,491	4,078,187	
Dept of Agriculture Total				577,551,053	576,805,809	
Child Nutrition Total				577,551,053	576,805,809	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Fish and Wildlife

Dept of the Interior

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.605	Sport Fish Restoration		4770	8,355,401	0	
Federal Program 15.605 Total				8,355,401	0	
15.611	Wildlife Restoration and Basic Hunter Education	IDFGFY21412	3650	31,479	0	PT
15.611			4770	12,660,217	0	
Federal Program 15.611 Total				12,691,696	0	
15.626	Enhanced Hunter Education and Safety Program		4770	238,977	0	
Federal Program 15.626 Total				238,977	0	
Dept of the Interior Total				21,286,074	0	
Fish and Wildlife Total				21,286,074	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Employment Service

Dept of Labor

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
17.207	Employment Service/Wagner-Peyser Funded Activities		5400	18,135,586	0	
Federal Program 17.207 Total				18,135,586	0	
17.801	Jobs for Veterans State Grants		5400	4,884,431	0	
Federal Program 17.801 Total				4,884,431	0	
Dept of Labor Total				23,020,017	0	
Employment Service Total				23,020,017	0	

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WIOA

Dept of Labor

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
17.258	WIOA Adult Program		5400	20,219,767	19,604,075	
17.258			6990	68,193	0	
17.258		00000000	6990	19,227	0	PT
17.258		18300	6990	34,795	0	PT
Federal Program 17.258 Total				20,341,982	19,604,075	
17.259	WIOA Youth Activities		5400	21,705,482	19,676,574	
17.259		48315	6990	100,912	0	PT
Federal Program 17.259 Total				21,806,394	19,676,574	
17.278	WIOA Dislocated Worker Formula Grants	WSW2007	3650	83,796	0	PT
17.278			5400	24,094,754	22,969,719	
17.278		AA-34801-2	6990	16,179	0	PT
Federal Program 17.278 Total				24,194,729	22,969,719	
Dept of Labor Total				66,343,105	62,250,368	
WIOA Total				66,343,105	62,250,368	

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Federal Transit

Dept of Transportation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.500	Federal Transit Capital Investment Grants		4050	29,382	0	
Federal Program 20.500 Total				29,382	0	
20.507	Federal Transit Formula Grants		4050	57,625,915	0	
Federal Program 20.507 Total				57,625,915	0	
20.525	State of Good Repair Grants Program		4050	10,236,596	0	
Federal Program 20.525 Total				10,236,596	0	
20.526	Bus and Bus Facilities Formula, Competitive, and L		4050	6,008,767	6,008,767	
Federal Program 20.526 Total				6,008,767	6,008,767	
Dept of Transportation Total				73,900,660	6,008,767	
Federal Transit Total				73,900,660	6,008,767	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Highway Safety

Dept of Transportation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.600	State and Community Highway Safety		2280	5,136,283	4,020,258	
Federal Program 20.600 Total				5,136,283	4,020,258	
20.616	National Priority Safety Programs		2280	3,699,835	3,699,835	
Federal Program 20.616 Total				3,699,835	3,699,835	
Dept of Transportation Total				8,836,118	7,720,093	
Highway Safety Total				8,836,118	7,720,093	

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Special Education (IDEA)

Dept of Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.027	Special Education Grants to States	84.027A	3500	236,365,605	232,815,798	
84.027	COVID-19 – Special Education Grants to States	84.027X	3500	18,569,735	18,569,735	
84.027	Special Education Grants to States	0327413 & 0327440	3760	60,578	0	PT
84.027		327452	3760	173,993	0	PT
Federal Program 84.027 Total				255,169,911	251,385,533	
84.173	Special Education Preschool Grants	84.173A	3500	8,271,240	7,521,599	
84.173	COVID-19 – Special Education Preschool Grants	84.173X	3500	1,234,083	1,234,083	
84.173	Special Education Preschool Grants	0387433	3760	10,150	0	PT
Federal Program 84.173 Total				9,515,473	8,755,682	
Dept of Education Total				264,685,384	260,141,215	
Special Education (IDEA) Total				264,685,384	260,141,215	

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TRIO

Dept of Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.042	TRIO Student Support Services	84.042A	3600	739,249	0	
84.042			3650	1,360,661	0	
84.042		P042A200675	3750	266,768	0	
84.042		P042A200420	3760	335,919	0	
84.042		P042A201170	3760	241,950	0	
84.042		84.042A	6990	389,316	0	
84.042		TRIO	6990	7,249,281	0	
Federal Program 84.042 Total				10,583,144	0	
84.044	TRIO Talent Search	84.044A	3600	434,298	0	
84.044			3650	447,839	0	
84.044		TRIO	6990	1,099,703	0	
Federal Program 84.044 Total				1,981,840	0	
84.047	TRIO Upward Bound	84.047A	3600	708,103	0	
84.047		84.047M	3600	643,531	0	
84.047			3650	2,567,822	0	
84.047		P047A170808	3760	290,691	0	
84.047		P047A170846	3760	500,546	0	
84.047		P047A170852	3760	301,075	0	
84.047		P047A220790	3760	29,537	0	
84.047		P047M170628	3760	285,372	0	
84.047		P047M170638	3760	273,134	0	
84.047		TRIO Upward Bound	6990	3,486,207	0	
Federal Program 84.047 Total				9,086,018	0	
84.066	TRIO Educational Opportunity Centers	P0661210232	3750	49,767	0	
84.066		P066A110114	3750	53,155	0	
84.066		P066A210041	3750	219,268	0	
84.066		TRIO	6990	410,201	0	
Federal Program 84.066 Total				732,391	0	
84.217	TRIO McNair Post-Baccalaureate Achievement	84.217A	3600	308,725	0	
84.217			3650	300,932	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, 2022
(Expressed in whole dollars)*

TRIO

Dept of Education

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.217	TRIO McNair Post-Baccalaureate Achievement	P217A170013-19	3700	34,279	0	
84.217		P217A170013-20	3700	109,834	0	
84.217		P217A170013-21	3700	164,653	0	
84.217		P217A170127	3750	287,387	0	
Federal Program 84.217 Total				1,205,810	0	
Dept of Education Total				23,589,203	0	
TRIO Total				23,589,203	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)*

Aging

Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.044	Special Programs for the Aging-Title III, Part B		3000	9,862,817	8,678,595	
93.044	COVID-19 – Special Programs for the Aging-Title III, Part B		3000	4,076,863	4,076,863	
Federal Program 93.044 Total				13,939,680	12,755,458	
93.045	Special Programs for the Aging, Title III, Part C,		3000	14,792,785	14,792,785	
93.045	COVID-19 – Special Programs for the Aging, Title III, Part C,		3000	7,996,128	7,996,128	
Federal Program 93.045 Total				22,788,913	22,788,913	
93.053	Nutrition Services Incentive Program		3000	2,533,656	2,533,656	
Federal Program 93.053 Total				2,533,656	2,533,656	
Dept of Health & Human Services Total				39,262,249	38,078,027	
Aging Total				39,262,249	38,078,027	

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)*

CCDF

Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.575	Child Care and Development Block Grant		1030	99,199	0	
93.575			1070	975,701	0	
93.575			3000	74,000,000	0	
93.575			3070	80,444,625	15,482,119	
93.575	COVID-19 – Child Care and Development Block Grant		3070	397,324,847	1,032,692	
93.575	Child Care and Development Block Grant		3600	46,470	0	
93.575			6990	3,578,562	0	
93.575		Stabilization	6990	170,067	0	PT
Federal Program 93.575 Total				556,639,471	16,514,811	
93.596	Child Care Mandatory and Matching Funds of the Chi		3070	116,867,762	0	
Federal Program 93.596 Total				116,867,762	0	
Dept of Health & Human Services Total				673,507,233	16,514,811	
CCDF Total				673,507,233	16,514,811	

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)*

Medicaid

Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.775	State Medicaid Fraud Control Units		1000	6,367,975	0	
Federal Program 93.775 Total				6,367,975	0	
93.777	State Survey and Certification of Health Care Prov		3000	22,097,900	0	
93.777	COVID-19 – State Survey and Certification of Health Care Prov		3000	384,401	0	
93.777	State Survey and Certification of Health Care Prov		3030	2,203,176	0	
Federal Program 93.777 Total				24,685,477	0	
93.778	Medical Assistance Program		1050	300,753	0	
93.778			1070	4,813,031,295	22,583,881	
93.778	COVID-19 – Medical Assistance Program		1070	3,805,732,699	0	
93.778	Medical Assistance Program		3000	3,353,461,391	56,218,562	
93.778	COVID-19 – Medical Assistance Program		3000	391,275,561	0	
93.778	Medical Assistance Program		3070	4,997,232	0	
93.778	COVID-19 – Medical Assistance Program		3070	28,182,046	0	
Federal Program 93.778 Total				12,396,980,977	78,802,443	
Dept of Health & Human Services Total				12,428,034,429	78,802,443	
Medicaid Total				12,428,034,429	78,802,443	

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)*

Forest Service Schools and Roads

Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.665	Schools and Roads - Grants to States		0050	16,022,344	0	
Federal Program 10.665 Total				16,022,344	0	
Dept of Agriculture Total				16,022,344	0	
Forest Service Schools and Roads Total				16,022,344	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)*

Disability Insurance/SSI

Social Security Administration

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
96.001	Social Security Disability Insurance		3000	51,351,894	0	
Federal Program 96.001 Total				51,351,894	0	
Social Security Administration Total				51,351,894	0	
Disability Insurance/SSI Total				51,351,894	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)*

Highway Planning and Construction

Dept of Transportation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.205	Highway Planning and Construction		0100	99,619,938	0	
20.205		UW666487	3600	38,537	0	PT
20.205			4050	612,225,836	247,982,028	
Federal Program 20.205 Total				711,884,311	247,982,028	
20.219	Recreational Trails Program		4670	2,215,810	1,602,856	
Federal Program 20.219 Total				2,215,810	1,602,856	
20.224	Federal Lands Access Program		3700	114,572	0	
20.224			4050	1,999,169	68,422	
Federal Program 20.224 Total				2,113,741	68,422	
Dept of Transportation Total				716,213,862	249,653,306	
Highway Planning and Construction Total				716,213,862	249,653,306	

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, 2022
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Economic Development

Dept of Commerce

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
11.307	Economic Adjustment Assistance		1030	46,500	0	
11.307	COVID-19 – Economic Adjustment Assistance		1030	4,372,300	766,050	
11.307			3600	198,451	0	
11.307	Economic Adjustment Assistance		3650	292,259	0	
11.307	COVID-19 – Economic Adjustment Assistance		3650	127,109	0	
Federal Program 11.307 Total				5,036,619	766,050	
Dept of Commerce Total				5,036,619	766,050	
Economic Development Total				5,036,619	766,050	

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)*

Transit Services Programs

Dept of Transportation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.513	Enhanced Mobility of Seniors and Individuals With		4050	4,431,114	4,100,636	
Federal Program 20.513 Total				4,431,114	4,100,636	
Dept of Transportation Total				4,431,114	4,100,636	
Transit Services Programs Total				4,431,114	4,100,636	

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, 2022
(Expressed in whole dollars)*

Head Start

Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.600	Head Start		3070	162,448	0	
93.600		1	3600	117,193	0	PT
93.600		2	3600	140,426	0	PT
93.600		2020100041	3600	591,440	0	PT
93.600		2021090581MA2020100040	3600	2,177,265	0	PT
93.600			3700	2,028,308	0	
93.600	COVID-19 – Head Start		3700	18,480	0	
93.600	Head Start		6990	35,309,082	0	
93.600		0	6990	421,767	0	PT
93.600		11571	6990	315,428	0	PT
93.600		14440	6990	197,292	0	PT
93.600		Early Head Start	6990	85,250	0	PT
93.600		Head Start	6990	112,053	0	PT
Federal Program 93.600 Total				41,676,432	0	
Dept of Health & Human Services Total				41,676,432	0	
Head Start Total				41,676,432	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, 2022
(Expressed in whole dollars)*

Health Center Program

Dept of Health & Human Services

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.224	Health Center Program (Community Health Centers,		3600	183,181	0	
93.224		6635CHS	3600	85,724	0	PT
93.224			6990	736	0	
Federal Program 93.224 Total				269,641	0	
Dept of Health & Human Services Total				269,641	0	
Health Center Program Total				269,641	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)*

Clean Water State Revolving Fund

Environmental Protection Agency

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
66.458	Capitalization Grants for Clean Water State Revolving		4610	36,576,013	36,576,013	
Federal Program 66.458 Total				36,576,013	36,576,013	
Environmental Protection Agency Total				36,576,013	36,576,013	
Clean Water State Revolving Fund Total				36,576,013	36,576,013	

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)*

Drinking Water State Revolving Fund

Environmental Protection Agency

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
66.468	Capitalization Grants for Drinking Water State Revolving		3030	26,374,746	147,299	
Federal Program 66.468 Total				26,374,746	147,299	
Environmental Protection Agency Total				26,374,746	147,299	
Drinking Water State Revolving Fund Total				26,374,746	147,299	

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)*

FMCSA

Dept of Transportation

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.218	Motor Carrier Safety Assistance		2250	6,379,994	95,614	
Federal Program 20.218 Total				6,379,994	95,614	
20.237	Motor Carrier Safety Assistance High Priority Activities		4050	103,420	0	
Federal Program 20.237 Total				103,420	0	
Dept of Transportation Total				6,483,414	95,614	
FMCSA Total				6,483,414	95,614	

Total Federal Assistance	30,799,719,832	4,954,018,561
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Footnotes:
 NC - Expenditure amount noncash in nature
 PT - Expenditure, Pass-through in nature (federal funds received through another nonfederal entity).
 OL - The balance of loans from previous years, for which the federal government imposes continuing compliance requirements
 All federal program titles are based on information published on SAM.gov as of June 10, 2022.

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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 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 2022 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.

State of Washington
Schedule of Expenditures of Federal Awards
Notes A – E

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- Cluster of Programs - Closely related programs with different ALN 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 (April 2022). No expenditures of federal awards were recorded in the following mandated clusters in the report year:
 - Section 8 Project-Based
 - Foster Grandparent/Senior Companion
 - Food For Peace
 - CDBG – Entitlement Grants
 - Housing Voucher
 - 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, 2022. All component units, except the Washington State Housing Finance Commission, 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 \$1,126,051 was recovered for state central service costs during fiscal year ending June 30, 2022.
- 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 2022 Compliance Supplement instructed non-federal entities to report expenditures and lost revenue for this program based on the PRF report submitted to the U.S. Department of Health and Human Services reporting portal. In accordance with federal reporting requirements, for fiscal year 2022, the state reported program expenditures on the SEFA that pertained to payments received for the period from July 1, 2020 to June 30, 2021.

- 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 details 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 details 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, 2022:

ALN 10.557 – WIC Special Supplemental Nutrition Program for Women, Infants,
And Children..... \$22,597,416
(Infant formula rebates provided by private companies)

ALN 93.917 – HIV Care Formula Grants..... \$15,737
(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, 2022:

ALN 20.205 - Debt service costs for Referendum 49 bonds..... \$3,495,556

- During fiscal year 2022, 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 \$1,512,135 (unaudited).

- 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, ALN Program No. 17.225, for fiscal year ending June 30, 2022 include:

State of Washington/Employer Funded.....	\$ 974,393,564
Federal Funds: non-COVID.....	132,402,826
COVID funding.....	1,499,830,265
Total	<u>\$ 2,606,626,655</u>

State of Washington
Schedule of Expenditures of Federal Awards
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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, 2022, the state held the following inventories of non-monetary assistance:

Food Commodities (ALN 10.565 and 10.569)	\$ 6,570,959
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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.

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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Assistance Listing No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
10.001	3600	US CIVILIAN RESEARCH & DEVELOPMENT FNDN	DAA919653831MOD4	10,130
10.001	3650	COTTON INCORPORATED	130576003	121,919
10.001	3650	OREGON STATE UNIVERSITY	R0783AA	62,941
10.001	3650	OREGON STATE UNIVERSITY	R0813AH	88,975
10.001	3650	RESEARCH CORPORATION FOR SCIENCE ADVANCEMENT	28377	19,698
10.001	3650	WALTERS AG RESEARCH	138557	170
10.025	3600	BOYCE THOMPSON INST FOR PLANT RSCH	1903AM002	36,123
10.025	3650	UNIVERSITY OF CALIFORNIA DAVIS	A212762S001	49,833
10.025	3650	WEED SCIENCE SOCIETY OF AMERICA	139608001	9,247
10.170	3600	UNIVERSITY OF CALIFORNIA DAVIS	A210144S002AM02	51,569
10.175	3650	ORTH OLYMPIC PENINSULA RESOURCE CONSERVATION & DEV	139007001	5,997
10.175	3650	GROW FOOD DBA VIVA FARMS	AM200100XXXXG176	2,709
10.175	3650	THURSTON ECOOMIC DEVELOPMENT COUNCIL	AM190100XXXXG169	-49
10.200	3650	MICHIGAN STATE UNIVERSITY	RC110588WSU	6,499
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A20-1347-S061	48,436
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347A010	1,378
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S002	10,511
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S003	2,161
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S029	1,434
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S036	-146
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S037	5,000
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S038	4,722
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S041	1,939
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S058	779
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S059	20,938
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S062	215

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10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S063	7,695
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A21-3578-S005	7,321
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A213578S011	15,000
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A213578S030	20,906
10.200	3650	UNIVERSITY OF IDAHO	AP4292870302	7,561
10.200	3650	UNIVERSITY OF IDAHO	AP5081870745	18,821
10.200	3650	UNIVERSITY OF IDAHO	AP5923870186	8,449
10.203	3600	NORTH CAROLINA STATE UNIVERSITY	NRSP8	10,154
10.212	3650	EN SOLUCION INC	139060001	5,744
10.212	3650	FORMOLOGY INC	139870001	9,619
10.212	3650	INTEGRATED LIPID BIOFUELS	13772201	6,313
10.212	3650	NUPHY INC	139867001	29,441
10.215	3650	MONTANA STATE UNIVERSITY	G10822W8612	11,197
10.215	3650	MONTANA STATE UNIVERSITY	G10920W7504	-485
10.215	3650	MONTANA STATE UNIVERSITY	G13020W7504	2,087
10.215	3650	MONTANA STATE UNIVERSITY	G13220W7504	52,386
10.215	3650	MONTANA STATE UNIVERSITY	G13520W7507	24,935
10.215	3650	MONTANA STATE UNIVERSITY	G15121W7902	9,762
10.215	3650	MONTANA STATE UNIVERSITY	G16219W7506	2,065
10.215	3650	MONTANA STATE UNIVERSITY	G16920W7507	14,830
10.215	3650	MONTANA STATE UNIVERSITY	G20322W7905	18,042
10.215	3650	MONTANA STATE UNIVERSITY	G23422W8615	406
10.215	3650	MONTANA STATE UNIVERSITY	G23620W7504	3,014
10.215	3650	MONTANA STATE UNIVERSITY	G23920W7506	27,347
10.215	3650	MONTANA STATE UNIVERSITY	G25421W7904	987
10.215	3650	MONTANA STATE UNIVERSITY	G26022W8618	992
10.215	3650	MONTANA STATE UNIVERSITY	G26219W7502	7,830
10.215	3650	MONTANA STATE UNIVERSITY	G36521W8617	30,328

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10.215	3650	MONTANA STATE UNIVERSITY	G36921W8612	95,508
10.215	3650	UNIVERSITY OF VERMONT	ONE19350B33243	13,456
10.215	3650	UTAH STATE UNIVERSITY	140867029223	-1,288
10.215	3650	UTAH STATE UNIVERSITY	201207548	26,592
10.215	3650	UTAH STATE UNIVERSITY	201207564	74,612
10.215	3650	UTAH STATE UNIVERSITY	201207568	12,949
10.217	3650	UNIVERSITY OF MAINE	UMS1210	8,975
10.223	3650	COLUMBIA BASIN COLLEGE	201938422302121	10,655
10.227	3800	Northwest Indian College	NWIC-SA28759-WWU	7,963
10.229	3650	EXTENSION	EXC120212095	24,094
10.229	3650	EXTENSION	EXC20212179	92,629
10.253	3650	TUFTS UNIVERSITY	AG9033	25,304
10.303	3650	OREGON STATE UNIVERSITY	C0550AA	20,203
10.304	3650	UNIVERSITY OF CALIFORNIA DAVIS	20160379404	3,251
10.307	3650	ORTH DAKOTA STATE UNIVERSITY	FAR0035170	51,836
10.307	3650	MONTANA STATE UNIVERSITY	G19419W7408	45,975
10.307	3650	OREGON STATE UNIVERSITY	C0519AA	18,447
10.307	3650	ORGANIC FARMING RESEARCH FOUNDATION	WSU004151	16,894
10.307	3650	UTAH STATE UNIVERSITY	202524666	51,384
10.309	3650	ORTH CAROLINA STATE UNIVERSITY	2016149806	43,536
10.309	3650	ORTH CAROLINA STATE UNIVERSITY	2017039813	41,395
10.309	3650	ORTH CAROLINA STATE UNIVERSITY	2020004208	151,270
10.309	3650	CORNELL UNIVERSITY	7961110753	27,044
10.309	3650	CORNELL UNIVERSITY	8198010924	-8,508
10.309	3650	CORNELL UNIVERSITY	9288420623	141,978
10.309	3650	MICHIGAN STATE UNIVERSITY	RC106347WSU	22,143
10.309	3650	MICHIGAN STATE UNIVERSITY	RC111414F	63,757
10.309	3650	MICHIGAN STATE UNIVERSITY	RC111414H	23,651

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10.309	3650	MICHIGAN STATE UNIVERSITY	RC111480WSU	105,594
10.309	3650	MONTANA STATE UNIVERSITY	G18219W7553	215,631
10.309	3650	OREGON STATE UNIVERSITY	C0565BE	39,818
10.309	3650	OREGON STATE UNIVERSITY	C0598BB	43,270
10.309	3650	PENNSYLVANIA STATE UNIVERSITY	S000224NIFA	54,616
10.309	3650	TEXAS A&M UNIVERSITY	M2002895	44,875
10.309	3650	UNIVERSITY OF ARIZONA	596338	56,415
10.309	3650	UNIVERSITY OF CALIFORNIA - RIVERSIDE	S001381	178,013
10.309	3650	UNIVERSITY OF CALIFORNIA - RIVERSIDE	S001505	7,995
10.309	3650	UNIVERSITY OF FLORIDA	UFDSP00012310	69,768
10.309	3650	UNIVERSITY OF GEORGIA	SUB00002411	135,148
10.309	3650	UNIVERSITY OF IDAHO	AN4829846771	32,645
10.309	3650	UNIVERSITY OF MINNESOTA	H007082509	65,943
10.310	3600	EMORY UNIVERSITY	A584843	12,511
10.310	3600	FRED HUTCHINSON CANCER CENTER	0001090789	12,523
10.310	3600	FRED HUTCHINSON CANCER CENTER	0001090979	9,287
10.310	3600	OHIO STATE UNIVERSITY	60080949SPC1000004542	24,533
10.310	3600	UNIVERSITY OF MINNESOTA	P008176601	11,624
10.310	3600	WESTERN UNIVERSITY OF HEALTH SCIENCES	20142DRESCHLERNIFAAM01	307,283
10.310	3650	ORTH DAKOTA STATE UNIVERSITY	FAR0033162	81,481
10.310	3650	BAYLOR COLLEGE OF MEDICINE	102117659	20
10.310	3650	BOISE STATE UNIVERSITY	8605PO137170	12,863
10.310	3650	DONALD DANFORTH PLANT SCIENCE CENTER	24012W	63,812
10.310	3650	FLORIDA A&M UNIVERSITY	C4996	63,495
10.310	3650	MICHIGAN STATE UNIVERSITY	RC104967WSU	-18,879
10.310	3650	MICHIGAN STATE UNIVERSITY	RC111302G	147,468
10.310	3650	OREGON STATE UNIVERSITY	C0564AA	36,646
10.310	3650	PENNSYLVANIA STATE UNIVERSITY	S002184USDA	19,573

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10.310	3650	SOUTH DAKOTA STATE UNIVERSITY	3TC156	5,735
10.310	3650	TEXAS A&M UNIVERSITY	M1903768	38,466
10.310	3650	TEXAS TECH UNIVERSITY	21A550	24,934
10.310	3650	TEXAS TECH UNIVERSITY	21A59702	9,997
10.310	3650	UNIVERSITY OF ARKANSAS	AWD10040101	16
10.310	3650	UNIVERSITY OF CALIFORNIA DAVIS	20160356617	214,678
10.310	3650	UNIVERSITY OF CALIFORNIA DAVIS	A181616S001	-10
10.310	3650	UNIVERSITY OF CALIFORNIA DAVIS	A221483S020	5,764
10.310	3650	UNIVERSITY OF FLORIDA	UFDSP00011803	75,559
10.310	3650	UNIVERSITY OF IDAHO	AA5212771875	25,031
10.310	3650	UNIVERSITY OF IDAHO	BJKQ80SB001	42,681
10.310	3650	UNIVERSITY OF ILLIOIS	09486017405	81,306
10.310	3650	UNIVERSITY OF ILLIOIS	09974217884	14,226
10.310	3650	UNIVERSITY OF TENNESSEE	9500092668	12,752
10.310	3650	UNIVERSITY OF TENNESSEE	9500092915	65,725
10.310	3650	UNIVERSITY OF VERMONT	AWD00000384SUB00000190	7,714
10.310	3650	UNIVERSITY OF WISCONSIN MADISON	0000000930	7,763
10.310	3800	University of Kentucky	3200003877-21-271 /	9,803
10.311	3650	GROW FOOD DBA VIVA FARMS	20217003335709	583
10.311	3650	SAN JUAN ISLANDS AGRICULTURAL GUILD	20214940035639001	2,965
10.320	3650	OREGON STATE UNIVERSITY	U1408CC	7,177
10.320	3650	OREGON STATE UNIVERSITY	U1522CD	40,843
10.328	3650	CALIFORNIA CERTIFIED ORGANIC FARMERS	138735001	11,446
10.328	3650	OREGON STATE UNIVERSITY	C0537AB	14,343
10.329	3650	UNIVERSITY OF IDAHO	AN944846752	4,454
10.500	3650	KANSAS STATE UNIVERSITY	A000983S082	62,967
10.500	3650	KANSAS STATE UNIVERSITY	A000983S091	3,574
10.500	3650	PURDUE UNIVERSITY	F9000067402041	3,744

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10.500	3650	PURDUE UNIVERSITY	F9001573902009	90,322
10.500	3650	PURDUE UNIVERSITY	F9001573902016	39,274
10.500	3650	UNIVERSITY OF IDAHO	20214152035353	1,292
10.558	6990	OPSI	6198-08	105,339
10.561	6990	SBCTC	128-BFET-2	259,741
10.561	6990	SBCTC	62306/6230	40,644
10.575	3650	GROW FOOD DBA VIVA FARMS	138065001	11,015
10.604	3650	ALASKA DEPARTMENT OF NATURAL RESOURCES	TASC201809	85,295
10.604	3650	CHAPMAN UNIVERSITY	500625SUB01	63,719
10.604	3650	WASHINGTON RED RASPBERRY COMMISSION	ORSO130051	-37,876
10.674	3600	NATURE CONSERVANCY	WAS210106010WOODINNOVA	83,087
10.674	3650	WILSON ENGINEERING SERVICES	0100	20,005
10.675	3600	UNIVERSITY OF MARYLAND COLLEGE PARK	95176Z5220201	19,081
10.680	3650	WASHINGTON STATE TREE FRUIT RESEARCH COMM	1101	5
10.680	3650	WESTERN CAROLINA UNIVERSITY	18CA11062765726	12,788
10.684	3650	MONARCH JOINT VENTURE	141988001	1,122
10.912	3650	WHATCOM CONSERVATION DISTRICT	137312001	41,536
11.011	3600	FLORIDA INTERNATIONAL UNIVERSITY	80000948201UG000120AM0	41,447
11.011	3600	OPTO-KNOWLEDGE SYSTEMS INC	18120501MOD01	47,789
11.011	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	24185600AM02	131,702
11.011	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A10153324170700	25,000
11.012	3600	ALASKA OCEAN OBSERVING SYSTEM	H240063AM08	18,779
11.012	3600	ALASKA OCEAN OBSERVING SYSTEM	H249303AM01	78,271
11.012	3600	ALASKA OCEAN OBSERVING SYSTEM	H3152	17,781
11.012	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A190200S001P0693599AM0	48,987
11.407	4770	Pacific States Marine Fisheries Commission	20-38G	85,661
11.407	4770	Pacific States Marine Fisheries Commission	21-038G	148,279

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11.407	4770	Pacific States Marine Fisheries Commission	22-045G	141,923
11.417	3600	OREGON STATE UNIVERSITY	NA325XA	28,666
11.417	3600	UNIVERSITY OF CALIFORNIA DAVIS	A211572S002AM01	15,958
11.417	3600	UNIVERSITY OF CONNECTICUT	364379AM02	23,149
11.417	3600	UNIVERSITY OF CONNECTICUT	426131AM01	5,345
11.419	3600	INSTITUTE FOR APPLIED ECOLOGY	SUBK00014242AM01	3,579
11.419	3800	Institute for Applied Ecology	SUBK00014242	12,834
11.427	3600	SWINOMISH INDIAN TRIBAL COMMUNITY	959902300	6,670
11.427	3600	UNIVERSITY OF ALASKA FAIRBANKS	UA210120AM01	48,154
11.431	3600	OREGON STATE UNIVERSITY	NA345AAAM01	31,423
11.437	3600	PACIFIC ST MARINE FISHERIES COMMISION	21031G	87
11.437	3600	PACIFIC ST MARINE FISHERIES COMMISION	22033G	90,001
11.437	3600	PACIFIC ST MARINE FISHERIES COMMISION	22055G	90,908
11.437	3600	PACIFIC ST MARINE FISHERIES COMMISION	22102G	19,858
11.437	4770	Pacific States Marine Fisheries Commission	19-23G	21,651
11.437	4770	Pacific States Marine Fisheries Commission	19-50G	46,087
11.437	4770	Pacific States Marine Fisheries Commission	20-43G	18,928
11.437	4770	Pacific States Marine Fisheries Commission	21-28G	61,454
11.437	4770	Pacific States Marine Fisheries Commission	22-027G	70,579
11.438	4770	Columbia Land Trust	20-1545	513
11.438	4770	Whatcom Conservation District	RCPD 2101-01	11,204
11.439	4770	Pacific States Marine Fisheries Commission	21-035G	154,389
11.441	4770	North Pacific Fishery Management Council	LIA 2021-3	54,637
11.441	4770	North Pacific Fishery Management Council	LIA 2022-3	54,637
11.441	4770	Pacific Fishery Management Council	NA15NMF4410016 / NA20N	228,726
11.441	4770	Pacific States Marine Fisheries Commission	22-012G	645,926
11.463	3650	SYOPTIC DATA PBC	S20170118	340,750
11.472	3050	Department of Commerce	NA18NMF7420007	45,286

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11.472	3600	ALASKA DEPARTMENT OF FISH AND GAME	COOP18082AM06	256,096
11.472	3600	NORTH PACIFIC RESEARCH BOARD	180503AM03	68,102
11.472	3600	NORTH PACIFIC RESEARCH BOARD	180603AM01	10,222
11.472	3600	NORTH PACIFIC RESEARCH BOARD	180801AM03	49,877
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1901AM001	194,477
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1914A	871
11.472	3600	NORTH PACIFIC RESEARCH BOARD	2003A	169,869
11.472	3600	NORTH PACIFIC RESEARCH BOARD	2006AAM02	161,100
11.472	3600	NORTH PACIFIC RESEARCH BOARD	A9202CAM01	106,572
11.472	3600	NORTH PACIFIC RESEARCH BOARD	A9302CAM001	39,461
11.472	3600	NORTH PACIFIC RESEARCH BOARD	L3601A	23,859
11.472	3600	PACIFIC ST MARINE FISHERIES COMMISSION	2004G1AM02	25,958
11.472	3600	PACIFIC ST MARINE FISHERIES COMMISSION	21146G	55,158
11.472	3600	PRINCE WILLIAM SOUND SCIENCE CENTER	177508AM05	139,469
11.472	3800	North Pacific Research Board	2108 / F9108-00	24,704
11.472	4770	National Fish & Wildlife Foundation	0303.20/070437	53,737
11.472	4770	National Fish & Wildlife Foundation	0303.22.073537	64,409
11.472	4770	Oregon State University	J2391A-C	183
11.473	4610	National Fish and Wildlife	0318.19.065579	142,528
11.473	4770	Conservation Northwest	Project #70427	31,789
11.473	4770	National Fish & Wildlife Foundation	0318.18.062589	17,144
11.478	3600	OREGON STATE UNIVERSITY	NA355AAAM02	102,704
11.478	3600	SITKA TRIBE OF ALASKA	UW664469	2,371
11.478	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101508PROJECT24018900	20,992
11.RD	3600	BERING SEA FISHERMEN'S ASSOCIATION	AC2104A	6,017
11.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO440225MOD01	20,812
11.U04	6990	11.610 NIIMBL	None	5,671
12.300	3600	BOSTON UNIVERSITY	4500002947N00014181206	23,923

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12.300	3600	CARNEGIE MELLON UNIVERSITY	1140209405780AM05	196,126
12.300	3600	CARNEGIE MELLON UNIVERSITY	1140217441214AM02	63,321
12.300	3600	COLORADO STATE UNIVERSITY	G5732103	23,242
12.300	3600	CORNELL UNIVERSITY ITHACA	7855910699AM07	147,268
12.300	3600	CORNELL UNIVERSITY ITHACA	7855910699N00014161261	38,308
12.300	3600	GEORGE MASON UNIVERSITY	E2045223AM04	352,865
12.300	3600	MICRONESIAN ENVIRONMENTAL SERVICES	MES202001AM01	140,530
12.300	3600	NEW YORK UNIVERSITY	F116803AM02	156,210
12.300	3600	OREGON STATE UNIVERSITY	N0357AAAM01	214,646
12.300	3600	SMRU LTD	US01AM01	17,377
12.300	3600	STANFORD UNIVERSITY	62733327220488AM01	422
12.300	3600	UNIVERSITY OF ALASKA FAIRBANKS	UA220028PO554891	101,125
12.300	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK2108AM01	24,213
12.300	3600	UNIVERSITY OF PENNSYLVANIA	572339AM06	163,373
12.300	3600	UNIVERSITY OF ROCHESTER	417318URFAOGR510770AM0	123,134
12.300	3600	UNIVERSITY OF ST. ANDREWS	SMC7XOBO54	48,894
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	13294800AM06	13,994
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A10145413260300AM03	104,220
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A10146213296800AM03	38,878
12.300	3650	OREGON STATE UNIVERSITY	N0353AB	1,420
12.300	3650	SMRU LLC	181106ONRSC03	1,315
12.300	3650	UNIVERSITY OF ST ANDREWS	18390	408
12.351	3600	NORTHWESTERN UNIVERSITY	60060420UWA01	139,624
12.351	3650	ECOHEALTH ALLIANCE	07137709652346	178,637
12.351	3650	INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE	BS12NBODTR002DTR002001	57,501
12.351	3650	JOHNS HOPKINS UNIVERSITY	2004721972	206,140
12.355	3650	SPRINGSTAR INC.	135993001	29,426

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12.420	3600	AMERICAN BURN ASSOCIATION	UW631034	14
12.420	3600	BOSTON UNIVERSITY	4500002564	2,782
12.420	3600	CARNEGIE MELLON UNIVERSITY	1130264436464	32,751
12.420	3600	CASE WESTERN RESERVE UNIVERSITY	RES515707AM01	34,253
12.420	3600	COALITION FOR NATIONAL TRAUMA RESEARCH	CNTR20PROP05AM01	179,092
12.420	3600	COALITION FOR NATIONAL TRAUMA RESEARCH (CNTR)	CNTR20PROP05AM01	37,471
12.420	3600	CORNELL UNIVERSITY ITHACA	8058311223AM04	177,030
12.420	3600	DENVER RESEARCH INSTITUTE	MSRCFY1601MOD03	92,395
12.420	3600	DUKE UNIVERSITY	201114	451
12.420	3600	FRED HUTCHINSON CANCER CENTER	0000977406AM03	113,636
12.420	3600	FRED HUTCHINSON CANCER CENTER	0000984530AM03	42,528
12.420	3600	FRED HUTCHINSON CANCER CENTER	0001039633	9,954
12.420	3600	FRED HUTCHINSON CANCER CENTER	0001039633AM001	182,455
12.420	3600	FRED HUTCHINSON CANCER CENTER	0001042755	7,411
12.420	3600	FRED HUTCHINSON CANCER CENTER	0001042755AM001	6,915
12.420	3600	FRED HUTCHINSON CANCER CENTER	0001042759	5,141
12.420	3600	FRED HUTCHINSON CANCER CENTER	0001042759AM01	8,690
12.420	3600	H LEE MOFFITT CANCER CENTER & RSCH INST	12187179901G1AM06	424,462
12.420	3600	HENRY M JACKSON FOUNDATION	5770PO1030289HJF66716	306,887
12.420	3600	HOUSTON METHODIST RESEARCH INSTITUTE	AGMT00005361	45,709
12.420	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	025810314609AM05	19,161
12.420	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	025810314609AM06	65,313
12.420	3600	JOHNS HOPKINS UNIVERSITY	2004209935AM04	51,238
12.420	3600	JOHNS HOPKINS UNIVERSITY	2004338156AM03	21,126
12.420	3600	MAYO CLINIC	UWA28151901AM01	5,423
12.420	3600	MAYO CLINIC	UWA281519PO67938703	58,946
12.420	3600	MICHIGAN STATE UNIVERSITY	RC108014UWAM01	6,365

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12.420	3600	MID-ATLANTIC EPILEPSY AND SLEEP CENTER	UW665710	22,075
12.420	3600	NORTHERN CALIFORNIA INST FOR RSCH & EDUC	CHAO202201AM03	-1,668
12.420	3600	NORTHWESTERN UNIVERSITY	60054759UW	26,141
12.420	3600	SANFORD BURNHAM PREBYS	6986713291UWAM03	55,489
12.420	3600	SANFORD BURNHAM PREBYS	7045313551UW	17,937
12.420	3600	SCRIPPS RESEARCH INSTITUTE	115002	227,804
12.420	3600	SEATTLE CHILDREN'S HOSPITAL	12287SUBMOD01	133,325
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	AP17MUIRB1SIBCRM01	13,397
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ213BJ21SIBCR	5,372
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ213ZS21SIBCR	8,307
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112GJ12SIBCR	1,351
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112LIUH2SIBCRM01	11,909
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112LIUH3SIBCR	67,401
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112MIRANG2SIBCR	771
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112MIRANG3SIBCR	3,933
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112UW1AM02	51,157
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ124GJ11SIBCR	4,248
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ124HERODM1SIBCR	2,622
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD13HB15SIBCRM01	1,293
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD13MD12SIBCR	4,612
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD15MD11SIBCRM01	32,286
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD1HJFMD11SIBCR	18,449
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	ME14ME12SIBCR	7,974
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	ME14ME13SIBCR	30,302
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE164LG11SIBCR	5,826
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE164PE11SIBCR	3,844
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26LIN1SIBCR	9,585

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12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26LIN2SIBCR	30,279
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26PE21SIBCR	15,711
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26PE22SIBCR	50,822
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26REINR1SIBCR	12,796
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26REINR2SIBCR	38,967
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26SHOFEJ1SIBCR	2,992
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26SHOFEJ2SIBCR	9,379
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PK17SHULEQ3SIBCR	1,877
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	RM164REINR2SIBCR	9,704
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	RM164REINR3SIBCR	26,232
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	RM164RM11SIBCR	18,305
12.420	3600	SRI INTERNATIONAL INC	PO66220	15,906
12.420	3600	THOMAS JEFFERSON UNIVERSITY	08027000X17501AM01	48,092
12.420	3600	UNIVERSITY OF BRITISH COLUMBIA	27R49457	72,789
12.420	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1719GWB554AM03	23,969
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10566SCAM04	379,438
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11281SCAM02	2,968
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11281SCAM03	9,163
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11948SCAM004	44,312
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	8455SCAM10	76,857
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	8455SCAM11	100,183
12.420	3600	UNIVERSITY OF FLORIDA	SUB00002109AM01	11,643
12.420	3600	UNIVERSITY OF IOWA	S0186401AM01	13,020
12.420	3600	UNIVERSITY OF NOTRE DAME	203758UWAM03	116,277
12.420	3600	VERSITI BLOOD CENTER OF WISCONSIN	1001453UWA	81,873
12.420	3600	VIRGINIA COMMONWEALTH UNIVERSITY	FP00013312SA002AM01	146,408
12.420	3650	UNIVERSITY OF WASHINGTON	UWSC13463	27,698
12.431	3600	ARIZONA STATE UNIVERSITY	ASUB00000760AM01	152,460

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12.431	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S4661PO236230AM03	118,220
12.431	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S4661PO236230AM08	223,718
12.431	3600	SEMI FOUNDATION	FT1920193	62,447
12.431	3600	SEMI FOUNDATION	FT1921207AM01	137,135
12.431	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	0518GWA899AM03	1,505
12.431	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK1810AM09	470,777
12.431	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00002261	94,983
12.431	3600	UNIVERSITY OF VIRGINIA	GG12239PO2275765AM02	24,775
12.431	3650	KANSAS STATE UNIVERSITY	A210235S001	29,673
12.431	3650	MISSISSIPPI STATE UNIVERSITY	06080336152701	613,942
12.431	3650	UNIVERSITY OF ILLI0IS	20150616603	-1,989
12.550	3600	INSTITUTE OF INTERNATIONAL EDUCATION	0054UW25SSC280PO2	18,026
12.550	3600	INSTITUTE OF INTERNATIONAL EDUCATION	0054UW25SSC280PO2MOD01	17,676
12.550	3600	INSTITUTE OF INTERNATIONAL EDUCATION	BOR21UW21CHNPO1	25,063
12.550	3600	INSTITUTE OF INTERNATIONAL EDUCATION	BOR21UW21CHNPO1MOD02	274,100
12.630	3600	GKN AEROSPACE NEW ENGLAND, INC.	PO145723	27,051
12.750	3600	GENEVA FOUNDATION	S1056101	15,234
12.750	3600	GENEVA FOUNDATION	S1115001AM03	83,712
12.750	3600	HENRY M JACKSON FOUNDATION	4771PO960154AM02	-18,408
12.750	3600	HENRY M JACKSON FOUNDATION	5414PO1001209AM01	97,576
12.750	3600	HENRY M JACKSON FOUNDATION	5768PO1024199HJFAWD667	108,108
12.800	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000531881SC001	27,770
12.800	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00010733AM01	225,821
12.800	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	0205GYD166AM01	69,807
12.800	3600	UNIVERSITY OF NEW MEXICO	707824874JAM11	79,746
12.800	3600	UNIVERSITY OF NOTRE DAME	204282UWAM01	25,580
12.800	3650	BIOEN0 TECH, LLC	139471002	36,000
12.800	3650	GRIFFISS INSTITUTE INC	SA10012021MM0336	381,936

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12.800	3650	UNIVERSITY OF UTAH	10049788WSU	24,534
12.800	3650	UNIVERSITY OF UTAH	10059059WSU	205,374
12.800	6990	NA	NA	0
12.910	3600	PRINCETON UNIVERSITY	SUB0000246AM04	248,786
12.910	3600	PRINCETON UNIVERSITY	SUB0000301AM05	246,262
12.910	3600	TEXAS A&M UNIVERSITY	28M1802338AM06	122,697
12.910	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00010533AM02	120,576
12.910	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC81898AM02	59,325
12.RD	3600	AERODYNAMIC TECHNOLOGIES	AM03	73,960
12.RD	3600	APPLIED RESEARCH ASSOCIATES INC	S200335004250UWA	115,787
12.RD	3600	APPLIED RESEARCH ASSOCIATES INC	S644003552UWMOD05	6,019
12.RD	3600	ARCTOS TECHNOLOGY SOLUTIONS LLC	1626431926C1MOD09	36,788
12.RD	3600	CHARLES RIVER ANALYTICS INC	SC1712603MOD05	271,024
12.RD	3600	CLARKSON AEROSPACE CORP	WASH2110460MOD1	126,440
12.RD	3600	COALITION FOR NATIONAL TRAUMA RESEARCH	NTRAP1802W81XWH18C0179	35,425
12.RD	3600	CORNERSTONE RESEARCH GROUP INC	PO20220110MOD01	101,257
12.RD	3600	CREARE INC	S729PO108018AM05	4,019
12.RD	3600	CREARE INC	SUBCONTRACT89236AM03	2,391
12.RD	3600	CREONEX SYSTEMS INC	UW686205	113,308
12.RD	3600	DUAL SENSE LLC	2020SLIMUWMOD01	7,965
12.RD	3600	EAGLE HARBOR TECHNOLOGIES INC	A171854	74,811
12.RD	3600	FLASHBACK TECHNOLOGIES	UW668289	233,811
12.RD	3600	GALOIS, INC.	2021010MOD01	133,509
12.RD	3600	GENERAL ELECTRIC COMPANY	401102349AM06REV07	-20
12.RD	3600	GENERAL ELECTRIC COMPANY	PO401153010AM01	231,842
12.RD	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD001331S5AM01	-7,404
12.RD	3600	HEAT LIGHT & SOUND RESEARCH INC	NC6833517C0553	219,937

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12.RD	3600	HIGH REZ CONSULTING INC	APLUW0674MOD02	48,119
12.RD	3600	INBIOS INTERNATIONAL	SCOV2AGOTC2AM02	868,681
12.RD	3600	J DAVID GLADSTONE INSTITUTES	SC00031AM02	142,655
12.RD	3600	JACOBS TECHNOLOGY	RAPTR1000000061MOD05	152,302
12.RD	3600	LANGUAGE COMPUTER CORPORATION	SOCIALITESC01	25,382
12.RD	3600	LEIDOS	P010262074AM001	2,651
12.RD	3600	LEIDOS	P010262074AM02	521,484
12.RD	3600	MARTIN DEFENSE GROUP LLC	SCN09654MOD0005	267,850
12.RD	3600	MARTIN DEFENSE GROUP LLC	SCN09841MOD003	637,524
12.RD	3600	MARTIN DEFENSE GROUP LLC	SCN09848MOD02	1,534,179
12.RD	3600	MATERIALS SCIENCES LLC	PO15945SD50MOD01	41,876
12.RD	3600	METRON	6H84UW	22,873
12.RD	3600	NAMATAD	UW667155	150,313
12.RD	3600	NANOTOK LLC	A159116	110,033
12.RD	3600	NANOTOK, LLC	A159116	1,629
12.RD	3600	PALO ALTO VETERANS INSTITUTE FOR RESEARC	ROS002904AM06POROS0751	98,573
12.RD	3600	RAYTHEON BBN	90144MOD010	170,995
12.RD	3600	RAYTHEON BBN	90185	72,463
12.RD	3600	RE2 ROBOTICS INC	1940000022008STARUWM04	148,847
12.RD	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26UW1AM01	401,560
12.RD	3600	SRI INTERNATIONAL INC	PO44989MOD11	231,522
12.RD	3600	SRI INTERNATIONAL INC	PO47109MOD06	333,304
12.RD	3600	SRI INTERNATIONAL INC	PO57718MOD01	119,591
12.RD	3600	STOTTLER HENKE ASSOCIATION INC	CKM2STOTTLERHENKEUNIVW	43,512
12.RD	3600	SYSTEM & TECHNOLOGY RESEARCH LLC	20190038MOD02	0
12.RD	3600	SYSTEM & TECHNOLOGY RESEARCH LLC	20200043MOD05	474,278
12.RD	3600	SYSTEM & TECHNOLOGY RESEARCH LLC	20210023	121,357

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12.RD	3600	SYSTEM & TECHNOLOGY RESEARCH LLC	20210023MOD2	581,886
12.RD	3600	TEXAS RESEARCH INST AUSTIN, INC	F30178G50002SC1964	15,678
12.RD	3600	TUNOPTIX INC	A161935	101,658
12.RD	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11154SCW81XWH1590001AM	92,432
12.RD	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	CS20180009AM01	190,078
12.RD	3600	UNIVERSITY OF COLORADO	FY22891024	760
12.RD	3600	UNIVERSITY OF HAWAII	MA1400AM05	19,427
12.RD	3600	UNIVERSITY OF HAWAII	MA1677AM01	9,511
12.RD	3600	UNIVERSITY OF MARYLAND COLLEGE PARK	69333Z8133201AME	55,971
12.RD	3600	UNIVERSITY OF PITTSBURGH	AWD000298811PRIMEW81XW	2,633
12.RD	3600	UNIVERSITY OF ST. ANDREWS	18323	4,553
12.RD	3600	VCOM3D INC	AFTTSENHUU002AM02	30,203
12.RD	3600	WESTAT, INC.	UW630555	6,191
12.RD	3600	WIBOTIC INC	UW669254	34,775
12.RD	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101493WHOIPROJECT1020	69,559
12.RD	4770	Ecostudies Institute	EIS_2022-11	30,535
12.RD	4770	Pacific States Marine Fisheries Commission	22-161P	39,325
12.U01	3650	MISSISSIPPI STATE UNIVERSITY	19400036135601	-37,414
12.U02	3650	EXMAT RESEARCH, INC.	EXMATWSU20P0004	-460
12.U03	3650	PACIFIC STATES MARINE FISHERIES	20127P	871
12.U04	3650	CFD RESEARCH CORPORATION	9436	23,868
12.U05	3650	MISSISSIPPI STATE UNIVERSITY	19400036138901	704,043
12.U06	3650	TUFTS UNIVERSITY	ARM212WSU	144,314
12.U07	3650	SIEMENS	20802	64,494
12.U08	3650	PACIFIC STATES MARINE FISHERIES	21177P	130,939
12.U09	3650	FARADAY TECHNOLOGY INC	SC400164340222846	40,477
12.U10	3650	MISSISSIPPI STATE UNIVERSITY	19400036139301	520,107
12.U11	3650	PACIFIC STATES MARINE FISHERIES	22160P	52,747

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12.U12	3650	STRUCTURED MATERIALS INDUSTRIES, INC	42177	54,305
12.U13	3600	JOHNS HOPKINS UNIVERSITY	163111MOD01	1,588
12.U14	3600	WYLE LABORATORIES	TXS0149769CHG02	16,119
14.228	3650	MASON COUNTY	20036	9,740
14.228	5400	Spokane WDC	K7232-7661	15,135
14.239	1480	City of Bellingham	PBEL2022	80,000
15.034	3650	COLUMBIA RIVER INTER-TRIBAL FISH COMMISSION (CRITFC)	C2104	4,478
15.036	4770	Columbia River InterTribal Fish Commission	V22-02/V2200240	5,754
15.156	3600	SUQUAMISH TRIBE	AM02	-39
15.156	3600	SWINOMISH INDIAN TRIBAL COMMUNITY	UW807433	12,159
15.156	3800	Swinomish Indian Tribal Community	943-90-23-00 / A21AP	127
15.423	3600	NORTH PACIFIC RESEARCH BOARD	A9499	30,968
15.608	4770	The Xerces Society Inc	F19AC00507	5,959
15.608	4770	Trout Unlimited	80-888-3052	10,131
15.611	3650	IDAHO DEPARTMENT OF FISH AND GAME	IDFGFY21412	31,479
15.615	3600	MARIANA ISLANDS DEPT OF LANDS & NAT RES	4384010C	296,085
15.615	3600	MARIANA ISLANDS DEPT OF LANDS & NAT RES	697144OMAM02	34,057
15.620	3600	ZOOLOGICAL SOCIETY OF LONDON	AM01	13,166
15.623	4770	Ducks Unlimited	WA-331-6	31,189
15.633	4770	Wild Fish Conservancy	20-1900	23,487
15.634	3650	ARIZONA GAME & FISH DEPARTMENT	9554	27,338
15.639	3800	Swinomish Indian Tribal Community	933-90-23-00 / F22AP	17,507
15.653	4770	Recreational Boating & Fishing Foundation	RBFF-21-G-459	10,000
15.657	3650	WOODLAND PARK ZOO	141294-001	7,932
15.657	3760	WA Department of Fish and Wildlife	21-16682	58,391
15.RD	3600	DELTA STEWARDSHIP COUNCIL	DSC21032	5,431
15.RD	3600	NOOKSACK INDIAN TRIBE	UW667015	11,054

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15.RD	3600	NORTHWEST INDIAN FISHERIES COMMISSION	UW800619	43,989
15.RD	3600	SQUAXIN ISLAND TRIBE	UW635685	9,262
15.RD	3600	TULALIP TRIBES	AM05	13,357
15.U01	3650	COLVILLE CONFEDERATED TRIBES	128572011	2,710
15.U02	3650	COLVILLE CONFEDERATED TRIBES	128572012	9,421
16.560	3650	TARLETON STATE UNIVERSITY	43685200002	12,981
16.726	3650	NATIONAL 4-H COUNCIL	2019MUFX0002	3,726
16.726	3650	NATIONAL 4-H COUNCIL	2020JUFX0031	42,345
16.838	3650	ORTH MASON REGIONAL FIRE AUTHORITY	WSU004115	-5,165
17.258	6990	ECSA	00000000	19,227
17.258	6990	WA Employ Security	18300	34,795
17.259	6990	WA Employ Security	48315	100,912
17.259	6990	WFS-WIOA	19EDCCX393	0
17.268	3650	SOUTHERN UTAH UNIVERSITY	F1700012910441004	134,990
17.268	6990	Southern Utah University	HG-34414-2	29,594
17.277	6990	PACMTN WDC	88150	16,199
17.278	3650	Southwest Washington Workforce Development	WSW2007	83,796
17.278	6990	Workforce SW WA	AA-34801-2	16,179
17.285	6990	Dept of Labor	68450	55,209
19.009	3650	FHI 360	PO21001873	87,510
19.009	6990	Univ of Kansas Ctr for Research	SECAGD18CA	151,984
19.009	6990	World Learning Inc	SECAGD20CA	29,442
19.010	3600	INSTITUTE OF INTERNATIONAL EDUCATION	3000203738AM01	103,177
19.010	3600	INSTITUTE OF INTERNATIONAL EDUCATION	3000231728	122,076
19.033	3650	NATIONAL ACADEMIES SCIENCES, ENGNRG & MED	2000012172	29,898
19.900	3650	AMERICAN COUNCILS FOR INTERNATIONAL EDUCATION	142189	8,991
19.U01	3600	WORLD LEARNING INC	SECAGD19CA0015	13,185

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20.200	3600	KITTELSON AND ASSOCIATES INC	23506AM01	946
20.200	3600	NATIONAL ACADEMIES OF SCIENCES	HR17100POSUB0001800	23,457
20.200	3600	TEXAS A&M UNIVERSITY	M2102306	308
20.200	3650	MINNESOTA DEPARTMENT OF TRANSPORTATION	1033080	4,948
20.205	3600	CITY OF SEATTLE	UW666487	38,537
20.614	2250	National Sheriff's Association	K17663	5,370
20.701	3600	ARIZONA STATE UNIVERSITY	17175AM06PTE69A3551747	36,086
20.701	3600	FLORIDA INTERNATIONAL UNIVERSITY	000582AM05PRIOR000402	65,263
20.701	3600	FLORIDA INTERNATIONAL UNIVERSITY	80000734904UG800094800	11,260
20.701	3600	FLORIDA INTERNATIONAL UNIVERSITY	80000734904UGAM04	31,388
20.701	3600	NEW YORK UNIVERSITY	F874103	5,809
20.701	3600	NEW YORK UNIVERSITY	F874103AM01	-8,915
20.701	3600	NEW YORK UNIVERSITY	F874103AM04	89,876
20.701	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF18005469A3551747129	233,021
20.701	3650	UNIVERSITY OF ORTH CAROLINA CHARLOTTE	2016068804WSU	83,779
20.701	3700	Montana State University	G227-17-W6460 AMEND 7	171,611
20.935	3600	CONFEDERATED TRIBES AND BANDS OF THE YAKAMA NATION	UW684356	1,495
20.935	3600	CONFEDERATED TRIBES AND BANDS OF YAKAMA	UW684356	158,836
20.RD	3600	APPLIED PAVEMENT TECHONOLOGY INC	TOPR715001RR07UWMOD1	-2,779
20.RD	3600	BATTELLE MEMORIAL INSTITUTE	743493POUS001000074349	91,967
20.RD	3600	BATTELLE MEMORIAL INSTITUTE	POUS0010000778774	68,415
20.RD	3600	BATTELLE MEMORIAL INSTITUTE	US0010000778774MOD06	73,519
20.RD	3600	CAMBRIDGE SYSTEMATICS INC	160140DTFH6116D00051L0	1,489
20.RD	3600	CAMBRIDGE SYSTEMATICS INC	160140TASKORDER029MOD0	13,522
20.U01	3650	MITRE CORPORATION	140742	3,773
20.U02	3650	UNIVERSITY OF DAYTON	140742001	52,273

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21.019	1480	Department of Commerce	S22-32401-001	1,525,580
21.019	3600	STATE OF OREGON	ODE13815AM02	305,744
21.027	3600	CITY OF SEATTLE	DOE21PA82	78,780
43.001	3600	AMHERST COLLEGE	GRT00206W2	43,484
43.001	3600	AMHERST COLLEGE	GRT00206W2AM01	9,742
43.001	3600	BROWN UNIVERSITY	00001738AM01	56,293
43.001	3600	CARNEGIE MELLON UNIVERSITY	1110244437124AM02	76,079
43.001	3600	CARNEGIE MELLON UNIVERSITY	1110247441540	55,575
43.001	3600	CENTRAL WASHINGTON UNIVERSITY	22248100YR1	61,804
43.001	3600	COLUMBIA UNIVERSITY	1GG013115PTENN17AH04G	15,634
43.001	3600	COLUMBIA UNIVERSITY	3GG015418AM03	54,458
43.001	3600	GEORGE WASHINGTON UNIVERSITY	21M14AM01	26,806
43.001	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD103070G2PO5067106AM	35,969
43.001	3600	JET PROPULSION LABORATORY	1654687	41,453
43.001	3600	JET PROPULSION LABORATORY	1656043MOD01	2,519
43.001	3600	JET PROPULSION LABORATORY	1657584MOD01	89,017
43.001	3600	JET PROPULSION LABORATORY	1660044MOD001	35,851
43.001	3600	JET PROPULSION LABORATORY	1668318	11,616
43.001	3600	JET PROPULSION LABORATORY	1670442	109,393
43.001	3600	JET PROPULSION LABORATORY	1675036MOD01	14,997
43.001	3600	JET PROPULSION LABORATORY	1675068	30,302
43.001	3600	MONTANA STATE UNIVERSITY	G23819W7767AM03	102,878
43.001	3600	NORTHERN ARIZONA UNIVERSITY	100436602AM01REV	8,624
43.001	3600	OREGON STATE UNIVERSITY	NS343AB	8,313
43.001	3600	PLANETARY SCI INST	1826UWASH	13,665
43.001	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	1948PO25014770	18,495
43.001	3600	SETI INSTITUTE	SC3365MOD005	66,063
43.001	3600	SETI INSTITUTE	SC3365MOD006	2,868

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43.001	3600	SMITHSONIAN ASTROPHYSICAL OBSERVATORY	GO122080XAM01	21,096
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR13901005AAM05	-480
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR15042003AAM03	2,419
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16120005A	13,256
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16122002A	23,673
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16144009A	11,993
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16635002A	13,609
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16640003A	6,515
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO1205501AAM13	126,190
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO14610001AAM03	57,652
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO14786001AAM02	9,870
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15154001AAM04	-332
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15216004AAM004	44,051
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15275009AAM06	11,371
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15293008AAM07	16,406
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15302004AAM003	19,989
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15656003AAM04	82,534
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15703001A	4,832
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15875004AAM02	20,382
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15877005AAM04	101,089
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15880011AAM02	16,763
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15891005AAM03	15,933
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15912006A	5,874
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15932005AAM01	20,058
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16046001A	552
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16162007A	12,050
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16165006A	13,524
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16185013A	2,039

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43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16191016A	13,256
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16207013A	14,270
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16222003A	3,205
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16292007A	9,641
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16293004A	1,233
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16650001A	7,304
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16778001A	2,300
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTHF251471001AAM01	93,420
43.001	3600	UNIVERSITIES SPACE RESEARCH ASSOCIATION	SOF070149MOD04	56,735
43.001	3600	UNIVERSITY CORP FOR ATMOSPHERIC RESEARCH	SUBAWD002083MOD03	2,723
43.001	3600	UNIVERSITY CORP FOR ATMOSPHERIC RESEARCH	SUBAWD002895M01	26,788
43.001	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF200140AM02	8,152
43.001	3600	UNIVERSITY OF ARIZONA	555432AM03	18,464
43.001	3600	UNIVERSITY OF CALIFORNIA RIVERSIDE	S001254	24,914
43.001	3600	UNIVERSITY OF CHICAGO	AWD102489SUB00000614	29,834
43.001	3600	UNIVERSITY OF COLORADO	1559326AM03	26,634
43.001	3600	UNIVERSITY OF HAWAII	MA1314AM07	32,495
43.001	3600	UNIVERSITY OF HOUSTON	R200020AM02	138,629
43.001	3600	UNIVERSITY OF MARYLAND BALTIMORE COUNTY	NASA000402AM04	30,846
43.001	3600	UNIVERSITY OF NEW YORK - ALBANY	391447	6,296
43.001	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5111900AM04	42,654
43.001	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5121651AM01	7,258
43.001	3600	UNIVERSITY OF OREGON	239700AAM05	126,904
43.001	3600	UNIVERSITY OF WISCONSIN MADISON	0000001801AM01	102,735
43.001	3600	VANDERBILT UNIVERSITY	UNIV62488AM01	8,111

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43.001	3650	CALIFORNIA INSTITUTE OF TECHNOLOGY JET PROP LAB	1654824	105,412
43.001	3650	CALIFORNIA INSTITUTE OF TECHNOLOGY JET PROP LAB	1667355	88,648
43.001	3650	NEXCERIS	80NSSC21C0062	40,000
43.001	3650	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16188001A	45,662
43.001	3650	UNIVERSITY OF IDAHO	AW5866826652	20,560
43.001	3750	University of Oregon	239700B	912
43.001	3800	Arizona State University	15-710	240,088
43.001	3800	Jet Propulsion Laboratory	1546127	87,694
43.001	3800	Jet Propulsion Laboratory	1652930	46,801
43.001	6990	Univ of Wash	44003	5,991
43.001	6990	Univ of Washington	44621	6,709
43.003	3600	BAYLOR COLLEGE OF MEDICINE	EXP0010PO7000001663	68,920
43.007	3650	UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION	320000109817193	87,187
43.008	6990	Peninsula College	UWSC12451	8,000
43.008	6990	Univ of Washington	21608	8,106
43.RD	3600	CONVERGENT MANUFACTURING TECHNOLOGIES US	PO20170038	15,050
43.RD	3600	JET PROPULSION LABORATORY	1303809MOD36	128,338
43.RD	3600	JET PROPULSION LABORATORY	1318945MOD30	176,942
43.RD	3600	JET PROPULSION LABORATORY	1587724MOD04	96,310
43.RD	3600	JET PROPULSION LABORATORY	1634821MOD03	121,345
43.RD	3600	JET PROPULSION LABORATORY	1655697MOD07	325,717
43.RD	3600	JET PROPULSION LABORATORY	1657522MOD01	44,095
43.RD	3600	JET PROPULSION LABORATORY	1665856	47,371
43.RD	3600	JET PROPULSION LABORATORY	SC1526158MOD09	31,362
43.RD	3600	JET PROPULSION LABORATORY	SC1526158MOD10	290
43.RD	3600	JOHNS HOPKINS UNIVERSITY	2003281677AM05	27,547

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43.RD	3600	JOHNS HOPKINS UNIVERSITY	200337076AM10	22,889
43.RD	3600	KALSCOTT ENGINEERING INC	UW665850	118,257
43.RD	3600	M4 ENGINEERING	UW663895	80,189
43.RD	3600	MALIN SPACE SCIENCE SYSTEMS INC	120233MOD13REV	150,200
43.RD	3600	TUNOPTIX INC	15110	40,000
45.024	6990	Wash State Arts Commission	65008	1,619
45.129	3750	Humanities Washington	ZSO-283165-21	8,794
45.162	6990	NEH	41550	60,174
45.310	6990	Office of the Secretary of State	LSTA	9,844
45.310	6990	Wash Secretary of State	46505	8,197
45.310	6990	Wash Secretary of State	66710	7,404
45.310	6990	Wash Secretary of State	G-7228	19,513
45.310	6990	Wash Secretary of State	LSTA	4,835
45.312	3600	CITY OF SEATTLE	A158437	11,147
45.312	3750	Texas A&M University	M2200765	990
45.313	3600	KENT STATE UNIVERSITY	414313UW	16,180
45.U01	3870	Americans for the Arts	ARTSWA0821	33,933
47.041	3600	AMERICAN SOCIETY FOR ENGINEERING EDUC	2019UWALGBTQMOD03	17,273
47.041	3600	AMERICAN SOCIETY FOR ENGINEERING EDUC	2020IRES764UW	4,102
47.041	3600	AQUAGGA INC	A170680	112,423
47.041	3600	BOSTON UNIVERSITY	4500003860	22,105
47.041	3600	CORNELL UNIVERSITY ITHACA	8901911283AM02	71,252
47.041	3600	EASYXAFS LLC	A145636AM02	-104
47.041	3600	ELECTRONIC BIOSCIENCES INC	194NS1C5308MOD01	47,615
47.041	3600	HARVARD UNIVERSITY	1240505104118AM06	63,516
47.041	3600	NONLINEAR MATERIALS CORP	UW684085	40,101
47.041	3600	OREGON STATE UNIVERSITY	S2239AAAM01	66,652
47.041	3600	PURDUE UNIVERSITY	10001604005AM02	15,960

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47.041	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00009375AM09	104,637
47.041	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00010849	53,339
47.041	3600	UNIVERSITY OF CALIFORNIA DAVIS	A160090S001AM003	65,000
47.041	3600	UNIVERSITY OF CALIFORNIA DAVIS	A160090S001AM04	44,790
47.041	3600	UNIVERSITY OF CALIFORNIA DAVIS	A211719S002	70,989
47.041	3600	UNIVERSITY OF COLORADO	1556900AM01	-14,101
47.041	3600	UNIVERSITY OF ILLINOIS URBANA-CHAMPAIGN	10343318508AM01	3,453
47.041	3600	UNIVERSITY OF TEXAS AUSTIN	UTA20000984UTAUSUB000	40,654
47.041	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	47985219124AAM01	164
47.041	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	47985219124MOD002	59,374
47.041	3600	YALE UNIVERSITY	GR105156CON80001606AM0	152,267
47.041	3650	ORTH DAKOTA STATE UNIVERSITY	FAR0032826	936
47.041	3650	AMERICAN SOCIETY FOR ENGINEERING EDUCATION	7692069	96,775
47.041	3650	ECO-SHELTER, LLC	135456004	10,027
47.041	3650	RYP LABS, INC	140108001	10,663
47.041	3650	SYRACUSE UNIVERSITY	2825004301S26	1,120
47.041	3650	UNIVERSITY OF KANSAS	FY2020018	96,651
47.041	3650	UNIVERSITY OF NEW MEXICO	358007874P	58,080
47.041	3750	Colorado of Mesa University	S2746.1-01-00	14,148
47.049	3600	ASTROPHYSICAL RESEARCH CONSORTIUM	SSP546AM04	165,866
47.049	3600	ASTROPHYSICAL RESEARCH CONSORTIUM	SSP547AM02	144,340
47.049	3600	AURA INC	N51948CAM09	3,112,836
47.049	3600	DUKE UNIVERSITY	3332770AM01	159,167
47.049	3600	EMORY UNIVERSITY	A374567AM05	64,219
47.049	3600	MICHIGAN STATE UNIVERSITY	RC104177UWAM08	35,656
47.049	3600	OREGON STATE UNIVERSITY	S2270BO	15,005
47.049	3600	OREGON STATE UNIVERSITY	S2270BOAM01	30,733

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47.049	3600	RSCH CORP FOR SCIENCE ADVANCEMENT PRGM	27473	7,838
47.049	3600	UNIV OF CEN FLORIDA	63016A20	9,345
47.049	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00010006AM02	192,333
47.049	3600	UNIVERSITY OF CALIFORNIA BERKELEY	0009390AM04	-218
47.049	3600	UNIVERSITY OF HAWAII	MA1713	6,470
47.049	3600	UNIVERSITY OF WISCONSIN MILWAUKEE	203405468AM05	114,265
47.050	3600	ARIZONA STATE UNIVERSITY	18352AM04	101,235
47.050	3600	ARIZONA STATE UNIVERSITY	18352AM05	49,400
47.050	3600	BERMUDA INSTITUTE OF OCEAN SCIENCES	182708UW	1,299
47.050	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S431504AM002	153,186
47.050	3600	CORNELL UNIVERSITY ITHACA	8057210906MOD02	219
47.050	3600	GEORGE MASON UNIVERSITY	E2048691AM02	73,655
47.050	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD002863G1	2,806
47.050	3600	INCORPORATED RSCH INST FOR SEISMOLOGY	SU19100107UWA02TO103	4,613
47.050	3600	INCORPORATED RSCH INST FOR SEISMOLOGY	SU19100107UWATO104	14,272
47.050	3600	IOWA STATE UNIVERSITY	024680A	2,894
47.050	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	2110911AM01	101,755
47.050	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	PO2011050	3,278,624
47.050	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	PO2011050MOD04	411,015
47.050	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	PO2110546AM01	290,442
47.050	3600	OREGON STATE UNIVERSITY	22295CD	17,552
47.050	3600	OREGON STATE UNIVERSITY	S2119AAAM02	11,245
47.050	3600	OREGON STATE UNIVERSITY	S2119AAAM03	7,068
47.050	3600	OREGON STATE UNIVERSITY	S2295CD	360,319
47.050	3600	PENNSYLVANIA STATE UNIVERSITY	5857UWNSF8934AM04	51,389
47.050	3600	PRINCETON UNIVERSITY	SUB0000005AM12	-4,600

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47.050	3600	PRINCETON UNIVERSITY	SUB0000386AM03	87,696
47.050	3600	UNIVERSITY CORP FOR ATMOSPHERIC RESEARCH	SUBAWD001365MOD02	51,888
47.050	3600	UNIVERSITY CORP FOR ATMOSPHERIC RESEARCH	SUBAWD003261	33,627
47.050	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	KR704187AM002	6,803
47.050	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	KR704367	25,765
47.050	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK1641AM05	8,468
47.050	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK2137AM01	54,972
47.050	3600	UNIVERSITY OF OKLAHOMA	202111AM01	92,495
47.050	3600	UNIVERSITY OF WISCONSIN MADISON	0000000506AM02	46,800
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403	4,311,978
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403AM08	3,126,667
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403AM10	8,092
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403AM13	1,168,839
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403AMEND13	3,977,814
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403AMEND15	-56,517
47.050	3650	AUSTIN COMMUNITY COLLEGE	WSU003361	2,753
47.050	3650	COLUMBIA UNIVERSITY	GG1259002	-853
47.050	3650	EVERETT COMMUNITY COLLEGE	18190166SUB	461
47.050	3650	OREGON STATE UNIVERSITY	S2295CE	22,928
47.050	3650	PRINCETON UNIVERSITY	SUB0000169	-59
47.050	3650	UNIVERSITY OF IDAHO	IBK289SB001	10,005
47.050	3750	Pennsylvania State University	5862-CWU-NSF-8934	59,735
47.050	3750	UNAVCO, Inc	S18-EAR1724794-S1	133,617
47.070	3600	COMPUTING RESEARCH ASSOCIATION	2021CIFUWASHINGTON29	90,382
47.070	3600	COMPUTING RESEARCH ASSOCIATION	2021CIFUWASHINGTON66	57,173
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF2020UW06AM001	20,790
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF2020UW53	117,754

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47.070	3600	FLORIDA INTERNATIONAL UNIVERSITY	000431AM03	6,273
47.070	3600	GEORGE WASHINGTON UNIVERSITY	21S24AM01	1,496
47.070	3600	MICHIGAN TECHNOLOGICAL UNIV	2006061Z2AM01	1,720
47.070	3600	MICHIGAN TECHNOLOGICAL UNIV	2006061Z4AM02	51,050
47.070	3600	PRINCETON UNIVERSITY	SUB0000281AM04	101,715
47.070	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	1121PO1215394MOD05	99,043
47.070	3600	UNIVERSITY OF CALIFORNIA BERKELEY	000105501564351	10,265
47.070	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00010901	50,699
47.070	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	121847117MPINVS9002372	221,047
47.070	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	91563015AM03	91,615
47.070	3600	UNIVERSITY OF COLORADO	1556133AM05	122,179
47.070	3600	UNIVERSITY OF MARYLAND COLLEGE PARK	27338Z4338001AMD	752
47.070	3600	UNIVERSITY OF MARYLAND COLLEGE PARK	27338Z4338001AME	3,341
47.070	3600	UNIVERSITY OF MINNESOTA	A006581303AM002	733
47.070	3600	UNIVERSITY OF TEXAS AUSTIN	UTA20000943AM01	490,159
47.070	3600	UNIVERSITY OF TEXAS AUSTIN	UTA20000943AM02	104,973
47.070	3600	UNIVERSITY OF VIRGINIA	GA11473PO2271430	10,464
47.070	3600	UNIVERSITY OF WISCONSIN MILWAUKEE	203405442AM002	146,725
47.070	3600	UTAH STATE UNIVERSITY	201242480AM005	23,331
47.070	3600	VANDERBILT UNIVERSITY	61688AM01	9,056
47.070	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	47959019124A	-3
47.070	3650	CLEMSON UNIVERSITY	19062062011806	14,632
47.070	3650	OREGON STATE UNIVERSITY	Z0051A-B	109,401
47.070	3650	UNIVERSITY OF UTAH	10054032WSU	55,104
47.074	3600	ARIZONA STATE UNIVERSITY	170251616821AM04	133,985
47.074	3600	CARY INSTITUTE OF ECOSYSTEM STUDIES	3357200201908AM01	46,947
47.074	3600	GLOUCESTER MARINE GENOMICS INSTITUTE	00001	2,315
47.074	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S5173PO524705AM01	61,764

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47.074	3600	MICHIGAN STATE UNIVERSITY	612075UWAM22	-6,510
47.074	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	1658,PO1392504	8,036
47.074	3600	UNIVERSITY OF ALASKA ANCHORAGE	UA210063	3,304
47.074	3600	UNIVERSITY OF ALASKA SOUTHEAST	J201611557186AM04	1,514
47.074	3600	UNIVERSITY OF ARIZONA	493174AM03	16,679
47.074	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00009877AM02	-342
47.074	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK2128AM01	60,374
47.074	3600	UNIVERSITY OF CHICAGO	AWD102042SUB00000570	12,844
47.074	3600	UNIVERSITY OF MARYLAND COLLEGE PARK	91874Z3500201AMB	11,128
47.074	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	3004946906AM02	31,892
47.074	3600	UNIVERSITY OF MISSOURI COLUMBIA	C000509742AM006	276,209
47.074	3600	UNIVERSITY OF MISSOURI COLUMBIA	C000671931AM01	9,078
47.074	3650	OBLE RESEARCH INSTITUTE	2017978001	-11
47.074	3650	COLUMBIA UNIVERSITY	5GG014070	28,828
47.074	3650	LOYOLA MARYMOUNT UNIVERSITY	17014S1	44,200
47.074	3650	NATIONAL CENTER FOR GEOME RESOURCES	20171	3,179
47.074	3650	TUFTS UNIVERSITY	SF0037	-1,052
47.074	3650	UNIVERSITY OF MISSOURI	C000573932	4,989
47.074	3650	UNIVERSITY OF MISSOURI	C000622112	152,606
47.074	3650	UNIVERSITY OF TENNESSEE	9500073626	11,352
47.074	3750	University of Georgia	RR167-627/S000812	17,967
47.074	3800	University Of Alaska	UAF 18-0059/P0521291	220,955
47.075	3600	AMERICAN RED CROSS	UW664661	14,251
47.075	3600	LOUISIANA STATE UNIVERSITY	PO0000137333AM03	41,462
47.075	3600	PRINCETON UNIVERSITY	SUB0000421AM01	15,904
47.075	3600	SYRACUSE UNIVERSITY	3029105288S01AM03	56,068
47.075	3600	UNIVERSITY OF TEXAS AUSTIN	UTA19001010AM01	12,617
47.075	3650	REED COLLEGE	40460WSU	17,444

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47.075	3650	VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY	48043319276	1,549
47.075	3800	Pennsylvania State University	577846/PO 4598691	11,611
47.076	3600	AMERICAN INSTITUTES FOR RESEARCH	0435600001MOD03	215,085
47.076	3600	AMERICAN INSTITUTES FOR RESEARCH	0499000001AM01	9,547
47.076	3600	AMERICAN SOCIETY FOR ENGINEERING EDUC	1760002760UW	3,517
47.076	3600	AMERICAN SOCIETY FOR ENGINEERING EDUC	769UWWA	5,078
47.076	3600	ASSOC OF PUBLIC & LAND-GRANT UNIV	A170794	12,816
47.076	3600	AUBURN UNIVERSITY	21COSAM200840UWAAM01	126,892
47.076	3600	CAL POLY POMONA FOUNDATION INC	007800	13,368
47.076	3600	DREXEL UNIVERSITY	920152	2,657
47.076	3600	DUKE UNIVERSITY	3332804	112,368
47.076	3600	EDUCATION DEVELOPMENT CENTER INC	EDC12423GN1850447	8,514
47.076	3600	EDUCATION DEVELOPMENT CENTER INC	EDC12423GN1850447AM01	591
47.076	3600	MICHIGAN STATE UNIVERSITY	RC107451UWAM02	9,349
47.076	3600	NORTHWESTERN UNIVERSITY	60053825WASHAMA01	12,440
47.076	3600	ROCHESTER INSTITUTE OF TECHNOLOGY	3270403	4,054
47.076	3600	SEATTLE UNIVERSITY	210148807001AM01	28,670
47.076	3600	STATE UNIVERSITY OF NEW YORK GENESEO	190115665485949AM02	39,187
47.076	3600	TEACHERS DEVELOPMENT GROUP	206002CAM01	110,818
47.076	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK1938AM001	43,849
47.076	3600	UNIVERSITY OF HOUSTON	R220003AM01	51,488
47.076	3600	UNIVERSITY OF ILLINOIS URBANA-CHAMPAIGN	09546417496AM03	4,591
47.076	3600	UNIVERSITY OF OREGON	2012U0BAM01	19,538
47.076	3600	UNIVERSITY OF WISCONSIN MADISON	0000001018AM03	106,015
47.076	3600	WEST VIRGINIA UNIVERSITY	18717UW	16,179
47.076	3600	WOMEN IN ENGINEERING PROACTIVE NETWORK	UW668074	31,099

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47.076	3650	AMERICAN ASSOCIATION OF COMMUNITY COLLEGES (AACC)	139000	32,501
47.076	3650	AMERICAN ASSOCIATION OF COMMUNITY COLLEGES (AACC)	140002	18,081
47.076	3650	AMERICAN INSTITUTES FOR RESEARCH	0499000002	113,868
47.076	3650	AUSTIN COMMUNITY COLLEGE	WSU004153	11,974
47.076	3650	DARK ENTERPRISES INC	138714002	29
47.076	3650	DIGITAL WORLD BIOLOGY	WSU003988	3,571
47.076	3650	HERITAGE UNIVERSITY	CRESCENT-01	194,588
47.076	3650	JEFFERSON COMMUNITY AND TECHNICAL COLLEGE	DUE1700496WSU	42,172
47.076	3650	MONTEREY PENINSULA COLLEGE	WSUMATEEVALUATECOMPETE	8,658
47.076	3650	MONTGOMERY COUNTY COMMUNITY COLLEGE	139764004	66
47.076	3650	MONTGOMERY COUNTY COMMUNITY COLLEGE	141453	3,039
47.076	3650	SPOKANE COMMUNITY COLLEGE	134038001	8,737
47.076	3650	UNIVERSITY OF PUGET SOUND	138306-001	87
47.076	3700	Kent State University	402139-EWU	1,980
47.076	3750	DePaul University	501546SG187	6,638
47.076	3760	Salish Kootenai College	ESC-20-1	1,692
47.076	3800	American Institutes For Research	499000003	11,477
47.076	3800	Salish Kootenai College	1826637 / WWU-18-2	4,800
47.076	3800	UC Berkeley	00010783 / BB0151399	3,948
47.076	6990	Bellevue College	64710	32,245
47.076	6990	Collins	21601	7,278
47.076	6990	Lake WA Technical Inst	06160	998
47.076	6990	NSF	44003	28,175
47.076	6990	Pasadena City College	2000281	103,092
47.076	6990	Purdue Univ	4101-79544	23,212
47.076	6990	San Jose Evergreen CC District	44003	69,329

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47.076	6990	Seattle Colleges	371	96,079
47.076	6990	Sinclair CC	SCC-170053	3,500
47.076	6990	Somerset CC	DUE-205572	6,613
47.076	6990	Univ of Washington	44685	23,688
47.076	6990	US LSAMP	65025	10,750
47.076	6990	WPI	21620	16,546
47.078	3600	OREGON STATE UNIVERSITY	S2306BN	111,942
47.078	3600	OREGON STATE UNIVERSITY	S2306LNAME01	201,530
47.078	3600	OREGON STATE UNIVERSITY	S2306ME	120,670
47.078	3600	OREGON STATE UNIVERSITY	S2319AAAM01	688
47.078	3600	PRINCETON UNIVERSITY	SUB0000386AM02	548,360
47.078	3600	PRINCETON UNIVERSITY	SUB0000386AM03	217,283
47.078	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	KR704264AM01	54,404
47.079	3600	UNIVERSITY OF CHICAGO	FP065300C54405486012AM	310,783
47.079	3600	US CIVILIAN RESEARCH & DEVELOPMENT FNDN	G20201267159MOD02	27,697
47.079	3650	CRDF GLOBAL	OISE19655020	-50
47.083	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S5461PO661477	167,613
47.083	3600	UNIVERSITY OF CHICAGO	AWD101485SUB00000351AM	21,504
47.083	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00015725	63,828
47.083	3600	VANDERBILT UNIVERSITY	UNIV61841	-433
47.083	3600	VANDERBILT UNIVERSITY	UNIV62475	173,212
47.083	3650	UNIVERSITY OF WISCONSIN MADISON	0000001914	30,843
47.U01	3600	AMERICAN SOCIETY OF MECHANICAL ENGINEERS	UW639293	8,294
64.116	6990	Dept of Vet Affairs	116	141,810
66.123	3600	KING COUNTY	UW667142	93,502
66.123	4770	Northwest Straits Foundation	2019-13-WDFW	37,982
66.456	3600	TULALIP TRIBES	UW669954	30,007

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66.509	3600	CARNEGIE MELLON UNIVERSITY	1080358364871AM05	8,723
66.509	3600	CARNEGIE MELLON UNIVERSITY	1080358364872AM02	33,290
66.509	3600	CARNEGIE MELLON UNIVERSITY	1080358364874AM06	-1
66.509	3600	CARNEGIE MELLON UNIVERSITY	1080358364925AM08	97,591
66.511	3600	HEALTH EFFECTS INSTITUTE	4975RFA1912092	200,372
66.716	3650	EXTENSION	SA202119	640
66.716	3650	EXTENSION	SA202240	9,400
66.951	3650	PALOUSE CONSERVATION DISTRICT	140069001	6,017
66.RD	3600	AQUAGGA INC	UW684088	14,807
66.RD	3600	HEALTH EFFECTS INSTITUTE	4975RFA191209AM01	25,836
66.RD	3600	SKAGIT COUNTY	C20190479	18,423
66.RD	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00011427AM01	13,199
66.RD	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00011427AM03	13,286
81.049	3600	COLUMBIA UNIVERSITY	1GG014496	728,968
81.049	3600	COLUMBIA UNIVERSITY	1GG014496AM01	72,262
81.049	3600	COLUMBIA UNIVERSITY	3GG01449618	113,549
81.049	3600	FLORIDA STATE UNIVERSITY	R000002914	254,671
81.049	3600	GVD CORP	A167035	35,298
81.049	3600	MARINESITU, INC.	NA	13,537
81.049	3600	UNIVERSITY OF COLORADO	1561326PO1001569134	61,192
81.049	3600	UNIVERSITY OF MISSOURI COLUMBIA	C000554181AM04	86,804
81.049	3600	UNIVERSITY OF MISSOURI COLUMBIA	C000634211AM02	110,389
81.049	3600	UNIVERSITY OF OKLAHOMA	202123AM01	35,459
81.049	3600	UNIVERSITY OF TENNESSEE	A180354S002AM04	88,366
81.049	3600	UNIVERSITY OF WISCONSIN MADISON	0000001615	23,555
81.049	3650	BATTELLE LABS (PNNL)	321180	-551
81.049	3650	BATTELLE LABS (PNNL)	511933	-3,944
81.049	3650	BATTELLE LABS (PNNL)	531171	387,746

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81.049	3650	COLORADO SCHOOL OF MINES	4020575801	38,606
81.049	3650	DONALD DANFORTH PLANT SCIENCE CENTER	23021W	178,845
81.049	3650	EXMAT RESEARCH, INC.	EXMATWSUSC0022391	24,203
81.049	3650	ILLIOIS STATE UNIVERSITY	A210036S006	244,693
81.049	3650	MICHIGAN STATE UNIVERSITY	RC105251	366,892
81.049	3650	MONTANA STATE UNIVERSITY	G14821W8564	168,466
81.049	3650	NEXCERIS	140937001	49,583
81.049	3650	PURDUE UNIVERSITY	14000496003	12,099
81.049	3650	RADIATION DETECTION TECHNOLOGIES, INC.	135871	237,883
81.049	3650	UNIVERSITY OF IDAHO	BJKQ05SB001	1,332
81.049	3650	UNIVERSITY OF NEBRASKA	2512150123011	58,014
81.049	3650	UNIVERSITY OF NEW MEXICO	740058874P	54,984
81.049	3650	UNIVERSITY OF TEXAS AT AUSTIN	UTA20001016	60,247
81.086	3650	FOREST CONCEPTS, LLC	137491001	65,013
81.086	3650	SLIPSTREAM GROUP INC	137317001	63,742
81.086	3700	Kalispel Indian Community	74488	192,437
81.086	3700	Kalispel Indian Community	TSC21-066	24,378
81.087	3600	BLUEDOT PHOTONICS	UW665842	25,837
81.087	3600	BLUEDOT PHOTONICS	UW667179	469
81.087	3600	IOWA STATE UNIVERSITY	4012025BAM03	59,666
81.087	3600	IOWA STATE UNIVERSITY	SCN1007304AM03	68,988
81.087	3600	OREGON STATE UNIVERSITY	G0152ABAM11	92,950
81.087	3600	OREGON STATE UNIVERSITY	G0196AAAM01	41,645
81.087	3600	PACIFIC OCEAN ENERGY TRUST	OSPA171190	19,924
81.087	3600	PACIFIC OCEAN ENERGY TRUST	UW633999	68,998
81.087	3650	(RAPID) MANUFACTURING INSTITUTE	DEEE00078880608	44,303
81.087	3650	GEORGIA INSTITUTE OF TECHNOLOGY	AWD001575G1	128,869
81.087	3650	TEXAS A&M UNIVERSITY	06S170616	17,740

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81.087	3650	TEXAS A&M UNIVERSITY	M1900171	38,506
81.087	3650	UNIVERSITY OF NORTH DAKOTA	UND0026128S1	113,333
81.087	3650	UNIVERSITY OF CALIFORNIA LOS ANGELES	0190GXA493	103,819
81.089	3600	UNIVERSITY OF TEXAS AUSTIN	UTA17000308AM07	169,236
81.106	2250	Western Interstate Energy Board	K16784	86,727
81.112	3600	TEXAS A&M UNIVERSITY	M1803341AM05	96,670
81.112	3650	UNIVERSITY OF NOTRE DAME	203186WSU	370,689
81.113	3650	GEORGIA TECH	AWD000372G1	260,246
81.122	3650	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S5130	-11,756
81.122	3650	UNIVERSITY OF ILLINOIS	20150660502	1,352
81.135	3600	PRINCIPLE POWER INC	UW667972	271,899
81.135	3600	PRINCIPLE POWER INC	UW668502	25,975
81.135	3600	UNIVERSITY OF COLORADO	1556660AM01	11,653
81.135	3600	UNIVERSITY OF FLORIDA	UFDSP00012001AM04	3,812
81.135	3650	UNIVERSITY OF WISCONSIN MADISON	0000000025	41,497
81.RD	3600	ARGONNE NATIONAL LABORATORY	1F60406MOD0001	57,628
81.RD	3600	ARGONNE NATIONAL LABORATORY	1F60417M0001	42,348
81.RD	3600	ARGONNE NATIONAL LABORATORY	1F60432	41,858
81.RD	3600	ARGONNE NATIONAL LABORATORY	1F60592M0002	88,009
81.RD	3600	ARGONNE NATIONAL LABORATORY	1F60602M0003	133,896
81.RD	3600	ARGONNE NATIONAL LABORATORY	2F60005M0002	116,202
81.RD	3600	ARGONNE NATIONAL LABORATORY	2F60048M0001	39,612
81.RD	3600	ARGONNE NATIONAL LABORATORY	7F30111MOD06	3,828
81.RD	3600	ARGONNE NATIONAL LABORATORY	8F30064M0004	10,963
81.RD	3600	ARGONNE NATIONAL LABORATORY	9F60043M0003	37,664
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	243766TO257527MOD02	37,016
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	571319AM01	126,000
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	589676MOD01	41,050

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81.RD	3600	BATTELLE MEMORIAL INSTITUTE	613205	6,402
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	618905CONTRACT606219	4,346
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	619333	15,945
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	619358	23,762
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	619818	1,072
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO403450MOD05	17,449
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO424177MOD07	135,553
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO432652MOD08	17,151
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO468365MOD02	54,388
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO594113	9,983
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO618109MOD01	16,630
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO495959MOD02	136,457
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO500469	2,554
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO510568MOD04	24,651
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO516528MOD03	71,088
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO516639MOD01	113,871
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO527552	-23,180
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO534807MOD04	66,542
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO535499MOD03	187,204
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO539233MOD01	35,183
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO539234	48,967
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO539425MOD02	54,526
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO542796MOD01	8,332
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO544470MOD02	82,724
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO545987MOD01	62,140
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO549009MOD01	121,794
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO549157MOD02	51,747
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO554401MOD02	53,790

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81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO555131MOD01	178,809
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO559235MOD01	30,609
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO564330MOD01	36,328
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO574823MOD02	63,130
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO581504MOD01	65,329
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO588889MOD01	9,713
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO592008	148,668
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO592008MOD01	264,509
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO592419MOD02	59,895
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO593646	66,704
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO593867	28,946
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO596165	24,992
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO597208	212,085
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO602492	63,056
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO604621MOD02	33,750
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO607898	15,000
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO609131MOD01	7,910
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO610217MOD01	12,506
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO618328	21,101
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO621497	13,325
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA612906	31,291
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MTA487139TO620416	13,588
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	TASK540909MASTER487139	10,071
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	TO386893MASTER243766	131,376
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	TO386893MOD05MASTER243	50,065
81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	252206AM17	107,022
81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	339224AM07	6,000
81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	344773AM09	43,239

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81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	364211MOD04	111,051
81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	391075AM05	274,973
81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	409098	5,486
81.RD	3600	CTFUSION LLC	A144534DEAR0001098MOD0	229,722
81.RD	3600	FERMI NATIONAL ACCELERATOR LABORATORY	665638MOD02	75,592
81.RD	3600	FERMI NATIONAL ACCELERATOR LABORATORY	666484MOD01	2,305
81.RD	3600	FERMI NATIONAL ACCELERATOR LABORATORY	678162	334,385
81.RD	3600	FERMI NATIONAL ACCELERATOR LABORATORY	684431AM01	5,504
81.RD	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD102934S1AM02	29,278
81.RD	3600	IDAHO NATIONAL LABORATORY	260424	29,698
81.RD	3600	KRELL INSTITUTE	UW800761	34,656
81.RD	3600	KRELL INSTITUTE	UW800776	34,656
81.RD	3600	KRELL INSTITUTE	UW800777	34,656
81.RD	3600	KRELL INSTITUTE	UW807314	9,870
81.RD	3600	KRELL INSTITUTE	UW807331	682
81.RD	3600	KRELL INSTITUTE	UW807335	9,551
81.RD	3600	KRELL INSTITUTE	UW807440	-6,818
81.RD	3600	LAWRENCE BERKELEY NATIONAL LABORATORY	7374375MOD21	570,920
81.RD	3600	LAWRENCE BERKELEY NATIONAL LABORATORY	7609682	5,756
81.RD	3600	LAWRENCE BERKELEY NATIONAL LABORATORY	7642072	3,190
81.RD	3600	LAWRENCE LIVERMORE NATIONAL LABORATORY	B643872	13,704
81.RD	3600	LOS ALAMOS NATIONAL LABORATORY	507420MOD003	100,321
81.RD	3600	LOS ALAMOS NATIONAL LABORATORY	520128MOD03	1,021
81.RD	3600	LOS ALAMOS NATIONAL LABORATORY	590135BASIC592837	56,347

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81.RD	3600	LOWER COLUMBIA ESTUARY PARTNERSHIP	052022	11,037
81.RD	3600	LOWER COLUMBIA ESTUARY PARTNERSHIP	072021	56,378
81.RD	3600	NATIONAL RENEWABLE ENERGY LABORATORY	SUB202110505	948
81.RD	3600	NATIONAL RENEWABLE ENERGY LABORATORY	SUB202210073	23,205
81.RD	3600	NATIONAL RENEWABLE ENERGY LABORATORY	SUB202210174	8,013
81.RD	3600	OAK RIDGE ASSOCIATED UNIVERSITIES	SAWDWD00850	-518
81.RD	3600	PACCAR INC.	A151091AM01	72,346
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO450523MOD02	187,776
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO456355MOD03	-6,247
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO456356MOD05	10,483
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO474096MOD03	172,885
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO474098MOD4	117,327
81.RD	3600	PACIFIC OCEAN ENERGY TRUST	AM01	75,838
81.RD	3600	PACIFIC OCEAN ENERGY TRUST	TEAMERTBUW	30,392
81.RD	3600	PRINCETON PLASMA PHYSICS LABORATORY	S017736MOD002	11,957
81.RD	3600	PRINCETON PLASMA PHYSICS LABORATORY	S017997MOD1	9,574
81.RD	3600	SANDIA NATIONAL LABORATORIES	PO2294283	7,023
81.RD	3600	SANDIA NATIONAL LABORATORIES	PO2322648	19,822
81.RD	3600	SLAC NATIONAL ACCELERATOR LABORATORY	168751MOD01	80,025
81.RD	3600	SLAC NATIONAL ACCELERATOR LABORATORY	190039MOD02	82,477
81.RD	3600	UT-BATTELLE LLC	134124G00397114AM002	254,712
81.RD	3600	UT-BATTELLE LLC	4000193152	134,259
81.RD	3600	UT-BATTELLE LLC	4000193170MOD05	32,629
81.RD	3600	UT-BATTELLE LLC	4000193513	60,997
81.U01	3650	BATTELLE LABS (PNNL)	540104	21,046
81.U02	3650	ANL - UNIVERSITY OF CHICAGO	0F60172	60,914
81.U03	3650	BATTELLE LABS (PNNL)	201360	245,465
81.U04	3650	BATTELLE LABS (PNNL)	316309	-107

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81.U05	3650	WASHINGTON RIVER PROTECTION SOLUTIONS	74081	8,630
81.U06	3650	BATTELLE LABS (PNNL)	407930	16,997
81.U07	3650	BATTELLE LABS (PNNL)	506560	75,600
81.U08	3650	BATTELLE LABS (PNNL)	526597	49,097
81.U09	3650	MISSION SUPPORT ALLIANCE LLC	56682	116,448
81.U10	3650	ALLIANCE SUSTAINABLE ENERGY	XFC87033101	224,079
81.U11	3650	BATTELLE LABS (PNNL)	475231	-178
81.U12	3650	BATTELLE LABS (PNNL)	480688	18,796
81.U13	3650	BATTELLE LABS (PNNL)	502231	44,579
81.U14	3650	BATTELLE LABS (PNNL)	506570	106,493
81.U15	3650	BATTELLE LABS (PNNL)	500293	24,208
81.U16	3650	BATTELLE LABS (PNNL)	501621	6,636
81.U17	3650	BATTELLE LABS (PNNL)	508638	-993
81.U18	3650	BATTELLE LABS (PNNL)	518593	52,754
81.U19	3650	BATTELLE LABS (PNNL)	508280	-105
81.U20	3650	BATTELLE LABS (PNNL)	540055	44,557
81.U21	3650	ANL - UNIVERSITY OF CHICAGO	0F60061	-29,668
81.U22	3650	BATTELLE LABS (PNNL)	426011	48,053
81.U23	3650	BATTELLE LABS (PNNL)	506217	-1,368
81.U24	3650	BATTELLE LABS (PNNL)	540570	102,985
81.U25	3650	BATTELLE LABS (PNNL)	516084	6
81.U26	3650	BATTELLE LABS (PNNL)	489324	-1,343
81.U27	3650	BATTELLE LABS (PNNL)	493865	-1,784
81.U28	3650	COLVILLE CONFEDERATED TRIBES	C20-123	-10,387
81.U29	3650	BATTELLE LABS (PNNL)	528677	59,985
81.U30	3650	BATTELLE LABS (PNNL)	432041	-21,686
81.U31	3650	BATTELLE LABS (PNNL)	438660	172,302
81.U32	3650	BATTELLE LABS (PNNL)	381667	31,335

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81.U33	3650	BATTELLE LABS (PNNL)	550188	22,696
81.U34	3650	ANL - UNIVERSITY OF CHICAGO	IF60329	24,847
81.U35	3650	BATTELLE LABS (PNNL)	551933	37,362
81.U36	3650	BATTELLE LABS (PNNL)	555239	10,697
81.U37	3650	BATTELLE LABS (PNNL)	556825	6,571
81.U38	3650	BATTELLE LABS (PNNL)	555468	62,913
81.U39	3650	LAWRENCE LIVERMORE NATIONAL SECURITY-LLNL	B644429	97,317
81.U40	3650	LAWRENCE LIVERMORE NATIONAL SECURITY-LLNL	B644928	45,886
81.U41	3650	BATTELLE LABS (PNNL)	555156	11,159
81.U42	3650	BATTELLE LABS (PNNL)	130248FPCA	1,423
81.U43	3650	BATTELLE LABS (PNNL)	562117	5,051
81.U44	3650	BATTELLE LABS (PNNL)	561086	134,918
81.U45	3650	BATTELLE LABS (PNNL)	135945001	-3,090
81.U46	3650	WASHINGTON RIVER PROTECTION SOLUTIONS	74081	4,997
81.U47	3650	BATTELLE LABS (PNNL)	574231	66,731
81.U48	3650	BATTELLE LABS (PNNL)	569664	50,466
81.U49	3650	BATTELLE LABS (PNNL)	578780	80,094
81.U50	3650	BATTELLE LABS (PNNL)	579806	24,967
81.U51	3650	BATTELLE LABS (PNNL)	578270	56,760
81.U52	3650	BATTELLE LABS (PNNL)	580745	110,021
81.U53	3650	ANL - UNIVERSITY OF CHICAGO	IF60450	126,078
81.U54	3650	BATTELLE LABS (PNNL)	586620	45,853
81.U55	3650	ANL - UNIVERSITY OF CHICAGO	IF60533	49,289
81.U56	3650	BATTELLE LABS (PNNL)	592418	89,820
81.U57	3650	WASHINGTON RIVER PROTECTION SOLUTIONS	74081	9,847
81.U58	3650	WASHINGTON RIVER PROTECTION SOLUTIONS	74081	9,537
81.U59	3650	WASHINGTON RIVER PROTECTION SOLUTIONS	74081	21,007

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81.U60	3650	WASHINGTON RIVER PROTECTION SOLUTIONS	74081	2,413
81.U61	3650	WASHINGTON RIVER PROTECTION SOLUTIONS	74081	8,777
81.U62	3650	BATTELLE LABS (PNNL)	595028	247,845
81.U63	3650	BATTELLE LABS (PNNL)	606555	72,310
81.U64	3650	BATTELLE LABS (PNNL)	607067	21,130
81.U65	3650	BATTELLE LABS (PNNL)	607066	19,585
81.U66	3650	BATTELLE LABS (PNNL)	607899	36,318
81.U67	3650	BATTELLE LABS (PNNL)	607327	12,585
81.U68	3650	BATTELLE LABS (PNNL)	607903	39,523
81.U69	3650	BATTELLE LABS (PNNL)	608584	21,703
81.U70	3650	BATTELLE LABS (PNNL)	608314	19,162
81.U71	3650	LAWRENCE LIVERMORE NATIONAL SECURITY-LLNL	B649812	235,591
81.U72	3650	HANFORD MISSION INTEGRATION SOLUTIONS, LLC	78119	208,755
81.U73	3650	BATTELLE ENERGY ALLIANCE-INL	260738	1,031
81.U74	3650	WASHINGTON RIVER PROTECTION SOLUTIONS	74081	3,643
81.U75	3650	UC-BERKELEY-LBLN	7624942	20,240
81.U76	3650	BATTELLE LABS (PNNL)	617259	39,542
81.U77	3650	BATTELLE LABS (PNNL)	617774	5,461
81.U78	3650	LOS ALAMOS NAT'L SECURITY LLC	C1937	26,182
81.U79	3650	LAWRENCE LIVERMORE NATIONAL SECURITY-LLNL	B651327	19,971
81.U80	3650	ALLIANCE SUSTAINABLE ENERGY	SUB202110564	9,797
81.U81	3650	ALLIANCE SUSTAINABLE ENERGY	SUB202010319	8,954
81.U82	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO354654MOD05	1,944
81.U83	4770	National Fish & Wildlife Foundation	0201.22.073754	31,306
81.U84	4770	National Fish & Wildlife Foundation	0303.20.07318	19,618
81.U85	4770	Spokane Tribe	1995-027-00	3,128

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81.U86	4770	Pacific States Marine Fisheries Commission	22-026G	396,528
81.U87	4770	Pacific States Marine Fisheries Commission	22-138G	4,183
81.U88	4770	Pacific States Marine Fisheries Commission	22-139G	10,680
84.002	6990	SBCTC	000000	9,936
84.027	3760	OSPI	0327413 & 0327440	60,578
84.027	3760	OSPI	327452	173,993
84.031	3600	HERITAGE UNIVERSITY	84.031S	52,693
84.048	6990	SBCTC	128-PERKINS	267,729
84.101	6990	The Tulalip Tribes	18190309ES	148,994
84.101	6990	Tulalip Tribes	18190309ES	22,035
84.173	3760	OSPI	0387433	10,150
84.282	3600	WA ST CHARTER SCHOOLS ASSOCIATION	UW668211	15,617
84.305	3600	AMERICAN INSTITUTES FOR RESEARCH	0440100001MOD04	109,569
84.305	3600	AMERICAN INSTITUTES FOR RESEARCH	84.305A	100,451
84.305	3600	LEHIGH UNIVERSITY	84.305A	76,598
84.305	3600	NEW YORK UNIVERSITY	84.305A	9,522
84.305	3600	SEATTLE CHILDREN'S HOSPITAL	84.305A	56,566
84.305	3600	UNIVERSITY OF HOUSTON	84.305A	290,475
84.305	3600	UNIVERSITY OF MINNESOTA	84.305A	86,898
84.305	3600	UNIVERSITY OF NOTRE DAME	84.305A	38,229
84.305	3600	UNIVERSITY OF PENNSYLVANIA	84.305D	19,117
84.305	3600	UNIVERSITY OF VIRGINIA	84.305N	1,563
84.305	3600	VIRGINIA COMMONWEALTH UNIVERSITY	84.305A	22,614
84.315	3800	Northwest Indian College	NWIC-21060-SA-M01	14,125
84.324	3600	AMERICAN INSTITUTES FOR RESEARCH	0438500001MOD03	64,594
84.324	3600	DUQUESNE UNIVERSITY	84.324A	28,652
84.324	3600	VANDERBILT UNIVERSITY	84.324A	129,370
84.325	3600	UNIVERSITY OF CONNECTICUT	84.325H	107,645

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84.335	6990	DCYF	FY20	110,000
84.365	3650	UNIVERSITY OF NEBRASKA	2417080112010	14,504
84.382	6990	DOE	42010	0
84.411	3750	University of California	92-WA02-2020i3WP	16,507
84.424	6990	DCYF2	000000	9,380
84.424	6990	Edmonds School Dist ESSA	NA	96,947
84.424	6990	LWIT	000000	135,500
84.425	3760	OSPI	140112	49,875
84.425	6990	DCYF	0000000	8,943
84.RD	3600	SRI INTERNATIONAL INC	PO31603MOD03	-3,274
93.067	3600	BOTSWANA TRAINING & EDUC CTR FOR HEALTH	2020UWITECH001	119,442
93.067	3600	BOTSWANA TRAINING & EDUC CTR FOR HEALTH	2020UWITECH002	21,773
93.067	3600	BOTSWANA TRAINING & EDUC CTR FOR HEALTH	2021UWITECH001	149,134
93.067	3600	C?TE D?IVOIRE INTL TRNG AND EDUC CTR	001PO001AM01	255,454
93.067	3600	CENTRE HAITIEN POUR LE RENFORCEMENT DU S	A157946AM01	82,988
93.067	3600	CENTRE HAITIEN POUR LE RENFORCEMENT DU S	A177143	3,909
93.067	3600	CENTRE HAITIEN POUR LE RENFORCEMENT DU S	NU2GGH00236001UWITECH0	149,263
93.067	3600	CHRISTIAN HEALTH ASSOCIATION OF KENYA	UW632264	76,116
93.067	3600	CHRISTIAN HEALTH ASSOCIATION OF KENYA	UW666837	51,244
93.067	3600	PATH	CDC57928401709063SUBAM	1,140,079
93.067	3600	TANZANIA HEALTH PROMOTION SUPPORT	CDCRFAGH212137	109,657
93.067	3600	TANZANIA HEALTH PROMOTION SUPPORT	CDCRFAGH212137AM01	698,796
93.068	3600	NATIONAL OPINION RESEARCH CENTER	G157UWA02	92,598
93.068	3600	NATIONAL OPINION RESEARCH CENTER	G157UWA03	96,651
93.079	3600	AMERICAN PSYCHOLOGICAL ASSOCIATION	903402UWASH	10,000

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93.080	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12047SCAM01	365
93.080	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12047SCAM02	5,289
93.082	3600	KING COUNTY	1171CDIPAM06	57,629
93.083	3650	DL - ADV-TECH, LLC	140809001	17,272
93.084	3600	UNIVERSITY OF NEW YORK - ALBANY	1164040486001AM03	86,237
93.084	3600	UNIVERSITY OF NEW YORK - ALBANY	1170701392448AM05	173,285
93.084	3600	UNIVERSITY OF NEW YORK - ALBANY	493075	84,668
93.087	3650	CATHOLIC CHARITIES OF SPOKANE	132359001	108,660
93.093	3600	WORKFORCE DEVELOPMENT COUNCIL	20645HWF	36,422
93.103	3600	SEATTLE CHILDREN'S HOSPITAL	12439SUBAM01	18,916
93.103	3600	SEATTLE CHILDREN'S HOSPITAL	12512SUBMOD01	16,432
93.103	3600	UNIVERSITY OF MISSOURI COLUMBIA	C0007147213	4,000
93.103	3600	UNIVERSITY OF ROCHESTER	417809GURFAOGR511086AM	12,602
93.103	3600	UNIVERSITY OF ROCHESTER	SUB00000226URFAOGR5318	54,721
93.110	3600	CHILDREN'S HOSPITAL & RSCH CTR OAKLAND	807958UW181AM03REV	-909
93.110	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1557GZC461	1,712
93.110	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1920GWA101AM04	18,079
93.110	3600	UNIVERSITY OF VIRGINIA	GB10656PO2121838AM03	6,837
93.113	3600	BOSTON UNIVERSITY	4500002762AM04	44,578
93.113	3600	COLUMBIA UNIVERSITY	1GG01304701AM03	7,309
93.113	3600	JOHNS HOPKINS UNIVERSITY	2003249885AM04	23,132
93.113	3600	NORTIS INC	UW2020082001AM01	-2,960
93.113	3600	NORTIS INC	UW2020082001AM02	130,989
93.113	3600	NORTIS, INC	UW2020082001AM02	7,794
93.113	3600	RESEARCH FOUNDATION FOR STATE UNIV OF NY	R1281337	12,005
93.113	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1553GZE171	3,154
93.113	3600	UNIVERSITY OF IOWA	S0146401AM02	468,333

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93.113	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00010622AM04	43,393
93.113	3600	UNIVERSITY OF NEBRASKA	3419052249011AM03	37,623
93.113	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	110056808AM03	74,685
93.113	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	80001140AM04	3,039
93.113	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU18174MOD4AM04	307,983
93.113	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU20253MOD01	26,084
93.113	3600	WESTAT INC	671400S001AM02	108,692
93.113	3600	YALE UNIVERSITY	GR104703CON80001507AM0	38,766
93.113	3650	OREGON STATE UNIVERSITY	P0516AA	68,932
93.113	3650	OREGON STATE UNIVERSITY	P0516BA	151,374
93.121	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	312041PO870767	7,091
93.121	3600	BRIGHAM AND WOMEN'S HOSPITAL	121660AM03	103,115
93.121	3600	MASSACHUSETTS GENERAL HOSPITAL	234245	7,050
93.121	3600	SEATTLE CHILDREN'S HOSPITAL	12732SUB	7,627
93.121	3600	TECHNOLOGY ASSESSMENT & TRANSFER	UW633543	-796
93.121	3600	THE FORSYTH INSTITUTE	UWASH0238102665AM05	155,903
93.121	3600	THE FORSYTH INSTITUTE	UWASH0261862635AM005	13,869
93.121	3600	THE FORSYTH INSTITUTE	UWASH0312742770	16,728
93.121	3600	THE FORSYTH INSTITUTE	WASH0201022640AM03	25,322
93.121	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	13590SC	4,183
93.121	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	9648SCAM06	1
93.121	3600	UNIVERSITY OF IOWA	S0330001	3,004
93.127	3600	SEATTLE CHILDREN'S HOSPITAL	12428SUBMOD01	17,900
93.127	3600	SEATTLE CHILDREN'S HOSPITAL	12676SUBPRIOR12428SUBM	78,268
93.135	3600	UNIVERSITY OF MASSACHUSETTS WORCESTER	SUB00000099	32,916
93.136	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00013121AM01	162,711
93.137	3600	SEATTLE CHILDREN'S HOSPITAL	12437SUB	1,875
93.137	3650	UNIVERSITY OF ARKANSAS MEDICAL SCIENCES	55624	10,911

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93.142	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2105GZA509AM002	318,883
93.142	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2105GZA509AM03	17,857
93.153	3600	HARBORVIEW MEDICAL CENTER	UW633542	60,866
93.153	3600	HARBORVIEW MEDICAL CENTER	UW668550	5,675
93.155	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5122884	111,164
93.161	3600	AMERICAN ACADEMY OF PEDIATRICS	100316AM02	26,398
93.161	3600	AMERICAN ACADEMY OF PEDIATRICS	771122UW	9,265
93.161	3600	AMERICAN ACADEMY OF PEDIATRICS	771122UWPO100202AM01	33,032
93.161	3600	AMERICAN ACADEMY OF PEDIATRICS	PO100681	5,826
93.161	3600	AMERICAN ACADEMY OF PEDIATRICS	PO100681AM01	136,282
93.161	3600	AMERICAN ACADEMY OF PEDIATRICS	PO100797AM01	65,462
93.172	3600	BAYLOR COLLEGE OF MEDICINE	PO7000001243AM01	67,832
93.172	3600	CARNEGIE MELLON UNIVERSITY	1090708456851	106,247
93.172	3600	COLUMBIA UNIVERSITY	1GG01489001AM03	37,745
93.172	3600	ELECTRONIC BIOSCIENCES INC	160NH2C4909MOD01	27,490
93.172	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255C6214609AM003	173,481
93.172	3600	JACKSON LABORATORY	210314052103AM01	1,661
93.172	3600	JACKSON LABORATORY	210314052203AM02	497,205
93.172	3600	JACKSON LABORATORY	210368022306	19,797
93.172	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG209827UWAM042021444	27,931
93.172	3600	KAISER FOUNDATION RESEARCH INSTITUTE	OOS030229UWAM07	21,485
93.172	3600	KAISER FOUNDATION RESEARCH INSTITUTE	OOS030229UWAM08	62,458
93.172	3600	KAISER FOUNDATION RESEARCH INSTITUTE	OOS030229UWAM10	11,781
93.172	3600	KAISER FOUNDATION RESEARCH INSTITUTE	UW684576	75,944
93.172	3600	MATCHSTICK TECHNOLOGIES INC	A138585	499,202
93.172	3600	NORTHEASTERN UNIVERSITY	50079378051	81,011
93.172	3600	SLOAN KETTERING INST FOR CANCER RESEARCH	BD521791DAM06	124,163

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93.172	3600	SOUTHCENTRAL FOUNDATION	2021411AM04	34,783
93.172	3600	STANFORD UNIVERSITY	62305015135394AM02	213,584
93.172	3600	THE JACKSON LABORATORY	UW637886	20,685
93.172	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00010386AM01	38,508
93.172	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00010386AM02	12,960
93.172	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12702SC	602,610
93.172	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	9936SCAM09	-1,441
93.172	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A200450S002P0727665AM0	12,001
93.172	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A200450S005P0727662AM0	345,250
93.172	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A210187S001POP0753656A	105,493
93.172	3600	UNIVERSITY OF MASSACHUSETTS WORCESTER	OSP2017191AM07	79,015
93.172	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5121619	52,318
93.172	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5124212AM01	16,085
93.172	3600	UNIVERSITY OF PENNSYLVANIA	583200	18,696
93.172	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	131153455AM01	40,142
93.172	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	131153455AM02	23,824
93.172	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC100326	67,977
93.172	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC63906AM04	43,923
93.172	3650	UNIVERSITY OF ALABAMA	000525321002	48,169
93.173	3600	BOSTON UNIVERSITY	4500004019	46,516
93.173	3600	FRED HUTCHINSON CANCER CENTER	0001023872AM02	69,582
93.173	3600	NORTHWESTERN UNIVERSITY	SP0034193PROJ0009132AM	49,795
93.173	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1017309UWAAM001	12,686
93.173	3600	TEL AVIV UNIVERSITY	0601146324AM03	244,296
93.173	3600	TEMPLE UNIVERSITY	260885UWAM03	79,012
93.173	3600	UNIVERSITY OF COLORADO DENVER	FY19966001PO1001128171	1,828
93.173	3600	UNIVERSITY OF ROCHESTER	417738GURFAOGR511053AM	53,638

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93.173	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU1845MOD7AM07	50,602
93.173	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU2119MOD1	58,260
93.197	3600	OREGON HEALTH AUTHORITY	158689AM02	9,475
93.211	3600	UNIVERSITY OF MISSISSIPPI MEDICAL CENTER	SP13977SB6AM03	12,514
93.211	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5112962AM02	24,809
93.213	3600	2MORROW	R44AT011593	74,759
93.213	3600	DUKE UNIVERSITY	A032242AM03	20,422
93.213	3600	DUKE UNIVERSITY	A033693	3,818
93.213	3600	DUKE UNIVERSITY	A035392	21,595
93.213	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210883UW	5,091
93.213	3600	SEATTLE CHILDREN'S HOSPITAL	12419SUBMOD001	5,742
93.213	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A180910S005AM02	5,674
93.213	3650	STANFORD UNIVERSITY	62266166139496	134,815
93.224	3600	KING COUNTY	6635CHS	85,724
93.226	3600	BROWN UNIVERSITY	00001745AM01	35,476
93.226	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211586BUDG04UW	90,730
93.226	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210018BUDG03UWAM01	32,038
93.226	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210018BUDG04UW	60,009
93.226	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210906BUDG03UW	38,208
93.226	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210906BUDG04UW	103,818
93.231	3600	NW PORTLAND AREA INDIAN HEALTH BOARD	C2237	113,984
93.233	3600	OHIO STATE UNIVERSITY	60078515	-11,403
93.233	3600	SRI INTERNATIONAL INC	PO41897AM02	226,675
93.233	3650	UNIVERSITY OF CALIFORNIA DAVIS	A190461S002	34,911
93.236	3600	MONTANA DEPARTMENT OF PUBLIC HEALTH	19255010690AM03	82,429
93.239	3600	UNIVERSITY OF WISCONSIN MADISON	708K094AM04	48,868
93.242	3600	3C INSTITUTE	3C202201	29,628

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93.242	3600	ALLEN INSTITUTE	20200613	2,060
93.242	3600	ALLEN INSTITUTE	20200613AM01	76,961
93.242	3600	ALLEN INSTITUTE	20210606	42,809
93.242	3600	ALLEN INSTITUTE	20210747	111,553
93.242	3600	BRIGHAM AND WOMEN'S HOSPITAL	122074AM02	36,185
93.242	3600	BROWN UNIVERSITY	00001791	22,818
93.242	3600	BROWN UNIVERSITY	00001791AM01	8,314
93.242	3600	CASE WESTERN RESERVE UNIVERSITY	RES515454AM02	26,236
93.242	3600	CENTRE FOR INFECTIOUS DISEASE RESEARCH	M101S13F04AM02	15,807
93.242	3600	CHILDREN'S HOSPITAL LOS ANGELES	000014266A	97,440
93.242	3600	DRVISION TECHNOLOGIES LLC	AM01	-10,521
93.242	3600	DUKE UNIVERSITY	A032074AM05	142,955
93.242	3600	EMORY UNIVERSITY	A613986	7,940
93.242	3600	GEISINGER CLINIC	626514UOW03AM03	38,124
93.242	3600	GEISINGER CLINIC	626514UOW03AM04	228,980
93.242	3600	GEISINGER CLINIC	626514UW03S2AM02	29,622
93.242	3600	HARVARD UNIVERSITY	15340251110110002	273,334
93.242	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211557UW	65,401
93.242	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211559UW	74,744
93.242	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211561UW	31,649
93.242	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210241BUDG01UW01AM0	60,110
93.242	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210279UWAM002	972
93.242	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG211776UW	747
93.242	3600	LYSSN.IO, INC	UW636903	86,832
93.242	3600	LYSSNIO INC	123215UW01AM02	157,761
93.242	3600	MASSACHUSETTS GENERAL HOSPITAL	227381AM065R01MH109309	2,145
93.242	3600	MASSACHUSETTS GENERAL HOSPITAL	237573AM01	42,140
93.242	3600	MCLEAN HOSPITAL	401664	-1,059

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93.242	3600	MCLEAN HOSPITAL	401664AM01	324,721
93.242	3600	MCLEAN HOSPITAL	401664AM02	105,134
93.242	3600	NEUROLUX	UW631055	73,799
93.242	3600	NEUROLUX	UW664218	-10,549
93.242	3600	PORTLAND STATE UNIVERSITY	100156AM02	28,069
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	11957SUBMOD2	9,864
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	12185SUBMOD03	57,033
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	12368SUBMOD01	18,589
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	12662SUBMOD01	57,779
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	12724SUB	94,252
93.242	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CE21SSAMSTC1SIBCR	-10,787
93.242	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CE21SSAMSTC2SIBCRM01M	7,783
93.242	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CE21UW3MOD01	17,739
93.242	3600	STANFORD UNIVERSITY	62723866144480	19,709
93.242	3600	STANFORD UNIVERSITY	62825646144480	10,738
93.242	3600	SWEDISH HEALTH SERVICES	223004B01AM06	35,546
93.242	3600	TALKSPACE	UW667711	258,526
93.242	3600	UNIVERSITY OF CALIFORNIA IRVINE	20193804AM01	78,379
93.242	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2000GWE286AM03	93,046
93.242	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2000GXQ017AM02	840
93.242	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	67277131S9001200AM06	36,420
93.242	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	KR705212	2,283
93.242	3600	UNIVERSITY OF COLORADO	FY201021002AM02	24,613
93.242	3600	UNIVERSITY OF COLORADO	FY21930001FY22930004AM	194,101
93.242	3600	UNIVERSITY OF KWAZULU-NATAL	UKZNU1920171AM005	40,498
93.242	3600	UNIVERSITY OF LIVERPOOL	AM005	4,454
93.242	3600	UNIVERSITY OF MINNESOTA	A006759602AM03	41,391

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93.242	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5111740AM03	22,176
93.242	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5115684AM03	24,783
93.242	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5122873	19,906
93.242	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5124471AM01	2,092
93.242	3600	UNIVERSITY OF PENNSYLVANIA	568643AM05	-1
93.242	3600	UNIVERSITY OF TEXAS AUSTIN	UTAUSUB00000385	3,377
93.242	3600	UNIVERSITY OF VIRGINIA	GB10691PO2133382AM04	78,268
93.242	3600	VIRGINIA COMMONWEALTH UNIVERSITY	FP00011780SA003AM02	21,830
93.242	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU18449MOD5	53,366
93.242	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19307MOD3	92,776
93.242	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19408MOD3AM03	227,567
93.242	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19409MOD2AM03	42,507
93.242	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU20497MOD2AM02	29,516
93.242	3600	YALE UNIVERSITY	CON80003234GR114367AM0	770,309
93.242	3600	YALE UNIVERSITY	GR110244CON80002479	502
93.242	3650	UNIVERSITY OF COLORADO	FY18001018	141,536
93.243	1070	Transform TFR Initiative Grant (NASMHPD)	75S20321F42001	203,792
93.243	3600	CONFEDERATED TRIBES AND BANDS OF YAKAMA	UW638667	259,254
93.243	3600	JOHNS HOPKINS UNIVERSITY	2004352474AM03	14,432
93.243	3600	RTI INTERNATIONAL	4312021718665733LMOD04	616,140
93.262	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1019570UWA	30,030
93.262	3600	THE CENTER FOR CONSTRUCTION	3001120613AM01	48,326
93.262	3600	THE CENTER FOR CONSTRUCTION	30011210AM01	42,194
93.262	3600	THE CENTER FOR CONSTRUCTION	30011310AM01	196,821
93.262	3650	TEXAS A&M UNIVERSITY	M1803758	2,153
93.266	3600	UNIVERSITY OF PENNSYLVANIA	582025	26,459

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93.266	3600	UNIVERSITY OF PENNSYLVANIA	582025AM01	4,877
93.273	3600	BOSTON MEDICAL CENTER	7584AM01	17,775
93.273	3600	BOSTON MEDICAL CENTER	7584PO100250561AM002	75,786
93.273	3600	COLUMBIA UNIVERSITY	2GG01720401POG15741	10,769
93.273	3600	EMORY UNIVERSITY	A337174AM06	18
93.273	3600	EMORY UNIVERSITY	A482233AM08	61,695
93.273	3600	EMORY UNIVERSITY	A500607	68,890
93.273	3600	GEORGIA STATE UNIVERSITY	SP0001494702	49,622
93.273	3600	JOHNS HOPKINS UNIVERSITY	2005307204	92,756
93.273	3600	JOHNS HOPKINS UNIVERSITY	2005466982	18,550
93.273	3600	PACIFIC INTS FOR RSCH AND EVALUATION	1031MOD01	41,850
93.273	3600	RHODE ISLAND HOSPITAL	7017137290AM04	44,529
93.273	3600	RHODE ISLAND HOSPITAL	70171375971AM01	1,603
93.273	3600	SAN DIEGO STATE UNIVERSITY RSCH FNDN	SA0000640AM005	71,424
93.273	3600	SAN DIEGO STATE UNIVERSITY RSCH FNDN	SA0000640AM03	1,904
93.273	3600	SCRIPPS RESEARCH INSTITUTE	554169AM03	53,911
93.273	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	NJ13KELLYM1SIBCRM01	30,623
93.273	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	NJ13NJ11SIBCRM01	15,153
93.273	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	NJ13SCSG31SIBCR	10,091
93.273	3600	STATE UNIVERSITY OF NEW YORK BINGHAMTON	91395UNIVOFWASHINGTON	12,912
93.273	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000512064SC001AMA05	12,287
93.273	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00014818AM01	4,114
93.273	3600	UNIVERSITY OF NEW MEXICO	028400874JAM002	25,959
93.273	3600	UNIVERSITY OF NORTH TEXAS HSC	RF0012320180189AM06	88,412
93.273	3600	UNIVERSITY OF NORTH TEXAS HSC	RF0014320180407AM03	20,324
93.273	3600	UNIVERSITY OF NORTH TEXAS HSC	RF0022520210283	23,729
93.273	3650	MANAGED HEALTH CONNECTIONS LLC	132687002	-847

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93.273	3650	UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	10532SC	22,164
93.279	1070	Stanford University	R01DA052975	27,993
93.279	3600	ALLEN INSTITUTE	20210469	38,498
93.279	3600	BRANDEIS UNIVERSITY	GR403953UWAM03	31,189
93.279	3600	BROWN UNIVERSITY	00001314AM03	10,138
93.279	3600	CONSUMER WELLNESS SOLUTIONS INC	052020ADDENDUMNO2AM02	17,464
93.279	3600	CONSUMER WELLNESS SOLUTIONS INC	052020AM02	7,776
93.279	3600	EMOCHA MOBILE HEALTH INC	A157198	68,383
93.279	3600	EMOCHA MOBILE HEALTH INC	AM02PRIME1R44DA0440530	14,815
93.279	3600	EMORY UNIVERSITY	T855321AM045R01DA04561	28,758
93.279	3600	FRED HUTCHINSON CANCER CENTER	0000988409AM04	11,242
93.279	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG210129UWAM02	16,120
93.279	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG210129UWAM03	8,266
93.279	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210715UW01	14,734
93.279	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210930UWILLIAMS	25,538
93.279	3600	MEDICAL UNIVERSITY OF SOUTH CAROLINA	A000322S004	21,360
93.279	3600	MEDICAL UNIVERSITY OF SOUTH CAROLINA	A000322S004AM01	9,183
93.279	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	2000001005210	19,181
93.279	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	2000001005210AM01	29,705
93.279	3600	OREGON SOCIAL LEARNING CENTER INC	AM003	15,915
93.279	3600	RESEARCH FNDN FOR MENTAL HYGIEN	PO155581AM01	31,593
93.279	3600	RTI INTERNATIONAL	1312021663465463LMOD01	1,303
93.279	3600	SAINT LOUIS UNIVERSITY	ERS2198744197AM03	70,582
93.279	3600	SEATTLE CHILDREN'S HOSPITAL	12434SUB	13,606
93.279	3600	SEATTLE CHILDREN'S HOSPITAL	12750SUB	65,119
93.279	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	NJ12BERGKD1SIBCRM01	13,498
93.279	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	NJ12KELLYM1SIBCR	53,343
93.279	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	NJ12NJ11SIBCRM01	13,114

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93.279	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	NJ12RIEGEN1SIBCRM01	26,732
93.279	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000517103SC003AMA03	119,602
93.279	3600	UNIVERSITY OF ILLINOIS CHICAGO	17880AM01	29,505
93.279	3600	UNIVERSITY OF MARYLAND BALTIMORE	305173REQUEST4716	84,111
93.279	3600	UNIVERSITY OF MINNESOTA	D007614702AM02	30,921
93.279	3600	UNIVERSITY OF MINNESOTA	N008205101	94,511
93.279	3600	UNIVERSITY OF MINNESOTA	N008805601	-2,565
93.279	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00002498	13,857
93.279	3600	UNIVERSITY OF TENNESSEE	213499UWAM01	7,758
93.279	3600	UNIVERSITY OF UTAH	1004527701AM03	3,191
93.279	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	41251319124	43,211
93.279	3600	WAKE FOREST UNIVERSITY	3124512010000550092AM0	87,300
93.279	3600	WEILL MEDICAL COLLEGE OF CORNELL UNIV	205005	20,807
93.279	3600	WEILL MEDICAL COLLEGE OF CORNELL UNIV	2203981AM02	114,579
93.279	3600	YALE UNIVERSITY	CON80003030GR113149AM0	227,292
93.279	3600	YALE UNIVERSITY	UW684130	37,268
93.279	3650	LEGACY HEALTH SYSTEM	2021BAS01	80,035
93.279	3650	PILLSY, INC.	R44DA049629	-2,839
93.279	3650	UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	12539SC	14,914
93.279	3650	UNIVERSITY OF CINCINNATI	011130003	24,450
93.279	3650	UNIVERSITY OF NEW MEXICO	3RGH5C	114,993
93.283	3650	TASK FORCE FOR GLOBAL HEALTH	139903004	79,808
93.283	3650	TASK FORCE FOR GLOBAL HEALTH	INFCVEPV2	116,273
93.286	3600	ALBANY RSCH INST INC	96206PRIMENS108916	38,957
93.286	3600	EMORY UNIVERSITY	A454269AM01	28,227
93.286	3600	EMORY UNIVERSITY	A580773	16,009
93.286	3600	INDIANA UNIVERSITY	BL4648731UWAM04	11,434
93.286	3600	JOHNS HOPKINS UNIVERSITY	2004999881AM01	49,948

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93.286	3600	PRECISION SENSING LLC	UW635224	46,565
93.286	3600	UNIVERSITY OF ARIZONA	590063	127,176
93.286	3600	UNIVERSITY OF MINNESOTA	A008521201	40,578
93.286	3650	ADAPTELLIGENCE, LLC	134822002	41,909
93.286	3650	CLEVELAND CLINIC FOUNDATION	1425SUB	43,263
93.286	3650	RADIATION DETECTION TECHNOLOGIES, INC.	135610002	-86
93.286	3760	Cornell University	1R01EB027895-01	52,814
93.307	3600	BOSTON MEDICAL CENTER	02UW05386	37,323
93.307	3600	BOSTON UNIVERSITY	4500003777AM01	37,201
93.307	3600	COLUMBIA UNIVERSITY	1GG01183407AM11	77,798
93.307	3600	DUKE CLINICAL RESEARCH INSTITUTE (DCRI)	UW662156	8,777
93.307	3600	DUKE UNIVERSITY	303000172	13,690
93.307	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210374UW02AM02	17,635
93.307	3600	SEATTLE CHILDREN'S HOSPITAL	12723SUBMOD01	174,974
93.307	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1920GXA148AM02	59,570
93.307	3600	UNIVERSITY OF MASSACHUSETTS WORCESTER	OSP2017201AM05	44,762
93.307	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00016457AM01	60,933
93.307	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5109073AM04	-34,155
93.307	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5109076AM03	-3,442
93.307	3600	UNIVERSITY OF PENNSYLVANIA	577433AM04	78,890
93.307	3600	UNIVERSITY OF PENNSYLVANIA	583611	53,327
93.307	3600	UNIVERSITY OF TEXAS AUSTIN	UTA19001247AM03	-9,424
93.307	3650	OKLAHOMA STATE UNIVERSITY	A220004S002	7,285
93.307	3650	UNIVERSITY OF COLORADO	FY18001024	226,855
93.307	3650	UNIVERSITY OF COLORADO DENVER	FY001031	31,448
93.307	3650	UNIVERSITY OF COLORADO DENVER	FY21001030	15,048
93.310	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	311818AM02	-58,975

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93.310	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	312044AM04	16,671
93.310	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S408790AM004	958,382
93.310	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S408790AM03	-78,576
93.310	3600	DREXEL UNIVERSITY	900094AM06	41,376
93.310	3600	DREXEL UNIVERSITY	900168AMO7	112,320
93.310	3600	DUKE UNIVERSITY	A035261	23,838
93.310	3600	MEDICAL COLLEGE OF WISCONSIN	FP13962	88,345
93.310	3600	MONTANA STATE UNIVERSITY	G26721W8902AM002	97,917
93.310	3600	UNIVERSITY OF UTAH	1005478202AM01	368,678
93.310	3600	WITS HEALTH CONSORTIUM (PTY) LTD	220419001	122,040
93.318	3650	ASSOCIATION OF AMERICAN MEDICAL COLLEGES	GT3202107	27,007
93.322	3030	Association of Public Laboratories	gvf27532	40,111
93.322	3600	ASSOC OF PUBLIC HEALTH LABORATORIES INC	564012505012201	239,296
93.350	3600	CROSSLIFE TECHNOLOGIES INC	UW669521	11,792
93.350	3600	JOHNS HOPKINS UNIVERSITY	2005069333	-1
93.350	3600	JOHNS HOPKINS UNIVERSITY	2005069333AM01	98,816
93.350	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	16A00000700001AM03	-323
93.350	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1011902003UWA	66,555
93.350	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1011902UWAAM05	-62,290
93.350	3600	SEATTLE CHILDREN'S HOSPITAL	12507SUB	5,486
93.350	3600	SEATTLE CHILDREN'S HOSPITAL	12663SUB	22,351
93.350	3600	UNIVERSITY OF COLORADO	FY221126015PO100157866	252,759
93.350	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC85947AM02	25,485
93.350	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU210490PO2941111K	66,711
93.353	3600	FRED HUTCHINSON CANCER CENTER	0001012365	-3,368
93.353	3600	FRED HUTCHINSON CANCER CENTER	0001042166	-623
93.353	3600	FRED HUTCHINSON CANCER CENTER	0001091674	1,648

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93.353	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001042169	-4,579
93.353	3600	SLOAN KETTERING INST FOR CANCER RESEARCH	BD522497DAM05	23,260
93.353	3600	SLOAN KETTERING INST FOR CANCER RESEARCH	C21868057AM06	110,656
93.358	6990	League Project Firstline	45010	66,000
93.361	3600	BAYLOR COLLEGE OF MEDICINE	7000000671AM05	232,981
93.361	3600	BAYLOR COLLEGE OF MEDICINE	7000001179AM02	26,942
93.361	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255E1114609	20,581
93.361	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255E1114609AM01	51,963
93.361	3600	SEATTLE CHILDREN'S HOSPITAL	12523SUB	2,979
93.361	3600	SEATTLE CHILDREN'S HOSPITAL	12523SUBMOD01	23,568
93.361	3600	SEATTLE CHILDREN'S HOSPITAL	12524SUBMOD01	11,101
93.361	3600	SEATTLE CHILDREN'S HOSPITAL	12695SUB	37,752
93.361	3600	UNIVERSITY OF CALIFORNIA IRVINE	20183654AM01	-7,030
93.361	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5106244AM06	6,685
93.361	3650	UNIVERSITY OF ORTH CAROLINA CHAPEL HILL	5106247	4,764
93.393	3600	ARIZONA STATE UNIVERSITY	17093AM07	10,013
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001023364AM03	99,829
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001023364AM05	107,450
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001025948AM01	143,498
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001035919	162
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001041270AM01	29,877
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001041797	3,038
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001041797AM01	10,806
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001052585	12,079
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001067024	11,133
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001067504	7,788

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93.393	3600	FRED HUTCHINSON CANCER CENTER	0001079805	58,406
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001082328	21,213
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001084482	25,887
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001086407	48,509
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001110199	11,559
93.393	3600	HARVARD PILGRIM HEALTH CARE INC	AH000632AM04	12,789
93.393	3600	HARVARD UNIVERSITY	1160935118080AM01	7,411
93.393	3600	HARVARD UNIVERSITY	1160935118080AM03	128,548
93.393	3600	HARVARD UNIVERSITY	1160935121202AM01	21,474
93.393	3600	INTERNATIONAL AGENCY FOR RSCH ON CANCER	CRASCR202110	3,078
93.393	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210178UWAM04	135,639
93.393	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG211580UW	82,186
93.393	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG211637UW	65,955
93.393	3600	LIGHTSPEED MICROSCOPY LLC	AM01	53,890
93.393	3600	LIGHTSPEED MICROSCOPY LLC	UW686159	11,274
93.393	3600	PENNSYLVANIA STATE UNIVERSITY	UWCA237153AM04	52,737
93.393	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	N008519501	1,103
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CK11SSWEEKESIBCR1	5,644
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CK11SWE31SIBCR	900
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CK11SWE32SIBCR	3,864
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CK11WE32SIBCR	2,249
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CK11WE33SIBCR	9,417
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ116GJ13SIBCR	24,029
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ116GJ14SIBCR	2,124
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ116HERODM1SIBCRM01	83
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ116HERODM2SIBCR	44,026
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ116HERODM3SIBCR	6,555

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93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ116UW3AM01	34,950
93.393	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH (SIBCR)	GJ116UW3AM01	6,943
93.393	3600	UNIVERSITY OF CALIFORNIA DAVIS	20160369613A180177S004	113,737
93.393	3600	UNIVERSITY OF CALIFORNIA DAVIS	20160369613AM03	-3
93.393	3600	UNIVERSITY OF CALIFORNIA DAVIS	20160369613AM04	-1
93.393	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1557GVC172AM04	121,263
93.393	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1557GWA025AM03	195,389
93.393	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A200145S001P0726832AM0	10,010
93.393	3600	UNIVERSITY OF CHICAGO	AWD102024SUB00000502	15,475
93.393	3600	UNIVERSITY OF CHICAGO	AWD102024SUB00000502AM	3,956
93.393	3600	UNIVERSITY OF DELAWARE	44956AM06	11,212
93.393	3600	UNIVERSITY OF IOWA	S0135401AM02	84,593
93.393	3600	UNIVERSITY OF MINNESOTA	N008519501	147,050
93.393	3600	UNIVERSITY OF PITTSBURGH	AWD000006641328812AM03	8,331
93.393	3600	UNIVERSITY OF UTAH	1004305702AM03	-2,390
93.393	3600	UNIVERSITY OF UTAH	1004305702AM05	71,304
93.393	3600	UNIVERSITY OF UTAH	1004305702AM06	10,551
93.393	3600	UNIVERSITY OF VERMONT	AWD00000046SUB00000019	23,158
93.393	3600	UNIVERSITY OF WISCONSIN MADISON	0000000978	6,043
93.393	3600	UNIVERSITY OF WISCONSIN MADISON	0000001490	25,012
93.393	3600	UNIVERSITY OF WISCONSIN MADISON	0000001865	11,601
93.393	3600	WAKE FOREST UNIVERSITY	3805581108503204110000	45,301
93.394	3600	BAYLOR COLLEGE OF MEDICINE	PO7000000939AM03	48,952
93.394	3600	BOSTON MEDICAL CENTER	7621AM02	18,600
93.394	3600	CROSSLIFE TECHNOLOGIES INC	UW665758	33,053
93.394	3600	DOTQUANT LLC	UW668669	80,152
93.394	3600	FRED HUTCHINSON CANCER CENTER	0000988948AM002	-31

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93.394	3600	FRED HUTCHINSON CANCER CENTER	0001032636AM01	43,410
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001038347AM01	37,673
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001038962AM01	13,800
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001038963	5,543
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001039282	5,838
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001039287AM01	45,845
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001052898	7,607
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001068927	98,524
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001081523	37,201
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001081524	17,160
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001081825	146,145
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001081826	17,567
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001082008	6,770
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001094363	5,615
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW633515	35,393
93.394	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20210016	12,184
93.394	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	5710004063AM04	-12
93.394	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	20A1001001955	14,851
93.394	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1018110UWA	29,459
93.394	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1018110UWAAM02	70,173
93.394	3600	PET/X LLC	A147966A161226AM01	291,729
93.394	3600	PRECISION SENSING LLC	A147966AM01	69,622
93.394	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IG114SAVARD3SIBCRM00	40,217
93.394	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PM33SUNS1SIBCR	6,009
93.394	3600	STANFORD UNIVERSITY	62539499182191AM02	201,253
93.394	3600	TUFTS UNIVERSITY	NIH204	64,126
93.394	3600	TWIN STRAND BIOSCIENCE INC	AM01	10,536

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93.394	3600	UNIV OF TEXAS HEALTH SCI CTR SAN ANTONIO	168994168546AM01	723
93.394	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1557GVB811AM04	261,727
93.394	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10048SCAM04	24,035
93.394	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11124SCAM02	9,472
93.394	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11124SCAM03	43,863
93.394	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	9770SCAM04	8,949
93.394	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00013600	45,527
93.394	3600	VERAVANTI INC	A164794	79,138
93.394	3650	TULANE UNIVERSITY	TULHSC5585862021	142,219
93.395	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0129403S02	31,202
93.395	3600	BIOMIMETIX JV, LLC	BMXMBM001AM01	2,863
93.395	3600	ECOG-ACRIN MEDICAL RESEARCH FOUNDATION	U10CA1808200106WASH1CA	6,506
93.395	3600	ECOG-ACRIN MEDICAL RESEARCH FOUNDATION	U10CA18082006WASH1CAM0	10,949
93.395	3600	ECOG-ACRIN MEDICAL RESEARCH FOUNDATION	U10CA18082006WASH2CAM0	10,004
93.395	3600	EMMES CORPORATION	13748	54,782
93.395	3600	EMMES CORPORATION	13765MOD01	76,234
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001020248AM02	39,267
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001031913	-1,652
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001031913AM01	19,227
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001041275	2,875
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001051807	1,486
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001059916AM01	19,080
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001060555AM01	6,782
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001074118	42,756
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001084846AM1	9,385
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001089584	272,389

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93.395	3600	FRED HUTCHINSON CANCER CENTER	0001101370	1,972
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001102734	3,777
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001110173	15,106
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001025679MOD01	4,366
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001077860	8,115
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001083764	100,549
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW663618	-1,803
93.395	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD102398G1AM04PO50066	28,574
93.395	3600	INST FOR CANCER RESEARCH	1516301	3,850
93.395	3600	ITHAX PHARMACEUTICALS, INC.	A151430AM002	71,518
93.395	3600	NRG ONCOLOGY INC	GY012SWISHERGY6AM04	190,659
93.395	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1013080UWACHIOREAN	15,562
93.395	3600	PAI LIFE SCIENCES INC	UW662579	11,840
93.395	3600	SEATTLE CHILDREN'S HOSPITAL	11539SUBMOD06	179,955
93.395	3600	SEATTLE CHILDREN'S HOSPITAL	11540SUBMOD05	643
93.395	3600	SEATTLE CHILDREN'S HOSPITAL	11572SUBMOD07	26,915
93.395	3600	SEATTLE CHILDREN'S HOSPITAL	12740SUB	64,335
93.395	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW217BW23SIBCRM01	-413
93.395	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW217OMERM1SIBCRM01	12,778
93.395	3600	VEANA THERAPEUTICS	A147165AM01	54,578
93.395	3650	SEATTLE CHILDREN'S RESEARCH	11515SUB	157,610
93.396	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	01063086AM02	125,254
93.396	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	UW634967	36,555
93.396	3600	FRED HUTCHINSON CANCER CENTER	0001097934	61,846
93.396	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	18A1001000999AM05	66,089
93.396	3600	OHIO STATE UNIVERSITY	60068579AM02	144,603

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93.396	3600	SEATTLE CHILDREN'S HOSPITAL	12288SUBMOD01	21,620
93.396	3600	STANFORD UNIVERSITY	62435605142396AM01	16,517
93.396	3600	THOMAS JEFFERSON UNIVERSITY	08003800S37701AM02	16,504
93.396	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1719GXB208AM02	144,285
93.396	3650	THOMAS JEFFERSON UNIVERSITY	08003800S37701	46,207
93.397	3600	FRED HUTCHINSON CANCER CENTER	0000958170AM03	-845
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001028734AM04	12,507
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001028734AM05	6,781
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001028744AM05	15,929
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001028745AM04	39,864
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001028746AM05	2,367
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001028747AM04	128,996
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001028765AM04	22,305
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001028774	-1
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001028781	-47
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001028805AM04	15,416
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001028806AM04	12,740
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001029270AM04	13,570
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001029409AM04	85,061
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001029410AM03	222,724
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001029410AM04	100,192
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001029411AM03	100,905
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001030056AM04	21,663
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001030088AM04	59,037
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001030108AM03	10,353
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001033978AM02	41,248
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001040697	34,925
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001041996	-2,161

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93.397	3600	FRED HUTCHINSON CANCER CENTER	0001042506	4,621
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001045616	1,362
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001047852AM03	-1,603
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001047852AM04	17,838
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001060045AM01	5,746
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001060853	17,794
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001060859	54,234
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001060860	15,738
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001061291	57,494
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001062188	13,124
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001062578	44,468
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001069011AM01	46,050
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001069082AM02	79,957
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001069418	66,426
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001069446AM01	34,186
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001070402AM01	44,722
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001070947	14,828
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001070948	8,506
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001071115AM01	46,225
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001071116	31,277
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001071117	1,577
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001071118AM01	1,931
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001071699AM01	29,240
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001071700AM01	18,446
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001071701AM01	92,610
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001071702AM01	7,424
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001077602	32,529
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001077628	11,688

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93.397	3600	FRED HUTCHINSON CANCER CENTER	0001077671	16,299
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001077718	5,175
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001083476AM01	4,238
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001084250	19,445
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001085616	160,106
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001094283	17,938
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001094285	129,826
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001094286	62,546
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001094307	117,937
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001094319	31,438
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001094636	76,847
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001110178	7,382
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001110481	37,880
93.397	3600	FRED HUTCHINSON CANCER CENTER	001028805AM04	7,738
93.397	3600	FRED HUTCHINSON CANCER CENTER	001070985	17,603
93.397	3600	FRED HUTCHINSON CANCER CENTER (FHCC)	UW637135	2,636
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001077628	1,299
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001085616	14,282
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW638644	5,412
93.397	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20180009AM03	-128
93.397	3600	MAYO CLINIC	TBCRC051MC1831AM01	2,671
93.397	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	13209SCAM01	55,811
93.398	3600	FRED HUTCHINSON CANCER CENTER	0001056254AM01	97,820
93.399	3600	FRED HUTCHINSON CANCER CENTER	0001098107	12,206
93.399	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	3004538756AM07	83,416
93.399	3600	UNIVERSITY OF WISCONSIN MADISON	0000001280	4,315

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93.399	3600	UNIVERSITY OF WISCONSIN MADISON	0000001702	1,935
93.399	3600	UNIVERSITY OF WISCONSIN MADISON	0000001922	29,563
93.421	3600	AMERICAN PUBLIC HEALTH ASSOCIATION	AM01	43,263
93.421	3600	ASSOCIATION OF UNIV CTR ON DISABILITIES	23218815	12,515
93.421	3600	COUNCIL OF STATE & TERRITORIAL EPIDEMIOLOGICAL	V178142020AM01	742
93.421	3600	NATIONAL ASSOC OF CNTY & CITY HEALTH	2021040802MOD01	6,343
93.421	3600	NATIONAL ASSOC OF CNTY & CITY HEALTH	2021110201	557,900
93.421	3600	NATIONAL ASSOC OF CNTY & CITY HEALTH	2022041202	10,408
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1288AM3	2,583
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1468AM01	-12,632
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1511AM04	71,768
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1528MOD002	7,921
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1751	63,302
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1751AM01	121,674
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1780AM02	-3,372
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1782AG035200395AM02	58,849
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G2088AG0704	30,623
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G2117AG0693AM01	23,571
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G2128AG0753	46,213
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G2142AG0764AM01	180,499
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G2148AG0768	17,993

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93.421	3600	NATL ASSOC OF CHRONIC DISEASE DIRECTORS	0052020	11,520
93.421	3600	NATL ASSOC OF CHRONIC DISEASE DIRECTORS	1462021	37,069
93.421	3600	NATL ASSOC OF CHRONIC DISEASE DIRECTORS	1712021	13,014
93.421	3600	NATL ASSOC OF CHRONIC DISEASE DIRECTORS	220237	85,774
93.421	3600	SOC FOR PUBLIC HEALTH EDUC	UW669784	125,866
93.421	3600	UNIVERSITY OF VERMONT	AWD00000288SUB00000139	15,922
93.433	3600	CARNEGIE MELLON UNIVERSITY	1090644422918	39,365
93.433	3600	CRAIG HOSPITAL	2694UWBY2AM04	50,320
93.433	3600	CRAIG HOSPITAL	2694UWBY3AM04	45,911
93.433	3600	INDIANA UNIVERSITY	8699	1,483
93.433	3600	INDIANA UNIVERSITY	8699PO0384123AM001	3,517
93.433	3600	MEMORIAL HERMANN HEALTH SYSTEM	2021YR41800UWASHINGTON	1,099
93.433	3600	MEMORIAL HERMANN HEALTH SYSTEM	2022YR51800UWASHADAAM0	2,580
93.433	3600	SHIRLEY RYAN ABILITYLAB	7258AM02	52,500
93.433	3600	SHIRLEY RYAN ABILITYLAB	7258AM04	272,189
93.433	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000513370002A06	10,280
93.433	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000532312SC001	3,802
93.508	3600	UNITED INDIANS OF ALL TRIBES FOUNDATION	A71880MOD11	49,559
93.530	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5123432	133,472
93.556	3700	Idaho Dept of Health & Welfare	KC281800 AMEND 2	189,349
93.575	6990	DCYF	Stabilization	170,067
93.576	6990	NA	NA	1,059,199
93.600	3600	FOND DU LAC TRIBAL AND COMMUNITY COLLEGE	1	117,193
93.600	3600	FOND DU LAC TRIBAL AND COMMUNITY COLLEGE	2	140,426
93.600	3600	ZERO TO THREE	2020100041	591,440
93.600	3600	ZERO TO THREE	2021090581MA2020100040	2,177,265

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93.600	6990	Olympic Educ Serv Dist	0	421,767
93.600	6990	PSD	14440	197,292
93.600	6990	PSESD	11571	315,428
93.600	6990	PSESD	Early Head Start	85,250
93.600	6990	PSESD	Headstart	112,053
93.652	3600	SPAULDING FOR CHILDREN	90CO11340201AM01	204,497
93.652	3600	SPAULDING FOR CHILDREN	AM01	119,765
93.652	3600	SPAULDING FOR CHILDREN	UW633294	187,638
93.652	3600	SPAULDING FOR CHILDREN	UW633698	6,790
93.652	3600	SPAULDING FOR CHILDREN	UW667780	6,019
93.658	3700	Idaho Dept of Health & Welfare	KC279000 AMEND 4	1,330,617
93.658	3700	Idaho Dept of Health & Welfare	KC287600 AMEND 2	642,738
93.732	3600	NATIONWIDE CHILDREN'S HOSPITAL	710072122200	5,902
93.772	3600	GREAT LAKES INTER-TRIBAL COUNCIL, INC.	AM02	11,489
93.788	3600	OREGON HEALTH AUTHORITY	167154	14,191
93.788	3600	UNIVERSITY OF MISSOURI KANSAS CITY	0010312300070912	16,918
93.788	3600	UNIVERSITY OF MISSOURI KANSAS CITY	0010341500070912	67,690
93.788	3600	UNIVERSITY OF MISSOURI KANSAS CITY	0010960000077332	208,306
93.788	3600	UNIVERSITY OF MISSOURI KANSAS CITY	0010981200077332AM01	24,560
93.825	3600	UNIVERSITY OF NEBRASKA	3412093001002	140,603
93.825	3600	UNIVERSITY OF NEBRASKA	3412093001002AM01	320,974
93.837	3600	ARIZONA STATE UNIVERSITY	ASUB00000241AM004	23,300
93.837	3600	BRIGHAM AND WOMEN'S HOSPITAL	PS224978MOD09	2,715
93.837	3600	COLUMBIA UNIVERSITY	3GG01104605AM005	49,136
93.837	3600	CURI BIO	UW666593	172,561
93.837	3600	DREXEL UNIVERSITY	900087AM01	17,760
93.837	3600	DUKE CLINICAL RESEARCH INSTITUTE (DCRI)	177494218214226028AM03	4,505
93.837	3600	DUKE UNIVERSITY	A032471AM02	11,756

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93.837	3600	DUKE UNIVERSITY	A033025AM02	146,283
93.837	3600	HABIT DESIGN INC	A138591	55,687
93.837	3600	HARVARD UNIVERSITY	1645925111972AM03	4,075
93.837	3600	IMAGING BIOMARKER SOLUTIONS INC.	1R43HL15632701A1	7,825
93.837	3600	JOHNS HOPKINS UNIVERSITY	2004073037AM003	23,973
93.837	3600	JOHNS HOPKINS UNIVERSITY	2004073037AM02	12,232
93.837	3600	JOHNS HOPKINS UNIVERSITY	2004772455AM001	68,571
93.837	3600	LUNDQUIST INSTITUTE FOR BIOMEDICAL	3147002UWPOAM001	12,900
93.837	3600	MASSACHUSETTS GENERAL HOSPITAL	232954	16,707
93.837	3600	MASSACHUSETTS GENERAL HOSPITAL	236957AM02	54,090
93.837	3600	NEW ENGLAND RESEARCH INSTITUTES, INC. (NERI)	MOD06	193
93.837	3600	NORTHWESTERN UNIVERSITY	60058454UOWA01	90,284
93.837	3600	OHIO STATE UNIVERSITY	GR119787AM03	4,860
93.837	3600	RTI INTERNATIONAL	7312021703065767LMOD00	33,627
93.837	3600	RTI INTERNATIONAL	7312021703065767LMOD02	3,022
93.837	3600	SEATTLE CHILDREN'S HOSPITAL	12730SUB	63,851
93.837	3600	SEVEN BRIDGES GENOMICS INC	AM09	177,585
93.837	3600	THOMAS JEFFERSON UNIVERSITY	08018007S27801AM05	169,869
93.837	3600	TUFTS UNIVERSITY	10174200001HH5920AM04	7,250
93.837	3600	UNIV OF TEXAS HEALTH SCI CTR AT HOUSTON	0012348CAM02	4,425
93.837	3600	UNIV OF TEXAS HEALTH SCI CTR AT HOUSTON	0013892AAM01	15,740
93.837	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	122387691POS9002468AM0	98,614
93.837	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	704747	10,692
93.837	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	704820	164,033
93.837	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12920SC	4,219
93.837	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	13078SCAM01	8,656
93.837	3600	UNIVERSITY OF IOWA	S0045001AM03	15,297

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93.837	3600	UNIVERSITY OF IOWA	S0045001AM04	1,621
93.837	3600	UNIVERSITY OF MICHIGAN, ANN ARBOR	SUBK00012868003AM002	39,909
93.837	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5113177AM03	41,155
93.837	3600	UNIVERSITY OF PENNSYLVANIA	580479PO4700953PRIOR46	6,091
93.837	3600	UNIVERSITY OF PENNSYLVANIA	580479PO4700955PRIOR46	24,581
93.837	3600	UNIVERSITY OF TEXAS MEDICAL BRANCH	218518601AM01	162,217
93.837	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL	GMO210303PO0000002279A	13,807
93.837	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC59733AM08	484,462
93.837	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC95800	52,917
93.837	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU220018	8,872
93.837	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU230010	12,556
93.837	3600	YALE UNIVERSITY	GR105731CON80001726AM0	98,370
93.837	3650	UNIVERSITY OF ARIZONA	599745	42,502
93.837	3650	UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION	320000360821114	177,900
93.838	3600	ARIZONA STATE UNIVERSITY	ASUB00000775AM01	78,398
93.838	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0164102S01	63,821
93.838	3600	CINCINNATI CHILDREN'S HOSP MEDICAL CTR	303862AM04	82,097
93.838	3600	COLUMBIA UNIVERSITY	2GG01166201AM04	12,449
93.838	3600	COLUMBIA UNIVERSITY	2GG01278210AM04POG1460	59,595
93.838	3600	COLUMBIA UNIVERSITY	32GG01599701POG15284AM	148,195
93.838	3600	COLUMBIA UNIVERSITY	6GG01792901	25,450
93.838	3600	FRED HUTCHINSON CANCER CENTER	0001054456AM01	31,308
93.838	3600	FRED HUTCHINSON CANCER CENTER	0001054457	75
93.838	3600	FRED HUTCHINSON CANCER CENTER	0001092777	198,950
93.838	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20210005	7,648
93.838	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20210011MOD01	207,873

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93.838	3600	INTERMOUNTAIN HEALTHCARE INC	AM04	443
93.838	3600	MASSACHUSETTS GENERAL HOSPITAL	239080	59,196
93.838	3600	MASSACHUSETTS GENERAL HOSPITAL	239574	50,171
93.838	3600	NORTHSHORE UNIVERSITY HEALTHSYSTEM FNDN	EH17325S4AM04	14,878
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1018872UWAAM01	106,037
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1019395UWAAM002	45,563
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1021855UW	54,647
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY (OHSU)	1018896002UWAAM02	2,814
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY (OHSU)	1018896004UWAAM01	3,153
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY (OHSU)	1021391UW	17,721
93.838	3600	UNIVERSITY OF IOWA	S0006202AM05	40,080
93.838	3600	UNIVERSITY OF MICHIGAN, ANN ARBOR	SUBK00016195AM01	48,029
93.838	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5119022AM01	3,985
93.838	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5122015PREVIOUSLY51190	67,765
93.838	3600	UNIVERSITY OF PENNSYLVANIA	582591	29,144
93.838	3600	UNIVERSITY OF PENNSYLVANIA	583172	61,095
93.838	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19105MOD4	29,760
93.838	3600	WEILL MEDICAL COLLEGE OF CORNELL UNIV	21191925	5,119
93.838	3600	WEILL MEDICAL COLLEGE OF CORNELL UNIV	2119194	31,471
93.839	3600	BLOODWORKS NORTHWEST	883UW2019AM03	45,723
93.839	3600	BLOODWORKS NORTHWEST	883UW2019AM04	9,185
93.839	3600	BLOODWORKS NORTHWEST	883UWKONKLE	7,398
93.839	3600	BLOODWORKS NORTHWEST	895UW2020AM02	245,366
93.839	3600	FRED HUTCHINSON CANCER CENTER	0000998786AM01	-1,442
93.839	3600	FRED HUTCHINSON CANCER CENTER	0001002754AM002	-550

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93.839	3600	FRED HUTCHINSON CANCER CENTER	0001029239	-8,064
93.839	3600	FRED HUTCHINSON CANCER CENTER	0001029239AM003	245,108
93.839	3600	FRED HUTCHINSON CANCER CENTER	0001034329AM01	37,346
93.839	3600	FRED HUTCHINSON CANCER CENTER	0001081416	251,954
93.839	3600	FRED HUTCHINSON CANCER CENTER	UW668837	-77,941
93.839	3600	FRED HUTCHINSON CANCER CENTER (FHCC)	UW636956	57,431
93.839	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001081416	77,941
93.839	3600	JOHNS HOPKINS UNIVERSITY	2004868647	-5,244
93.839	3600	JOHNS HOPKINS UNIVERSITY	2004868647AM01	150,475
93.839	3600	JOHNS HOPKINS UNIVERSITY (JHU)	2004868647AM01	4,167
93.839	3600	JOHNS HOPKINS UNIVERSITY (JHU)	UW660569	18,638
93.839	3600	OPTICYTE INC	AM03	293,239
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12265SUBMOD01	73,136
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12393SUB	6,645
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12393SUBMOD01	66,125
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12394SUBMOD02	124,258
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12799SUB	52,809
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12800SUB	14,772
93.839	3600	UNIV OF TEXAS HEALTH SCI CTR AT HOUSTON	SA0000420AM04	47,614
93.839	3600	UNIV OF TEXAS HEALTH SCI CTR AT HOUSTON	SA0000533AM03	17,614
93.839	3600	UNIVERSITY OF CHICAGO	FP066598BAM03	37,077
93.839	3600	UNIVERSITY OF CHICAGO	FP066598DAM03	4,189
93.839	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5112806AM03	26,678
93.839	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00002285AM02	541,752
93.839	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00003444AM03	262,271
93.839	3600	UNIVERSITY OF SOUTHERN CALIFORNIA (USC)	SCON00002285AM02	54,309
93.839	3600	UNIVERSITY OF VERMONT	33108SUB52859AM03	94,292

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93.839	3600	VITALANT RESEARCH INSTITUTE	11685UW147AM03	21,764
93.840	3600	CASE WESTERN RESERVE UNIVERSITY	RES516380AM01	14,206
93.840	3600	INFECTIOUS DISEASES RSCH COLLABORATION	IDRC0003SC	37,478
93.840	3600	MOZAMBIQUE INST FOR HEALTH EDUC AND RSCH	C0013	208,376
93.840	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	AD226SHAHR3SIBCR	27,134
93.840	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC95584AM01	10,789
93.846	3600	HEBREW REHABILITATION CENTER	90077AM04	209,360
93.846	3600	IN SITU THERAPEUTIC SOLUTIONS INC	UW660355	2,730
93.846	3600	JOHNS HOPKINS UNIVERSITY (JHU)	2004829001MOD02	50,185
93.846	3600	MAYO CLINIC	UNI289755PO68352970	37,467
93.846	3600	SEATTLE CHILDREN'S HOSPITAL	12568SUB	101,859
93.846	3600	SEATTLE CHILDREN'S HOSPITAL	12568SUBMOD1	61,554
93.846	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LW143LW11SIBCR	6,006
93.846	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LW143LW12SIBCR	41,958
93.846	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LW143UW1	13,354
93.846	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LW143UW2AM01	74,869
93.846	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	SB226AGELJ1SIBCR	4,471
93.846	3600	UNIVERSITY OF CALIFORNIA IRVINE	20211473AM02	2,568
93.846	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5122314AM01	6,973
93.847	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	310859AM10	31,961
93.847	3600	ALTIS BIOSYSTEMS INC	UW663868	5,113
93.847	3600	ALTIS BIOSYSTEMS INC	UW666140	254,094
93.847	3600	ARIZONA STATE UNIVERSITY	16924AM06	16,548
93.847	3600	AUGUSTA UNIVERSITY	3230782AM02	38,420
93.847	3600	AUGUSTA UNIVERSITY	3230784	-287
93.847	3600	AUGUSTA UNIVERSITY	363502	16,966
93.847	3600	AUGUSTA UNIVERSITY	363503	22,191

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93.847	3600	BAYLOR COLLEGE OF MEDICINE	7000000980AM03	-13,127
93.847	3600	BOSTON CHILDREN'S HOSPITAL	GENFD00002039484	6,646
93.847	3600	BOSTON CHILDREN'S HOSPITAL	GENFD0002181614	1,275
93.847	3600	BROWN UNIVERSITY	00001250AM05	31,112
93.847	3600	BROWN UNIVERSITY	00001835AM01	18,301
93.847	3600	CASE WESTERN RESERVE UNIVERSITY	1413SUBAM06	82,303
93.847	3600	CASE WESTERN RESERVE UNIVERSITY	RES516361AM01	257,452
93.847	3600	CASE WESTERN RESERVE UNIVERSITY	RES516472AM02	11,652
93.847	3600	CROSSLIFE TECHNOLOGIES INC	UW662724	208,137
93.847	3600	EMORY UNIVERSITY	A547599	202
93.847	3600	FRED HUTCHINSON CANCER CENTER	0001028807	9,569
93.847	3600	FRED HUTCHINSON CANCER CENTER	0001045697AM02	58,459
93.847	3600	JAEB CENTER FOR HEALTH RESEARCH, INC. (JCHR)	AM01	101,690
93.847	3600	JOHNS HOPKINS UNIVERSITY	2003992125AM03	35,710
93.847	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG003044UWDREWNOWSKIM	50,871
93.847	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG003044UWVERNEZMOUDO	58,846
93.847	3600	LIVER INSTITUTE NORTHWEST	LIN91306401AM02	12,277
93.847	3600	MASSACHUSETTS GENERAL HOSPITAL	235385AM03	58,926
93.847	3600	MASSACHUSETTS GENERAL HOSPITAL	238171	19,463
93.847	3600	MASSACHUSETTS GENERAL HOSPITAL	238171AM01	21,052
93.847	3600	MASSACHUSETTS GENERAL HOSPITAL	238587AM01	24,655
93.847	3600	NORTHERN CALIFORNIA INST FOR RSCH & EDUC	SCH228401AM01	11,964
93.847	3600	PENNSYLVANIA STATE UNIVERSITY	S002266DHHS	25,120
93.847	3600	PLANET BIOTECHNOLOGY INC	1R41DK12293301A1	15,756
93.847	3600	ROCKEFELLER UNIVERSITY	SUB00000252	8,752
93.847	3600	SEATTLE CHILDREN'S HOSPITAL	12199SUBMOD03	240,675
93.847	3600	SEATTLE CHILDREN'S HOSPITAL	12402SUB	9,981

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93.847	3600	SEATTLE CHILDREN'S HOSPITAL	12681SUBMOD01	689,281
93.847	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	12681SUB MOD01	4,445
93.847	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	12681SUBMOD01	51,811
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ211BJ24SIBCR	4,181
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ211BJ25SIBCR	2,688
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ211SIKKEC3SIBCR	4,588
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ211SIKKEC4SIBCR	2,312
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW2RE21OMERM1SIBCR	7,214
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW2RE21OMERM2SIBCR	17,313
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	HR15HR110SIBCR	8,806
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS121BE111SIBCR	7,572
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS16KS111SIBCR	11,756
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS16LOVATC11SIBCR	3,921
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	UK1GRADEKS110SIBCR	17,559
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	UK1GRADEKS19SIBCR	1,763
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	UK1GRADEUK17SIBCR	879
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	UK1GRADEUK18SIBCR	9,673
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	UK1GRADEWL15SIBCR	1,079
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	WP21CG11SIBCR	1,114
93.847	3600	TUFTS MEDICAL CENTER	5013848SERVAM005	16,055
93.847	3600	UNIV OF TEXAS HEALTH SCI CTR SAN ANTONIO	169762169761	45,850
93.847	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000524405SC004	-2
93.847	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000524405SC004AM001	12,032
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10321SCAM03	3,398
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10863SCAM04	76,804
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11740SCAM02	-62,248
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11740SCAM03	310,222

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93.847	3600	UNIVERSITY OF CHICAGO	FP06836601IAM04	214,583
93.847	3600	UNIVERSITY OF HAWAII	KA1462AM03	34,055
93.847	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	3005085721AM01	-4,785
93.847	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00013501AM01	34,440
93.847	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00017006	3,570
93.847	3600	UNIVERSITY OF MINNESOTA	N006254903AM05	-24,641
93.847	3600	UNIVERSITY OF MINNESOTA	N008681702AM001	44,831
93.847	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5119779AM01	26,858
93.847	3600	UNIVERSITY OF PENNSYLVANIA	577146	3,703
93.847	3600	UNIVERSITY OF PENNSYLVANIA	579594AM01	2,578
93.847	3600	UNIVERSITY OF PENNSYLVANIA	582481AM02	3,732
93.847	3600	UNIVERSITY OF PITTSBURGH	AWD000004171327234AM03	-90,331
93.847	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL	GMO161129PO000000975E	-77
93.847	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL	GMO161129PO000000975FA	316
93.847	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL	GMO200501PO0000001992A	235,593
93.847	3600	VETERANS MEDICAL RESEARCH FOUNDATION	096530003324881AM04	17,492
93.847	3600	VETERANS MEDICAL RESEARCH FOUNDATION	096530003326168AM05	2,076
93.847	3600	VETERANS MEDICAL RESEARCH FOUNDATION	098750002324153AM01	3,615
93.847	3600	VETERANS MEDICAL RESEARCH FOUNDATION	098750003325730AM002	112,599
93.847	3650	MCLEAN HOSPITAL	401536	96,545
93.847	3650	MCLEAN HOSPITAL	401707	12,031
93.847	3650	PENNINGTON BIOMEDICAL RESEARCH	R01DK108765S001	29,021
93.847	3650	UNIVERSITY OF COLORADO	FY17001016	5,733
93.847	3650	UNIVERSITY OF COLORADO	FY22001017	6,737
93.847	3650	UNIVERSITY OF PENNSYLVANIA	575452	122,805
93.847	3650	UNIVERSITY OF SOUTHERN CALIFORNIA	RGF010786A	38,487

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93.853	3600	ALLEN INSTITUTE	20210471	134,919
93.853	3600	ALLEN INSTITUTE	20210503	8,160
93.853	3600	ALLEN INSTITUTE	20210724AM01	182,194
93.853	3600	BAYLOR COLLEGE OF MEDICINE	7000001516	36,956
93.853	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	01063359AM02	20,666
93.853	3600	BUCK INSTITUTE FOR RESEARCH ON AGING	SA15008UWPO64053AM04	2,665
93.853	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S397592AM04	1,859
93.853	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S397592AM07	382,011
93.853	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S407472AM04	222,796
93.853	3600	CARNEGIE MELLON UNIVERSITY	1090654437057	64,577
93.853	3600	CARNEGIE MELLON UNIVERSITY	1090654437057AM01	112,541
93.853	3600	CHILDREN'S HOSPITAL LOS ANGELES	000013147GAM01	9,628
93.853	3600	CHILDREN'S HOSPITAL LOS ANGELES	000013150AAM03	10,399
93.853	3600	CLEVELAND CLINIC FOUNDATION	1482SUB	7,959
93.853	3600	CLEVELAND CLINIC FOUNDATION	1482SUBAM01	96,616
93.853	3600	COLUMBIA UNIVERSITY	1GG01200604AM06	164,065
93.853	3600	COLUMBIA UNIVERSITY	1GG01200605AM07	24,463
93.853	3600	COLUMBIA UNIVERSITY	3GG01714305	109,754
93.853	3600	DUKE UNIVERSITY	3021754AM03	57,638
93.853	3600	EMORY UNIVERSITY	A521966FORMERLYA365374	69,223
93.853	3600	FRED HUTCHINSON CANCER CENTER	0001069151AM01	143,182
93.853	3600	FRED HUTCHINSON CANCER CENTER	0001076616	42,021
93.853	3600	HARVARD UNIVERSITY	14942051049390502AM05	44,025
93.853	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255C8014609AM03	80,852
93.853	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255C8014609AM05	238,432
93.853	3600	JOHNS HOPKINS UNIVERSITY	PO2005467415	46,816
93.853	3600	MASSACHUSETTS GENERAL HOSPITAL	232940AM03	244,696
93.853	3600	MASSACHUSETTS GENERAL HOSPITAL	TASKORDER01EN2001MOD01	7,937

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93.853	3600	MAYO CLINIC	WAS22406304AM04	1,034
93.853	3600	MEDICAL COLLEGE OF WISCONSIN	PRIME5R01NS11085603AM0	37,544
93.853	3600	NORTHWESTERN UNIVERSITY	60043694UWAMA04	-3,395
93.853	3600	NORTHWESTERN UNIVERSITY	60043694UWAMA05	14,850
93.853	3600	NORTHWESTERN UNIVERSITY	60054064WASHAMA03	141,369
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1013756UWAAM01	2,184
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1013756UWAAM03	245,942
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1015158UWAM01	2,350
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1015158UWAM02	27,244
93.853	3600	SEATTLE CHILDREN'S HOSPITAL	11713SUBMOD05	6,121
93.853	3600	SEATTLE CHILDREN'S HOSPITAL	12753SUB	51,864
93.853	3600	SEATTLE CHILDREN'S HOSPITAL	12754SUB	43,776
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	DM24UW1	16,728
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	DM24UW2AM01	43,662
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB26BBAKER1SIBCRM01	9,714
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB26BBENBOS2SIBCRM01	13,823
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB26BECKR1SIBCR	9,162
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB26BJADHAV1SIBCR	2,794
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB26BKB22SIBCR	10,524
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE154PE15SIBCRM01	9,219
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE154SIKKEC1SIBCRM01	12,137
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD116HS24SIBCRM01	1,730
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD116HS25SIBCRM01	15,571
93.853	3600	STANFORD UNIVERSITY	61855870125439AM06	30,797
93.853	3600	UNIV OF TEXAS HEALTH SCI CTR SAN ANTONIO	168355168352AM02	80,191
93.853	3600	UNIV OF TEXAS HEALTH SCI CTR SAN ANTONIO	170356170353	10,384
93.853	3600	UNIVERSITY OF CALIFORNIA DAVIS	A211324S007	8,498
93.853	3600	UNIVERSITY OF CALIFORNIA DAVIS	A211324S007AM01	34,251

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93.853	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1580GYB506AM01	296,971
93.853	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1713GZA878	13,228
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10945SCAM02	42,851
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10945SCAM03	135,226
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11037SCAM04	85,418
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12987SC	41,654
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	9670SCAM08	50,458
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	9670SCAM09	225,309
93.853	3600	UNIVERSITY OF CINCINNATI	010785135574AM02	20,826
93.853	3600	UNIVERSITY OF CINCINNATI	011337135574AM01	41,458
93.853	3600	UNIVERSITY OF CINCINNATI	012043135574	5,498
93.853	3600	UNIVERSITY OF CINCINNATI	012044135574AM01	6,829
93.853	3600	UNIVERSITY OF CONNECTICUT	428629	156,509
93.853	3600	UNIVERSITY OF CONNECTICUT	428629AM01	273,507
93.853	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00007467AM01	-348,024
93.853	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00007467AM03	634,804
93.853	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK10405CSPR002	68,166
93.853	3600	UNIVERSITY OF MINNESOTA	N008333201AM01	-3,540
93.853	3600	UNIVERSITY OF NEBRASKA	4410141005203	3,339
93.853	3600	UNIVERSITY OF PENNSYLVANIA	572976AM03	51,200
93.853	3600	UNIVERSITY OF PENNSYLVANIA	580573AM02	18,017
93.853	3600	UNIVERSITY OF PENNSYLVANIA	583281AM003	59,946
93.853	3600	UNIVERSITY OF PUERTO RICO	2021001487	25,230
93.853	3600	UNIVERSITY OF ROCHESTER	417793URFAOGR510748AM0	5,854
93.853	3600	UNIVERSITY OF ROCHESTER	SUB00000073AM1GURFAOGR	1,862
93.853	3600	UNIVERSITY OF ROCHESTER	SUB00000073URFAOGR5309	23,211
93.853	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	136560897AM01	-4,286
93.853	3600	UNIVERSITY OF TENNESSEE	213056UWAAM03	157,316

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93.853	3600	UNIVERSITY OF TENNESSEE HEALTH SCIENCE CENTER	UW635814	105,314
93.853	3600	UNIVERSITY OF VIRGINIA	GB10965169717	66,791
93.853	3600	UNIVERSITY OF WISCONSIN MADISON	0000000112MODO1	-35
93.855	3600	ANTIGEN DISCOVERY INC	ADIUW2020001AM02	65,880
93.855	3600	BELBROOK LABS LLC	UW637454	26,184
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0121305S01	-24,085
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0121405S01	2,367
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0121705S02	27,109
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0135002S01A01AM01	590,571
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0139201S01	5,710
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN293FY20ITN293AM	25,789
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN387AM02	59,962
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN396	6,211
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN420AM02	3,715
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN474AM01	11,898
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN487PRIORFY21ITN	1,168
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN488PRIORFY21ITN	168,679
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN490	56
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN536	1,802
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY22ITN293AM03	18,052

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93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY22ITN488FY21ITN488AM	161,137
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY22ITN536AM02	36,201
93.855	3600	BRIGHAM AND WOMEN'S HOSPITAL	125980	5,852
93.855	3600	BROWN UNIVERSITY	00002083	650
93.855	3600	CASE WESTERN RESERVE UNIVERSITY	RES510939AM04	158,918
93.855	3600	CHILDREN'S HOSPITAL OF PHILADELPHIA	GRANTIDGRT00001924	7,002
93.855	3600	COLUMBIA UNIVERSITY	IGG01523201AM01	10,115
93.855	3600	COLUMBIA UNIVERSITY	2GG01537401	16,559
93.855	3600	CORNELL UNIVERSITY ITHACA	13889321147	32,610
93.855	3600	EMORY UNIVERSITY	A011120AM03	-1,192
93.855	3600	EMORY UNIVERSITY	A011120AM04	145,258
93.855	3600	EMORY UNIVERSITY	A390459AM01	409,622
93.855	3600	EMORY UNIVERSITY	A390459AM02	205,180
93.855	3600	EMORY UNIVERSITY	A390459AM03	11,519
93.855	3600	EMORY UNIVERSITY	A400416AM02	252,178
93.855	3600	EMORY UNIVERSITY	A413725	-2,568
93.855	3600	EMORY UNIVERSITY	A416500	90,548
93.855	3600	EMORY UNIVERSITY	A529608A450144AM02	70,022
93.855	3600	EMORY UNIVERSITY	A549721AM02	14,533
93.855	3600	EMORY UNIVERSITY	A550333	19,491
93.855	3600	EMORY UNIVERSITY	A599934FORMERLYA550416	18,254
93.855	3600	EMORY UNIVERSITY	A603323AM01FORMERA5530	4,168
93.855	3600	EMORY UNIVERSITY	A609557FORMERLYA416500	127,529
93.855	3600	EMORY UNIVERSITY	A611940FORMERLYA533785	25,306
93.855	3600	EMORY UNIVERSITY	A644471FORMERLYA549721	2,588
93.855	3600	FHI360	PO20002829MOD03	29,968
93.855	3600	FHI360	PO21000543	14,251

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93.855	3600	FHI360	PO21000543MOD01	20,835
93.855	3600	FRED HUTCHINSON CANCER CENTER	0000962047AM02	1,143
93.855	3600	FRED HUTCHINSON CANCER CENTER	0000962047AM03	31,877
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001012355AM03	95,391
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001015916AM02	35,687
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001020283AM04	16,899
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001022939AM03	27,091
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001024201AM03	41,000
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001028430AM02	23,579
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001028526AM03	88,338
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001029242AM02	13,244
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001029821AM02	82,238
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001033611AM01	917
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001034096	-8,269
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001035447	1,778
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001036910AM01	39,029
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001037247AM1	41,754
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001037336AM03	110,789
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001037385AM02	174,105
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001037495MOD01	56,040
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001040438AM01	95,245
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001040489AM01	37,134
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001042324AM02	3,656,972
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001044376AM001	167,034
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001044376AM02	64,234
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001046141AM01	113,138
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001051705	42,186
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001051747AM01	86,818

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93.855	3600	FRED HUTCHINSON CANCER CENTER	0001051757AM01	345,285
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001051952	44,662
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001055535AM02	85,394
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001055789AM02	333,256
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001058261MOD1	129,516
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001058324AM01	59,809
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001060397AM1	-25,409
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001061258AM03	309,153
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001061297AM04	160,204
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001061302AM03	295,906
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001061398	-44,606
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001063058AM01	22,860
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001065948AM02	55,145
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001066781AM02	148,822
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001069954AM01	54,597
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001071171	83,817
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001072187	27,610
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001078169AM01	8,397,547
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001080572	148,596
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001085142	274,434
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001088419	6,014
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001093967	48,111
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001094728	201,049
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001094888	117,981
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001094889	92,895
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001095151	76,179
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001095152	179,338
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001095306AM04	28,094

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93.855	3600	FRED HUTCHINSON CANCER CENTER	0001095307	3,750
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001097588	19,927
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001097618	49,995
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001097675	115,704
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001099183	171,570
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001101341	13,372
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001102926PROJECT42588	172,191
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001105046	195,772
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001106159	537,235
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001107418	109,494
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001110203	19,717
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001110279	29,890
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001110285	312,580
93.855	3600	FRED HUTCHINSON CANCER CENTER (FHCC)	UW637020	93,105
93.855	3600	FRED HUTCHINSON CANCER CENTER (FHCC)	UW637577	79,640
93.855	3600	FRED HUTCHINSON CANCER CENTER (FHCC)	UW637626	35,228
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001062472AM03	414,460
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001080572	18,911
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001085142	146,761
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW632373	204,609
93.855	3600	GEORGE WASHINGTON UNIVERSITY	20M23AM02	10,936
93.855	3600	GEORGE WASHINGTON UNIVERSITY	21M118AM01	15,936
93.855	3600	GEORGIA STATE UNIVERSITY	SP0001439601	2,218
93.855	3600	GEORGIA STATE UNIVERSITY	SP0001439601AM001	66,153
93.855	3600	HARVARD UNIVERSITY	15241651194570021AM01	59,019
93.855	3600	HDT BIO CORPORATION	1R61A116181101002AM01	23,670

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93.855	3600	HENRY M JACKSON FDN FOR ADV OF MIL MED	5668PO1013805HJF65843	5,194
93.855	3600	HENRY M JACKSON FOUNDATION	5668PO1013805HJF65843	77,750
93.855	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255C1604609	-2,546
93.855	3600	ID GENOMICS INC	IDGUW03	51,596
93.855	3600	INDIANA UNIVERSITY	8133UW	15,287
93.855	3600	INDIANA UNIVERSITY	8989WU	29,100
93.855	3600	INDIANA UNIVERSITY	8989WUAM01	2,105
93.855	3600	INST FOR CLINCAL EFFECTIVENESS & HEALTH	TBC2021UOW	238,240
93.855	3600	INST FOR CLINCAL EFFECTIVENESS & HEALTH	TBC2022UOW	5,608
93.855	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20210003AM01	16,912
93.855	3600	ITHAX PHARMACEUTICALS, INC.	AM02	56,054
93.855	3600	JOHNS HOPKINS UNIVERSITY	2005307175	598,633
93.855	3600	JOHNS HOPKINS UNIVERSITY	LDR02MOD02,PO200490806	16,419
93.855	3600	JOHNS HOPKINS UNIVERSITY	LDR02MOD03PO2004908062	22,240
93.855	3600	JOHNS HOPKINS UNIVERSITY	UM1AI068632PO200491142	3,315
93.855	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210453UWAM01	8,099
93.855	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210453UWAM02	9,187
93.855	3600	LEEDS UNIVERSITY	125394	3,023
93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE & FNDN	4695AM04	138,290
93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE & FNDN	9167PRIOR9155AM03	179,490
93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE & FNDN	9704AM01	20,435
93.855	3600	MASSACHUSETTS GENERAL HOSPITAL	234124	34,345
93.855	3600	MONTANA STATE UNIVERSITY	G16418W7010AM06	54,221
93.855	3600	MONTANA STATE UNIVERSITY	G16418W7010AM07	77,401
93.855	3600	NORTHWESTERN UNIVERSITY	60060177UW	41,337
93.855	3600	OHIO STATE UNIVERSITY	GR102740PRIOR60062782A	131,743

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93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1013170UWAAM03	20,058
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1020009UWA	12,640
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1020638UW	3,521
93.855	3600	OREGON STATE UNIVERSITY	P0515AAAM02	117,002
93.855	3600	ORLANCE INC	A147555MOD03	138,397
93.855	3600	ORLANCE INC	A153251MOD03	129,476
93.855	3600	ORLANCE INC	MOD02	59,652
93.855	3600	ORLANCE INC	MOD03	42,786
93.855	3600	ORLANCE INC	UW662945	111,114
93.855	3600	RESEARCH FOUNDATION FOR STATE UNIV OF NY	R1142049AM02	2,612
93.855	3600	RHODE ISLAND HOSPITAL	7137555AM02	10,291
93.855	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	1626PO1389584	15,426
93.855	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	2077	215,256
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11645SUBMOD04	303,275
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11670SUBMOD05	112,918
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11671SUBMOD04	84,417
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11927SUBMOD03	7,434
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12175SUBMOD03	284,533
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12179SUBMOD02	193,936
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12234SUBMOD02	263,891
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12331SUBMOD01	111,913
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12366SUBMOD1	8,507
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12490SUBMOD01	88,101
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12491SUBMOD01	70,989
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12509SUBMOD01	207,666
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12538SUB	288,004
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12544SUBMOD01	392,838

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93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12550SUB	77,701
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12725SUB	36,231
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12726SUBMOD03	15,637
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12760SUB	197,659
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12773SUB	172,524
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12783SUB	4,749
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12808SUB	14,151
93.855	3600	STATE UNIVERSITY OF NEW YORK BINGHAMTON	90654UNIVOFWASHINGTONA	149,573
93.855	3600	STELLENBOSCH UNIVERSITY	S006256	34,691
93.855	3600	TEMPLE UNIVERSITY	26570801UWASHAM01	38,555
93.855	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000510836006AM06	40,725
93.855	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000510836006AM08	153,722
93.855	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000529618SC006R24A1067	940,589
93.855	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00010756AM01	9,847
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1559GXG085AM01	92,584
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560BYC861AM03	2,257
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560BZA310AM01	1,480,596
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560GWA590AM02	-652
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1650GYA480AM01	229,043
93.855	3600	UNIVERSITY OF CALIFORNIA RIVERSIDE	S001012AM04	148,259
93.855	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	73440803AM005	21,034
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10119SCAM04	19,319
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10182SCAM06	30,711
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10182SCAM07	7,746
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10951SCAM03	57,926
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11003SCAM03	-1,889
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11003SCAM05	27,328

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93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11313SCAM05	847,320
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12906SC	67,627
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12944SC	71,116
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	13150SC	176,421
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	13150SCAM01	1,009
93.855	3600	UNIVERSITY OF CALIFORNIA, LOS ANGELES (UCLA)	1559XGXG085AM01	33,212
93.855	3600	UNIVERSITY OF CALIFORNIA, LOS ANGELES (UCLA)	1560BYC861AM02	632,531
93.855	3600	UNIVERSITY OF COLORADO	FY21349001AMD2	33,792
93.855	3600	UNIVERSITY OF IDAHO	CB2558SB897826AM05	57,462
93.855	3600	UNIVERSITY OF MASSACHUSETTS WORCESTER	OSP2018036AM007	271,185
93.855	3600	UNIVERSITY OF MASSACHUSETTS WORCESTER	OSP2018036AM06	-7,268
93.855	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5118694AM01	98,490
93.855	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5122353AM02	364,336
93.855	3600	UNIVERSITY OF NOTRE DAME	203504UWAM03	176,399
93.855	3600	UNIVERSITY OF OKLAHOMA	202129AM01	147,275
93.855	3600	UNIVERSITY OF PENNSYLVANIA	569316AM06	68,208
93.855	3600	UNIVERSITY OF PENNSYLVANIA	571209AM04	3,835
93.855	3600	UNIVERSITY OF PENNSYLVANIA	582399AM01	462,982
93.855	3600	UNIVERSITY OF PENNSYLVANIA	584707AM02	115,157
93.855	3600	UNIVERSITY OF PITTSBURGH	AWD000026821349442AM01	16,240
93.855	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00002206	29,158
93.855	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00002206AM01	132,739
93.855	3600	UNIVERSITY OF TEXAS MEDICAL BRANCH	218514302	2,093
93.855	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL	GMO180806AM04	273,712
93.855	3600	UNIVERSITY OF UTAH	10062083UW	12,238

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93.855	3600	UNIVERSITY OF WISCONSIN MADISON	0000000807	32,870
93.855	3600	UNIVERSITY OF WISCONSIN MADISON	0000001055AM01	92,339
93.855	3600	UNIVERSITY OF WISCONSIN MADISON	0000001423	85,962
93.855	3600	UNIVERSITY OF WISCONSIN MADISON	0000002115	38,383
93.855	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	UW684572	37,880
93.855	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC101103	652
93.855	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC74709AM03	139,630
93.855	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC85657	-152
93.855	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC85657AM02	41,572
93.855	3600	WEILL CORNELL MEDICAL COLLEGE	212181AM3	1,040
93.855	3600	WISTAR INSTITUTE	2590072324	230,915
93.855	3600	WISTAR INSTITUTE	2590172324AM01	4,564
93.855	3650	ALBERT EINSTEIN COLLEGE OF MEDICINE	31162B	95,950
93.855	3650	MAYO CLINIC	WAS255636	160,293
93.855	3650	RESEARCH TRIANGLE INSTITUTE	43120217530	67,558
93.855	3650	UNIVERSITY OF ORTH CAROLINA CHAPEL HILL	5106846	206,843
93.855	3650	UNIVERSITY OF MINNESOTA	H004942302	432
93.855	3650	UNIVERSITY OF MINNESOTA	H009691402	37,340
93.855	3650	UNIVERSITY OF PRETORIA	MO070619	21,179
93.859	3600	DOTQUANT LLC	UW684314	33,941
93.859	3600	DUKE UNIVERSITY	A032217AM01	7,467
93.859	3600	FLORIDA INTERNATIONAL UNIVERSITY	000577	31,570
93.859	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20190005AM02	125,728
93.859	3600	MATCHSTICK TECHNOLOGIES INC	A127786AM04	0
93.859	3600	MONTANA STATE UNIVERSITY	G26622W9487	114,847
93.859	3600	PENNSYLVANIA STATE UNIVERSITY	S002007DHHS	63,296
93.859	3600	RESEARCH FOUNDATION FOR STATE UNIV OF NY	R960652AM06	287,382

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93.859	3600	SOUTHCENTRAL FOUNDATION	2021196AM05	5,692
93.859	3600	SOUTHCENTRAL FOUNDATION	2021370AM006	45,970
93.859	3600	SOUTHCENTRAL FOUNDATION	2021403AM05PRIOR202123	21,436
93.859	3600	SOUTHCENTRAL FOUNDATION	2021466	57,634
93.859	3600	SOUTHCENTRAL FOUNDATION	2021468	31,279
93.859	3600	SOUTHCENTRAL FOUNDATION	2022010	25,949
93.859	3600	STANFORD UNIVERSITY	62244825136718AM01	165,551
93.859	3600	STANFORD UNIVERSITY	62244825136718AM03	125,927
93.859	3600	STANFORD UNIVERSITY	62244825136718AM04	380,799
93.859	3600	TEXAS A&M UNIVERSITY	M2003379AM01	130
93.859	3600	UNIVERSITY OF UTAH	1004493208AM006	230,970
93.859	3600	UNIVERSITY OF UTAH	1004493208AM05	61,382
93.859	3600	VANDERBILT UNIVERSITY	UNIV60752AM03	257,482
93.859	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC55495AM05	3
93.859	3650	ORTHWEST INDIAN COLLEGE	NWIC24230SAWSU	66,265
93.859	3650	SOUTHERN METHODIST UNIVERSITY	G0019077500	27,878
93.859	3650	TEXAS A&M UNIVERSITY	M2100083	80,517
93.859	3650	UNIVERSITY OF PITTSBURGH	AWD00000238	265
93.859	3650	WABANAKI PUBLIC HEALTH	139375	161,993
93.859	3650	WASHINGTON UNIVERSITY IN ST LOUIS	WU17182	3,220
93.859	3650	WILLAMETTE UNIVERSITY	R15GM132845WSU	15,112
93.859	3750	Montana State University Billings	621-003-01	8,023
93.859	6990	Portland State Univ	205cre480	58,895
93.860	3600	OLIVE VIEW-UCLA EDUCATION & RESEARCH INSTITUTE	2022R3	37,703
93.865	3600	ALBERT EINSTEIN HEALTHCARE NETWORK	4971	25,555
93.865	3600	ANELLEO, INC.	UW633286	12,249
93.865	3600	BAYLOR COLLEGE OF MEDICINE	7000000288AM04	-7,146

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Assistance Listing No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.865	3600	BRIGHAM AND WOMEN'S HOSPITAL	125594AM02	39,862
93.865	3600	CROSSLIFE TECHNOLOGIES INC	UW665699	215,748
93.865	3600	FHI360	102492001001	1,211
93.865	3600	FRED HUTCHINSON CANCER CENTER	0001027004AM03	444,626
93.865	3600	FRED HUTCHINSON CANCER CENTER	0001033375AM02	182,552
93.865	3600	FRED HUTCHINSON CANCER CENTER (FHCC)	UW637725	64,488
93.865	3600	GEORGE WASHINGTON UNIVERSITY	SMFM2122CF13	3,556
93.865	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD002298G2AM01	31,424
93.865	3600	HARVARD UNIVERSITY	11420515875107643AM001	600
93.865	3600	HARVARD UNIVERSITY	11726701875119062	1,497
93.865	3600	HARVARD UNIVERSITY	11726702875119062	17,675
93.865	3600	HEALTH RESEARCH INC	28801AM04	22,475
93.865	3600	JOHNS HOPKINS UNIVERSITY	2004031129AM02	-283
93.865	3600	LOUISIANA STATE UNIVERSITY	AH19105003A3AM03	7,148
93.865	3600	MASSACHUSETTS GENERAL HOSPITAL	239457AM01	58,455
93.865	3600	NORTHWESTERN UNIVERSITY	60047828WASHAM01	39,047
93.865	3600	OHIO WILLOW WOOD COMPANY	5R42HD09347603SA01	3,372
93.865	3600	PRINCETON UNIVERSITY	SUB0000417	16,365
93.865	3600	SALUS DISCOVERY LLC	1R44HD10120101	54,472
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	11614SUBMOD04	44,177
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12119SUBMOD03	190,933
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12292SUBMOD01	11,148
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12380SUBMOD01	15,033
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12567SUBMOD1	171
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12733SUBMOD01	21,260
93.865	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ14GRANTA1SIBCR	67,118
93.865	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ25IJ21SIBCRM01	8,032
93.865	3600	SHIRLEY RYAN ABILITYLAB	82326UWY2	506

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93.865	3600	SOUTHCENTRAL FOUNDATION	2022192AM03	20,816
93.865	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1920GUA066AM04	28,210
93.865	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	KR704206AM01	12,924
93.865	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	3004910137AM04	32,938
93.865	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00009201AM02	7,643
93.865	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00009201PO30055415	3,495
93.865	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00016114	83,695
93.865	3600	UNIVERSITY OF MISSOURI COLUMBIA	C000753817AM01	136,540
93.865	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5109092AM03	143,670
93.865	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5109092AM04	162,440
93.865	3600	UNIVERSITY OF PITTSBURGH	AWD000031884171364AM01	12,323
93.865	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	134751633AM02	92,033
93.865	3600	UNIVERSITY OF WISCONSIN MADISON	773K253AM04	45,741
93.865	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	41257919124	6,663
93.865	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19329MOD03	285,338
93.865	3600	WOMEN & INFANTS HOSPITAL OF RHODE ISLAND	500180103	140,330
93.865	3600	WOMEN & INFANTS HOSPITAL OF RHODE ISLAND	500180103AM01	69,751
93.865	3650	ARIZONA STATE UNIVERSITY	ASUB00000308	78,840
93.865	3650	OREGON HEALTH & SCIENCES UNIVERSITY	1013518WSU	33,576
93.865	3650	UNIVERSITY OF MICHIGAN	SUBK00014051	2,593
93.866	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	31151CAM05	167,844
93.866	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	31169CAM04	-1,116
93.866	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	UW684267	77,408
93.866	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	UW684268	98,269
93.866	3600	ALLEN INSTITUTE	A142285AM02	620,414
93.866	3600	ALLEN INSTITUTE	A142285AM03	354,560

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93.866	3600	ALLEN INSTITUTE	UW636835	19,489
93.866	3600	ALLEN INSTITUTE	UW636837	13,012
93.866	3600	AMERICAN FEDERATION FOR AGING RESEARCH	17NSCC3PILOTUW	18,328
93.866	3600	BOSTON MEDICAL CENTER	7661	-30,082
93.866	3600	BOSTON MEDICAL CENTER	7661PROJECT4300630001A	188,204
93.866	3600	BOSTON UNIVERSITY	4500003041AM05	244,959
93.866	3600	BOSTON UNIVERSITY	4500003082AM04	86,567
93.866	3600	BOSTON UNIVERSITY	4500003432AM02	11,468
93.866	3600	BOSTON UNIVERSITY	4500003470AM001	31,297
93.866	3600	BOSTON UNIVERSITY	4500003677AM002	94,683
93.866	3600	BOSTON UNIVERSITY	4500003830	26,717
93.866	3600	BOSTON UNIVERSITY	4500004111AM003	290,364
93.866	3600	BOSTON UNIVERSITY	4500004117AM0013U01YR4	107,082
93.866	3600	BRIGHAM AND WOMEN'S HOSPITAL	115640AM06	43,357
93.866	3600	BRIGHAM AND WOMEN'S HOSPITAL	125298AM01	26,058
93.866	3600	CASE WESTERN RESERVE UNIVERSITY	RES515786	42,639
93.866	3600	CASE WESTERN RESERVE UNIVERSITY	RES516573	31,232
93.866	3600	CLEVELAND CLINIC FOUNDATION	CCF22039468	43,056
93.866	3600	COLUMBIA UNIVERSITY	1GG01479201AM01	38,202
93.866	3600	COLUMBIA UNIVERSITY	3GG01535301	24,129
93.866	3600	COLUMBIA UNIVERSITY	3GG01754301	22,274
93.866	3600	COLUMBIA UNIVERSITY	5GG01582202AM01	-18,146
93.866	3600	COLUMBIA UNIVERSITY	5GG01582205AM003	16,219
93.866	3600	COLUMBIA UNIVERSITY	8GG01582206G15783	81,672
93.866	3600	COLUMBIA UNIVERSITY	8GG01582207AM01	12,909
93.866	3600	DREXEL UNIVERSITY	900142	11,381
93.866	3600	DUKE UNIVERSITY	A033241AM02	566,571
93.866	3600	EMORY UNIVERSITY	A371839AM02	95,838

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93.866	3600	EMORY UNIVERSITY	A546972AM004	264,791
93.866	3600	FRED HUTCHINSON CANCER CENTER	0000981488AM02	46,287
93.866	3600	GEORGE WASHINGTON UNIVERSITY	20M68	12,474
93.866	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255B7414609AM04	80,552
93.866	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255B8514609AM05	91,943
93.866	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255B8514609AM06	110,034
93.866	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255E3014609	6,851
93.866	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20200009AM01	2,677
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211392UWONC	63,837
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211393UWOFFC	899
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211393UWONC	74,094
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211393UWSLU	112,999
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211394UWONC	84,707
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211394UWSLU	246,734
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211395UWONC	119,931
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211396UWOFFC	470,266
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211396UWONC	46,195
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211397UWONC	64,821
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211398UWONC	1,285,495
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211399UWONC	113,754
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211399UWSLU	103,123
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211400UWOFFC	130,298
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG211400UWONC	96,148
93.866	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG2001882UW	17,183
93.866	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG209925UWAM05	46,557
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG209925UWAM05	5,528
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211393UWONC	109,218

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93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211393UWSLU	9,068
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211396UWOFFC	56,282
93.866	3600	LUNDQUIST INSTITUTE FOR BIOMEDICAL	3133204UWPOAM002	30,982
93.866	3600	MAYO CLINIC	UOW26313402PO68234536A	162,408
93.866	3600	MAYO CLINIC	WAS26313401AM01	-4,829
93.866	3600	MAYO CLINIC	WAS26313402	24
93.866	3600	NATIONAL BUREAU OF ECONOMIC RESEARCH INC	418400002UWAM03	243,102
93.866	3600	NORTH CAROLINA STATE UNIVERSITY	2019129602AM01	-1
93.866	3600	NORTHERN CALIFORNIA INST FOR RSCH & EDUC	SHL212004AM03	27,578
93.866	3600	NORTHWESTERN UNIVERSITY	60048329UWA04	8,472
93.866	3600	NORTHWESTERN UNIVERSITY	60048330UWA05	19,462
93.866	3600	NORTHWESTERN UNIVERSITY	60048331UWA04	9,095
93.866	3600	NORTHWESTERN UNIVERSITY	60048332UWA04	71,220
93.866	3600	NORTHWESTERN UNIVERSITY	60060219UWA	16,851
93.866	3600	NORTIS INC	NORTIS001AM01	24,596
93.866	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1015875UWA	41,082
93.866	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1015875UWAAM01	219,689
93.866	3600	RUSH UNIVERSITY MEDICAL CENTER	17021705SUB04AM02	115,428
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218BW23SIBCR	2,247
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218BW24SIBCR	31,531
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218BW25SIBCR	2,560
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218FUJIMT2SIBCR	34,135
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218FUJIMT3SIBCR	4,280
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218OMERM2SIBCRM01	33,659
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218SFUJIMT2SIBCR	34,135
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218SFUJIMT3SIBCR	1,834

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93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218SRE21SIBCR	7,303
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW219OMERM2SIBCR	25,773
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118GJ12SIBCRM01	20,269
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118GJ13SIBCR	2,124
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118HERODM1SIBCRM01	83
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118HERODM2SIBCRM02	39,174
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118HERODM3SIBCR	6,555
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118UW2AM01	39,968
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ22BRAUNM1SIBCR	17,443
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ22IJ23SIBCR	31,165
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ22IJ24SIBCR	2,315
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ22JANSSD3SIBCR	8,525
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ22WANGM3SIBCR	6,818
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210ABAKER1SIBCR	4,032
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210ABAKER2SIBCRM01	5,682
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AHANM1SIBCR	30,180
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AHANM2SIBCR	24,534
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AKB21SIBCR	24,556
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AKB22SIBCR	17,540
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AMCMILP2SIBCR	8,791
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AMCMILP3SIBCR	14,651
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AWALDHS13SIBCR	69
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB211ECKR1SIBCR	25,717
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB211JADHAV1SIBCRM01	29,647
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB211KB25SIBCR	31,572
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB29AMCMILP1SIBCR	20,151
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS121WFUKS14SIBCR	8,107
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LN15ELMORS1SIBCR	10,541

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93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LN15JADHAV1SIBCR	18,507
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LN15TOSCAL1SIBCR	48,570
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LN15TOSCAL2SIBCR	6,071
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LN15UW1	152,592
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE155RM16SIBCRM02	46,012
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE158PE13SIBCR	7,874
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE163LG11SIBCR	6,069
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE163PE11SIBCR	3,844
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD112ADEGRAC1SIBCR	26,361
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD112ATD14SIBCR	11,487
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD120ATD11SIBCR	5,743
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD122HS22SIBCR	1,340
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD122HS23SIBCR	6,370
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD122TD12SIBCR	4,595
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD122TD13SIBCR	22,974
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD122UW1	-331
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH (SIBCR)	GJ118UW2AM01	7,937
93.866	3600	STANFORD UNIVERSITY	61314414124531AM09	-1,180
93.866	3600	STANFORD UNIVERSITY	61627910128473AM004	45,994
93.866	3600	SUTTER BAY HOSPITALS	280201015S221AM05	218,967
93.866	3600	THE LUNDQUIST INSTITUTE AT HARBOR - UCLA MEDICAL CENTER	3133204UWPOAM002	5,676
93.866	3600	TUFTS UNIVERSITY	10358900001NIH173	28,975
93.866	3600	UNIV OF TEXAS HEALTH SCI CTR SAN ANTONIO	164388164378AM02	804
93.866	3600	UNIV OF TEXAS HEALTH SCI CTR SAN ANTONIO	164388164378AM03	164,654
93.866	3600	UNIV OF TEXAS HEALTH SCI CTR SAN ANTONIO	164388164378AM04	80,806
93.866	3600	UNIV OF TEXAS HEALTH SCI CTR SAN ANTONIO	168701168699AM02	23,004
93.866	3600	UNIV OF TEXAS HEALTH SCI CTR SAN ANTONIO	168780167810AM01	-55

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93.866	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1558GTA326AM09	10,088
93.866	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1558GWA112AM04	16,974
93.866	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10841SCAM03	17,675
93.866	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11075SCAM05	28,194
93.866	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12347SC	1,832
93.866	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12347SCAM02	222,385
93.866	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO (UCSD)	703923PROTOADC042PRAZA	1,411
93.866	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO (UCSD)	87749088AM003	635
93.866	3600	UNIVERSITY OF COLORADO	FY19875002	34,237
93.866	3600	UNIVERSITY OF COLORADO	FY19875002FY22875002AM	13,087
93.866	3600	UNIVERSITY OF COLORADO	FY22830001	75,364
93.866	3600	UNIVERSITY OF COLORADO	FY22830001AM01	214,866
93.866	3600	UNIVERSITY OF COLORADO DENVER	FY22830001AM01	34,627
93.866	3600	UNIVERSITY OF FLORIDA	SUB00002628AM02	16,993
93.866	3600	UNIVERSITY OF MELBOURNE	GL064596UWSY4AM03	53,467
93.866	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00009657AM02	81,311
93.866	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00011202AM02	103,477
93.866	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00014556AM01	-606
93.866	3600	UNIVERSITY OF MINNESOTA	P008447401AM01	150,473
93.866	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5124100	2,942
93.866	3600	UNIVERSITY OF PENNSYLVANIA	573045AM03	-18
93.866	3600	UNIVERSITY OF PENNSYLVANIA	577437AM03	19,196
93.866	3600	UNIVERSITY OF PENNSYLVANIA	580327AM02	103,909
93.866	3600	UNIVERSITY OF PENNSYLVANIA	580529AM01	135,054
93.866	3600	UNIVERSITY OF PENNSYLVANIA	582036AM02	44,083
93.866	3600	UNIVERSITY OF PENNSYLVANIA	584640AM03	5,940

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93.866	3600	UNIVERSITY OF PITTSBURGH	AWD000035471358751	150,197
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	109309268AM03	55,824
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	124009907AM03	37,960
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	137298298	82,114
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	137298298AM01SCON00002	189,514
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	97832536AM03	49,434
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA (USC)	131446809MOD1	156
93.866	3600	UNIVERSITY OF TEXAS MEDICAL BRANCH	218557601	159,903
93.866	3600	UNIVERSITY OF UTAH	10041896AM04	22,349
93.866	3600	UNIVERSITY OF VERMONT	30340SUB52029UOFWASHAM	19,031
93.866	3600	UNIVERSITY OF WISCONSIN MADISON	0000000685AM03	15,940
93.866	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC68180AM04	164,287
93.866	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC95666	9,771
93.866	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC95855	193,721
93.866	3600	WAKE FOREST UNIVERSITY	10803366411000000073	9,587
93.866	3600	WAKE FOREST UNIVERSITY	11024511611000000260	26,372
93.866	3600	WAKE FOREST UNIVERSITY	1143366410000551083AM0	195,846
93.866	3600	WAKE FOREST UNIVERSITY	13303366411000000619	4,802
93.866	3600	WAKE FOREST UNIVERSITY	3713366410000111041AM0	74,993
93.866	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19279AM05	16,047
93.866	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU2042MOD2	68
93.866	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201801S001	151,366
93.866	3650	UNIVERSITY OF COLORADO	FY16001015	8,818
93.866	3650	UNIVERSITY OF NEW MEXICO	765335874P	6,072
93.867	3600	ALLEN INSTITUTE	20200288AM02	141,737
93.867	3600	CHROMOLOGIC, LLC	A132551	10,375
93.867	3600	JOHNS HOPKINS UNIVERSITY	2005261524AM01	141,212
93.867	3600	JOHNS HOPKINS UNIVERSITY (JHU)	2004876349AM02	547

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93.867	3600	JOHNS HOPKINS UNIVERSITY (JHU)	2004876349AM03	5,148
93.867	3600	JOHNS HOPKINS UNIVERSITY (JHU)	2005261524AM01	76,640
93.867	3600	MEDICAL COLLEGE OF WISCONSIN	AM001	29,589
93.867	3600	MEDICAL COLLEGE OF WISCONSIN	AM01	8,855
93.867	3600	MEDICAL COLLEGE OF WISCONSIN	UW667322	7,159
93.867	3600	NEW YORK UNIVERSITY	F196001	28,896
93.867	3600	STANFORD UNIVERSITY	62015716136077AM003	223,252
93.867	3600	STANFORD UNIVERSITY	62015716136077AM02	64,446
93.867	3600	STANFORD UNIVERSITY	62066366133041AM04	207,968
93.867	3600	STANFORD UNIVERSITY	62746996206461AM01	79,148
93.867	3650	JOHNS HOPKINS UNIVERSITY	2003370134	132,451
93.867	3650	OREGON HEALTH & SCIENCES UNIVERSITY	1014154WSU	86,840
93.867	3650	UNIVERSITY OF IDAHO	CB4725897942	24,008
93.877	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2000GYC804	72,109
93.877	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2000GYC804AM002	189,312
93.879	3600	GEORGE MASON UNIVERSITY	E2048782AM02	11,038
93.879	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG003046BUDG03UW01AM0	3,773
93.879	3600	UNIV OF TEXAS HEALTH SCI CTR AT HOUSTON	SA0000747AM02	39,786
93.924	6990	Oregon Health Science Univ	1013415_cl	4,191
93.958	3760	Health Care Authority	1565-52693	32,910
93.958	6990	Spokane County	21ASO2486	82,820
93.959	3600	MONTANA DEPARTMENT OF PUBLIC HEALTH	18332745160AM03	100,409
93.959	3600	UTAH DEPARTMENT OF HUMAN SERVICES	196354	45,659
93.970	3650	OREGON HEALTH & SCIENCES UNIVERSITY	1016600WSU	112,892
93.989	3600	AGA KHAN UNIVERSITY HOSPITAL	002AM03	9,435
93.989	3600	AGA KHAN UNIVERSITY HOSPITAL	003AM02	74,638
93.989	3600	AGA KHAN UNIVERSITY HOSPITAL	004AM03	72,844
93.989	3600	KWAME NKURUMAH UNIVERSITY OF SCI & TECH	A110910819CHS0502AM06	75,351

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93.989	3600	KWAME NKRUH UNIVERSITY OF SCI & TECH	A151134AM01	10,096
93.989	3600	UNIVERSIDAD PERUANA CAYETANO HEREDIA	202275	81,263
93.989	3600	UNIVERSIDAD PERUANA CAYETANO HEREDIA	UW674085	541
93.989	3600	UNIVERSITY OF NAIROBI	A148221	11,429
93.989	3600	UNIVERSITY OF NAIROBI	A148221YR4	42,621
93.989	3600	UNIVERSITY OF NAIROBI	UON1R21TW01146001MOD03	3,703
93.989	3600	UNIVERSITY OF UTAH	1005926203POU000334651	20,815
93.RD	3070	Seattle Children Hospital	12752SUB	111,063
93.RD	3600	ABT ASSOCIATES INC	49860MOD02	9,701
93.RD	3600	ADVANCED BIOSCIENCE LABORATORIES INC	14011000070000MOD06	70,386
93.RD	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	31151E	17,401
93.RD	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	31151F	10,353
93.RD	3600	ALTIS BIOSYSTEMS INC	UW630778	100,862
93.RD	3600	ALZHEIMER'S ASSOCIATION	UW666857	24,480
93.RD	3600	ALZHEIMER'S ASSOCIATION	UW684295	24,513
93.RD	3600	AVITA MEDICAL	CTP0061	8,859
93.RD	3600	AVITA MEDICAL	UW668867	28,105
93.RD	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0215102S01	25,246
93.RD	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0215103S01A01	67,468
93.RD	3600	BIODEPOT LLC	UW631885	36,783
93.RD	3600	BIODEPOT LLC	UW666806	39,467
93.RD	3600	CALIBERMRI INC	P19033	30,641
93.RD	3600	COMPUTERCRAFT CORPORATION	SUBCONTRACTNO4MOD1	354,484
93.RD	3600	COMPUTERCRAFT CORPORATION	UWSUBCONTRACTNO3MOD02	-4,472
93.RD	3600	COMPUTERCRAFT CORPORATION	UWSUBCONTRACTNO4	116,035
93.RD	3600	DUKE UNIVERSITY	146SPS260845AM001	69,298
93.RD	3600	FAMILY HEALTH CENTERS OF SAN DIEGO	75D30121C11341	30,975

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93.RD	3600	FRED HUTCHINSON CANCER CENTER	0000935635AM05	65,656
93.RD	3600	FRED HUTCHINSON CANCER CENTER	0001057710AM02	3,251
93.RD	3600	FRED HUTCHINSON CANCER CENTER	0001063279	12,948
93.RD	3600	FRED HUTCHINSON CANCER CENTER	0001063279AM02	5,344
93.RD	3600	GEORGIA STATE UNIVERSITY	SP0001456201	81,340
93.RD	3600	GEORGIA STATE UNIVERSITY	SP0001510001AM02	233,722
93.RD	3600	HARVARD UNIVERSITY	1097865110787AM01	-310
93.RD	3600	HARVARD UNIVERSITY	1097865110787AM03	734,797
93.RD	3600	HEAD FOR THE CURE FOUNDATION	UW663993	46
93.RD	3600	HENNEPIN HEALTHCARE RESEARCH INSTITUTE	75N94019C00006	24,467
93.RD	3600	ICF INCORPORATED, L.L.C.	2005413184	3,375
93.RD	3600	JAMES BELL ASSOCIATES, INC.	7820162400001	1,498
93.RD	3600	JOHNS HOPKINS UNIVERSITY	P1090PO2002565212	-39,810
93.RD	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG002833BUDG03SUBUWMO	24,286
93.RD	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG210945UW	1,786
93.RD	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG210946UW	1,786
93.RD	3600	KAISER FOUNDATION RESEARCH INSTITUTE	OOS030579UW01AM01	779,080
93.RD	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG21046BUDG01UW00AM02	25,609
93.RD	3600	LEIDOS BIOMEDICAL RESEARCH, INC.	22CTADM0019MOD01	57,479
93.RD	3600	MASSACHUSETTS GENERAL HOSPITAL	238257AM01	16,911
93.RD	3600	MEDIWOUND LTD	MW20180621	153,404
93.RD	3600	MISSOURI BREAKS INDUSTRIES INC	SHSTA1001UW	22,047
93.RD	3600	MISSOURI BREAKS INDUSTRIES INC	SHSTB1003UW	17,236
93.RD	3600	MISSOURI BREAKS INDUSTRIES INC	SHSTB1004UW	4,221
93.RD	3600	NORTHWESTERN UNIVERSITY	SP003377960047201UWASH	2,118
93.RD	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1014432UWAAM004	262,388
93.RD	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1014432UWAAM01	312

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93.RD	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1014432UWAAM03	410,133
93.RD	3600	OREGON HEALTH & SCIENCE UNIVERSITY (OHSU)	1020599UWAAM02	174,838
93.RD	3600	RUSH UNIVERSITY MEDICAL CENTER	20042803SUB02	351,122
93.RD	3600	RUSH UNIVERSITY MEDICAL CENTER	20042803SUB02AM01	2,747,155
93.RD	3600	SANDIA NATIONAL LABORATORIES	PO2152280REV02	108,437
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12231SUBAM01	1,077
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12232SUBAM01	3,300
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12248SUB	225,239
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12248SUBAM02	31,349
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12409SUB	4,390
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12410SUBAM01	3,854
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12412SUB	15,492
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12421SUB	35,663
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12424SUB	64,026
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12426SUBMOD01	-65,448
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12429SUB	156,122
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12436SUB	48,895
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12452SUBYEAR2BASEAM01	457,933
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12454SUBAM01	195,653
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12455SUBAM01	90,696
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12520SUBOPTION2AM01	70,574
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12647SUB	19,973
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12649SUB	671,408
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12651SUB	74,004
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12652SUB	423,160
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12659SUB	89,799
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12660SUB	96,524

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93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12661SUB	229,144
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12699SUB	320,338
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12700SUB	74,939
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12709SUB	1,850
93.RD	3600	SIDX INC	AM01	42,819
93.RD	3600	SOCIAL & SCIENTIFIC SYSTEMS INC	CRBSSSS18005450MOD03	14,217
93.RD	3600	ST JUDE CHILDREN'S RESEARCH HOSPITAL	1121100117929049AM01	38,999
93.RD	3600	ST JUDE CHILDREN'S RESEARCH HOSPITAL	1123360117933669AM01	141,312
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000524050T006009AM05	5,821
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000524050T007007AM03	78,076
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000524050T009010	1,133
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000527765T001001AM01	71,758
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000527765T002001AM04	2,026
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000527765T002001AM05	152,508
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000527766T002001AM03	303,930
93.RD	3600	UNIVERSITY OF CHICAGO	AWD101462EAM02	326,331
93.RD	3600	UNIVERSITY OF MISSISSIPPI MEDICAL CENTER	SP13925SB11AM02	2,019
93.RD	3600	UNIVERSITY OF MISSISSIPPI MEDICAL CENTER	SP14257SB11AM03	18,538
93.RD	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5116778AM01	15,117
93.RD	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5116789AM01	12,706
93.RD	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5120343	43,503
93.RD	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5122494	50,486
93.RD	3600	UNIVERSITY OF SOUTHERN CALIFORNIA (USC)	131446521AM01	89,256
93.RD	3600	UNIVERSITY OF UTAH	1004235902AM06	84,619
93.RD	3600	UNIVERSITY OF UTAH	1004235902AM08	27,084
93.RD	3600	UNIVERSITY OF UTAH	1004235902POU000343834	60,000

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93.RD	3600	UNIVERSITY OF UTAH	1006111902UW	67,544
93.RD	3600	UNIVERSITY OF WISCONSIN MADISON	811K731AM03	14,072
93.RD	3600	UNIVERSITY OF WISCONSIN, MADISON	686K862AM05	-35,397
93.RD	3600	WESTAT INC	660002S015MOD02	16,345
93.U01	3650	MANAGED HEALTH CONNECTIONS LLC	WSU003704	23,488
93.U02	3650	SEATTLE CHILDREN'S RESEARCH	12427SUB	81,969
93.U03	3650	NW RURAL HEALTH NETWORK	136558	10,074
93.U04	3650	LOS ANGELES BIOMEDICAL RES INS	HHSN275201300024I	97,663
93.U05	3650	CASTNER INC	21001	3,345
93.U06	3600	FRED HUTCHINSON CANCER CENTER	0001104394PROJECT22528	10,192
93.U07	3600	BIOMIMETIX JV, LLC	00062660AM04	11,839
93.U08	3600	KING COUNTY	3732CHSAM03	-318
93.U09	3600	UNIVERSITY OF NEW MEXICO	3RJK7AM05	82,879
93.U10	3600	AMERICAN PSYCHIATRIC ASSOCIATION	AM02	3,128
93.U11	3600	ACUMEN LLC	MIDS19F0003T0014	430
93.U12	3600	ACUMEN LLC	MIDS19F0003T0014MOD003	3,742
93.U13	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	PO1557PZA551	6,168
93.U14	3600	CHOCTAW NATION OF OKLAHOMA	UW666174	5,805
93.U15	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC97784AM01	75,929
93.U18	6990	Snohomish Co Health District	1 CPIMP211	19,636
93.U19	1070	Build Evidence on Employment Strategies (BEES)	SP23337006T	11,838
93.U19	1070	Eagle Technologies - MH	HHSS283201600001C	127
93.U19	1070	Eagle Technologies - SUD	HHSS283201600001C	71
93.U19	1070	Hendall BHSIS Grant - MH	HHSS283201600001C	75,339
93.U19	1070	Hendall BHSIS Grant - SUD	HHSS283201600001C	42,378
93.U19	6990	DSHS DVR	2065-86002	75,610
93.U20	6990	93.181 Dept of Voc Rehab	40262	6,525
93.U21	6990	League for Innovation in Comm Coll	NU50CK0005	6,245

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94.002	6990	RSVP	62403	0
94.006	3600	JUMPSTART FOR YOUNG CHILDREN INC	2320200	142,465
95.001	2250	Yakima Co Sheriff's Office	C120331GSC	886
95.001	3600	EDUCATIONAL SERVICE DISTRICT 105	9001800032AM01	11,939
95.001	3600	PUBLIC HOSPITAL DISTRICT 304	PRIMEG20NW0014AAM02	2,838
96.007	3600	UNIVERSITY OF WISCONSIN MADISON	0000001332MOD01	44,998
97.044	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	2122	662
97.061	3600	TEXAS A&M UNIVERSITY	M200177901AM01	279,531
97.061	3600	UNIVERSITY OF ALASKA ANCHORAGE	UAAPO484663AM10	39,817
97.061	3600	UNIVERSITY OF TEXAS SAN ANTONIO	1000003203AM0001	96,392
97.067	4770	Clallam County	Stonegarden	10,518
97.067	4770	Okanogan County Sheriff	Letter 4/13/21	61,530
97.067	4770	San Juan County	OPSGFFY2019	15,300
97.067	4770	Stevens County	Letter 1/18/21	28,328
97.067	4770	Whatcom County	201810011	24,800
97.091	3030	City of Seattle	PRV23029	502,839
97.RD	3600	NORTHEASTERN UNIVERSITY	50518578052AM002	1,578
97.U02	3600	DEGENKOLB ENGINEERS	C1A4000200	26,613
98.001	3600	FHI 360	UW633116	135,284
98.001	3600	FHI360	1024620010020011244000	137,430
98.001	3600	INTRAHEALTH INTERNATIONAL INC	3497001MOD2	115,865
98.001	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE & FNDN	9771	83,703
98.001	3600	MOI TEACHING AND REFERRAL HOSPITAL	AM02	79,660
98.001	3600	NATIONAL ACADEMIES OF SCIENCES	2000012483MOD01	24,041
98.001	3600	TUFTS UNIVERSITY	AI9014AM04	677,057
98.001	3600	UNIVERSITY OF NEVADA, RENO	UNR2062	183,308
98.001	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5113403AM06	71,685

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98.001	3600	UNIVERSITY OF PITTSBURGH	CNVA000449784111052AM1	41,285
98.001	3600	US PHARMACOPEIAL CONVENTION INC	PQM2105	20,186
98.001	3600	US PHARMACOPEIAL CONVENTION INC	TOPQMUW2CROSSBUREAUCH0	79,462
98.001	3600	US PHARMACOPEIAL CONVENTION INC	TOPQMUW3CROSSBUREAU	42,650
98.001	3650	THE AMERICAN UNIVERSITY IN CAIRO	WSU004120	33,183
98.001	3650	VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY	45136419276	-1,271
98.001	3650	VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY	45136419276A	5,146
98.RD	3600	MANAGEMENT SCIENCES FOR HEALTH INC	MTAPS20037PO21MSH03271	23,363
98.RD	3600	MANAGEMENT SCIENCES FOR HEALTH INC	MTAPS21046	19,998
98.RD	3600	PATH	ICF55615401658738CRTAM	26,715
98.U01	3650	MICHIGAN STATE UNIVERSITY	RC102095BHEARDBANGLAD	-1,202
98.U02	3650	MISSISSIPPI STATE UNIVERSITY	19390031245514	54,797
98.U03	3600	WASHINGTON STATE UNIVERSITY	141061SPC003515	20,899
99.RD	3600	COMMUNITY PASSAGEWAYS	UW684566	25,500
99.RD	3600	DEFENSEWERX-ICWERX	UW637215	25,331
99.RD	3600	DEFENSEWERX-ICWERX	UW637836	12,852
99.RD	3600	ECS FEDERAL LLC	1740060301MOD08PO19000	-14,600
99.RD	3600	ECS FEDERAL LLC	1740060301MOD08PO21000	103,980
99.RD	3600	GEORGIA INSTITUTE OF TECHNOLOGY	D8919S3AM03	302,684
99.RD	3600	OAK RIDGE ASSOCIATED UNIVERSITIES	STEMWD00851	3,723
99.U05	6990	Cowlitz Indian Tribe	None	37,993
99.U06	6990	NA	none	121,861
Total Pass-Through Funds				233,192,629

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Notes G

**Supplemental Information for Pass-Through Federal Assistance
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July 1, 2021 Through June 30, 2022 Pass-Through

Assistance Listing Number	State Agency Number	Federal Program Title	Award/Contract Control Number	Expenditure Amount
14.228	540	Spokane WDC 12	7661	15,135
Federal Program 14.228 Total				15,135
17.258	540	Olympic Consortium WDC-1	7311 7320 7321 7331	429,622
17.258	540	Snohomish County WDC-4	6670 6671	331,026
17.258	540	North Central WA WDC-8	7700 7701	155,405
17.258	540	Eastern WA Partnership WDC-10	2981 2982	38,535
17.258	540	Spokane Area WDC-12	7811 7870 7871	327,597
Federal Program 17.258 Total				1,282,184
17.259	540	North Central WA WDC-8	7710 7711 7750 7751	190,298
Federal Program 17.259 Total				190,298
17.277		Eastern WA Partnership WDC-10	2961	94,126
17.277		Benton Franklin WDC-11	2911	23,412
Federal Program 17.277 Total				117,538
17.278	540	Olympic Consortium WDC-1	6500 7341 7351 7361 7380	425,762
17.278	540	Snohomish County WDC-4	6610 6620 6681 6779	794,430
17.278	540	North Central WA WDC-8	7690 7740 7741	138,286
17.278	540	Eastern WA Partnership WDC-10	2921 2922 2930 2931 2932	607,091
17.278	540	Spokane Area WDC-12	7801 7850 7900 7950 7960	743,618
Federal Program 17.278 Total				2,709,188
17.280	540	Snohomish County WDC-4	6728	16,491
Federal Program 17.280 Total				16,491

State of Washington
Schedule of Expenditures of Federal Awards
Note H: Supplemental Information - Outstanding Loan Balances

For the Fiscal Year Ended
June 30, 2022
(Expressed in whole dollars)

Assistance Listing No.	Federal Program Title	Ending Loan Balances as of June 30
<u>University of Washington (Agency 3600)</u>		
84.038	Federal Perkins Loan Program	(4,336,381)
84.038	Federal Perkins Loan Program	22,671,160
	Subtotal 84.038	18,334,779
93.264	Nurse Faculty Loan Program (Nflp)	813,583
93.264	Nurse Faculty Loan Program (Nflp)	968,642
	Subtotal 93.264	1,782,225
93.342	Health Professions Student Loans, Including Primar	484,538
93.342	Health Professions Student Loans, Including Primar	13,722,986
	Subtotal 93.342	14,207,524
93.364	Nursing Student Loans	260,373
93.364	Nursing Student Loans	2,508,242
	Subtotal 93.364	2,768,615
93.408	ARRA - Nurse Faculty Loan Program	(2,121)
93.408	ARRA - Nurse Faculty Loan Program	20,317
	Subtotal 93.408	18,196
	University of Washington Total	37,111,339

State of Washington
Schedule of Expenditures of Federal Awards
Note H: Supplemental Information - Outstanding Loan Balances

For the Fiscal Year Ended
June 30, 2022
(Expressed in whole dollars)

Assistance Listing No.	Federal Program Title	Ending Loan Balances as of June 30
<u>Washington State University (Agency 3650)</u>		
84.038	Federal Perkins Loan Program	8,370,277
84.038	Federal Perkins Loan Program	10,931,458
Subtotal 84.038		19,301,735
93.264	Nurse Faculty Loan Program (Nflp)	2,286,909
93.264	Nurse Faculty Loan Program (Nflp)	2,111,371
Subtotal 93.264		4,398,280
93.342	Health Professions Student Loans, Including Primar	2,330,720
93.342	Health Professions Student Loans, Including Primar	2,393,866
Subtotal 93.342		4,724,586
93.364	Nursing Student Loans	1,836,460
93.364	Nursing Student Loans	1,155,490
Subtotal 93.364		2,991,950
Washington State University Total		31,416,551
<u>Eastern Washington University (Agency 3700)</u>		
84.038	Federal Perkins Loan Program	(417,104)
84.038	Federal Perkins Loan Program	1,825,472
Subtotal 84.038		1,408,368
Eastern Washington University Total		1,408,368
<u>Central Washington University (Agency 3750)</u>		
84.038	Federal Perkins Loan Program	
Subtotal 84.038		
Central Washington University Total		
<u>Western Washington University (Agency 3800)</u>		
84.038	Federal Perkins Loan Program	(1,388,586)
84.038	Federal Perkins Loan Program	4,750,388
Subtotal 84.038		3,361,802
Western Washington University Total		3,361,802

State of Washington
Schedule of Expenditures of Federal Awards
Note H: Supplemental Information - Outstanding Loan Balances

For the Fiscal Year Ended
June 30, 2022
(Expressed in whole dollars)

Assistance Listing No.	Federal Program Title	Ending Loan Balances as of June 30
<u>Community/Technical College System (Agency 6990)</u>		
84.038	Federal Perkins Loan Program	(78,780)
84.038	Federal Perkins Loan Program	652,827
	Subtotal 84.038	<u>574,047</u>
	Community/Technical College System Total	<u><u>574,047</u></u>

Total Loan Balances	<u><u>73,872,107</u></u>
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State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	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 to ensure accurate recording and monitoring of financial activity in its financial statements.</p> <table border="0" data-bbox="678 583 1075 646"> <tr> <td data-bbox="678 583 678 646"></td> <td data-bbox="678 583 971 646"><u>Assistance Listing #</u></td> <td data-bbox="678 583 1075 646"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 615 678 646">N/A</td> <td data-bbox="678 615 971 646"></td> <td data-bbox="678 615 1075 646">\$0</td> </tr> </table> <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><i>State Board for Community and Technical Colleges (State Board)</i></p> <p>The State Board completed the conversion of all schools to the new ERP system in fiscal year 2022. The following actions were taken to improve the process of reconciling college financial data timely and accurately with amounts recorded in the state’s accounting system (AFRS):</p> <ul data-bbox="699 1037 1433 1388" style="list-style-type: none"> • Revamped and streamlined the program and process that is utilized to crosswalk data from the new ERP system to AFRS. Updates will continue to be done as needed. • Completed the reconciliation program that will compare AFRS reports to actual real-time data from the ERP system. • Performed monthly reconciliation of automated data uploads for the State Board and all 34 colleges from the ERP system to AFRS. • Created an “in process” report to identify errors during the ERP system uploads to AFRS. • Began creating and modifying rules in the ERP system that will help reduce data upload errors. <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 deployment and is currently working with the Office of Financial Management to make necessary 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> <p><i>Completion: Estimated March 2024</i></p>		<u>Assistance Listing #</u>	<u>Amount</u>	N/A		\$0
	<u>Assistance Listing #</u>	<u>Amount</u>							
N/A		\$0							

State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	001 (cont'd)	<p data-bbox="683 464 1032 495"><i>Employment Security Department</i></p> <p data-bbox="683 527 1424 669">To ensure adequate monitoring and accurate reporting of financial activities for the financial statements, the Department is currently participating in programmatic discussions between the Unemployment Insurance (UI) Program and the Finance Division to gain an understanding of the activities that may require reporting on the financial statements.</p> <p data-bbox="683 709 1328 737">The Department will implement the following corrective actions:</p> <ul data-bbox="699 747 1424 1024" style="list-style-type: none"> • By July 2023, the Finance Division will develop procedures to ensure that all programmatic processes that need to be reflected in the financial statements are included and based on appropriate accounting practices. • By August 2023, the Finance Division will ensure practices are in place to review all fiscal year entries for accuracy before and after posting. • Develop additional tools that will help with allowing more staff time to analyze financial data. <p data-bbox="683 1064 1040 1092"><i>Completion: Estimated August 2023</i></p> <p data-bbox="509 1125 911 1178">Completion Date: Estimated March 2024</p> <p data-bbox="509 1213 992 1388">Agency Contact: Brian Tinney Statewide Accounting Director PO Box 43127 Olympia, WA 98504-3127 (564) 999-1781 Brian.tinney@ofm.wa.gov</p>

University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2022	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 University of Washington did not have adequate internal controls to ensure key personnel commitments specified in grant proposals or awards were met.</p> <table border="0"> <tr> <td style="text-align: right;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">Various</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>The University has established internal controls to ensure compliance with key personnel program requirement through time and effort certifications, project reporting processes, and budget reconciliation requirements. Additionally, the University offers multiple training courses to research administrators and principal investigators (PI) on management of sponsored awards.</p> <p>The University agrees there are areas for improvement over staff and PI training, and resources available to monitor contribution and documentation of committed levels of time and effort.</p> <p>The University will implement the following improvements:</p> <ul style="list-style-type: none"> • Update training materials and provide additional training to PIs and key personnel on: <ul style="list-style-type: none"> ○ Documentation of time and effort. ○ Prior approval requirements for reductions in time and effort. • Update guidance and instructions for time and effort certifications to ensure all personnel involvement in various grant programs is properly accounted for during the certification process. • Develop exception reports to provide additional oversight to monitor deviations from committed time and effort for PIs and key personnel. <p>Estimated February 2024</p> <p>Erick Winger Controller 4300 Roosevelt Way NE Seattle, WA 98195 (206) 543-5322 erickw@uw.edu</p>	<u>Assistance Listing #</u>	<u>Amount</u>	Various	\$0
<u>Assistance Listing #</u>	<u>Amount</u>						
Various	\$0						

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan															
2022	003	<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 Office of Superintendent of Public Instruction did not have adequate internal controls over accountability for USDA-donated foods.</p> <table border="0"> <thead> <tr> <th><u>Assistance Listing #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>10.553</td> <td>\$0</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>10.559</td> <td></td> </tr> <tr> <td>10.582</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress</p> <p>The Office has taken the following corrective action to strengthen internal controls over accounting for USDA-donated foods:</p> <ul style="list-style-type: none"> • Reviewed current process for monthly inventory. • Reviewed process for inventory discrepancies follow up. • Implemented a process for documenting follow-up efforts. <p>The Office is following the USDA requirements for conducting annual inventory and reconciliation in June of each year.</p> <p>In addition, the Office has contracted with a vendor for a new and updated Food Distribution Management System. The current timeline for system launch is as follows:</p> <ul style="list-style-type: none"> • November 2023 – Data migration and system set up • February 2024 – Survey period • August 2024 – Ordering of food, receiving, and inventory management <p>The conditions noted in this finding were previously reported in findings 2021-003, 2020-004 and 2019-005.</p> <p>Estimated July 2023</p> <p>Leanne Eko Chief Nutrition Officer PO Box 47200 Olympia, WA 98504-7200 (360) 725-0410 leanne.eko@k12.wa.us</p>	<u>Assistance Listing #</u>	<u>Amount</u>	10.553	\$0	10.555		10.555 COVID-19		10.556		10.559		10.582	
<u>Assistance Listing #</u>	<u>Amount</u>																
10.553	\$0																
10.555																	
10.555 COVID-19																	
10.556																	
10.559																	
10.582																	

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	004	<p>Finding: The Department of Health did not have adequate internal controls to ensure payments to providers were allowable, met cost principles, and were within the period of performance for the Special Supplemental Nutrition Program for Women, Infants, and Children.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 10.557 \$0 10.557 COVID-19</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Department disagrees with the auditor’s assessment of a significant deficiency in internal controls over the consolidated contract provider payment process for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).</p> <p>The Department has established processes in place to ensure payments are allowable, meet cost principles, and comply with period of performance requirements for the WIC program. These include:</p> <ul style="list-style-type: none"> • Perform annual review and approval of detailed subrecipient budgets. • Compare invoice amounts to budgeted amounts for reasonableness before payment approval. • Provide subrecipients regular technical assistance and training on applicable policies related to fiscal and programmatic processes. • Conduct biennial program and fiscal monitoring visits to subrecipients as part of the Department’s monitoring procedures. <p>In addition, the WIC program has monitoring controls in place and evidence of review at the program level. The quality assurance program staff maintain a detailed payment log that documents review and approval and details any amounts that need to be withheld until issues with invoice support are resolved. These reviews are to be completed within the 10-day period before payment is released.</p> <p>Similar conditions noted in this finding were previously reported in finding 2021-004.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: Jeff Arbuckle External Audit Manager PO Box 47890 Olympia, WA 98504-7890 (360) 701-0798 Jeff.Arbuckle@doh.wa.gov</p>

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	005	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 monthly reports for the Unemployment Insurance program. <table border="0"> <tr> <td><u>Assistance Listing #</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> Corrective action complete The Department implemented a secondary review of the monthly ETA 9055 performance report to verify the data pulled from source documentation is accurately represented prior to submitting to the federal reporting system. May 2023 Jay Summers External Audit Manager PO Box 9046 Olympia, WA 98507-9046 (360) 529-6718 Joshua.Summers@esd.wa.gov	<u>Assistance Listing #</u>	<u>Amount</u>	17.225	\$0	17.225 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
17.225	\$0								
17.225 COVID-19									

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	006	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 17.225 \$0 17.225 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: Historically, the Benefit Accuracy Measurement (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.</p> <p>The BAM Unit currently has one vacancy and is expected to have more with upcoming retirements. The Department is currently in a hiring freeze for Unemployment Insurance administrative funding, furthering the challenge to fully staff the unit and meet program requirements. Once the hiring freeze is lifted, the unit will fill the vacant position. The Department anticipates the unit will meet federally mandated timelines for case reviews when the unit is fully staffed and trained.</p> <p>The Department continues to partner and frequently communicate with the U.S. Department of Labor (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.</p> <p>The conditions noted in this finding were previously reported in findings 2021-005 and 2020-011.</p> <p>Completion Date: Estimated June 2024</p> <p>Agency Contact: Jay Summers External Audit Manager PO Box 9046 Olympia, WA 98507-9046 (360) 529-6718 Joshua.Summers@esd.wa.gov</p>

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Plan								
2022	007	<p>Finding: 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> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <tr> <td style="padding-right: 20px;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>17.258</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>17.259</td> <td></td> </tr> <tr> <td>17.278</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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"> • 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. • 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. <p>The Department will:</p> <ul style="list-style-type: none"> • Continue to execute the Data Element Validation policy update for the Participant Individual Record Layout (PIRL) report per DOL expectations. • 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. <p>The conditions noted in this finding were previously reported in findings 2021-007 and 2020-012.</p> <p>Completion Date: Estimated December 2024</p> <p>Agency Contact: Jay Summers External Audit Manager PO Box 9046 Olympia, WA 98507-9046 (360) 529-6718 Joshua.Summers@esd.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	17.258	\$0	17.259		17.278	
<u>Assistance Listing #</u>	<u>Amount</u>									
17.258	\$0									
17.259										
17.278										

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2022	008	<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 to ensure supervisors reviewed and approved payroll journals for the Highway Planning and Construction Cluster.</p> <table border="0"> <thead> <tr> <th><u>Assistance Listing #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <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> </tbody> </table> <p>Corrective action in progress</p> <p>The Department is committed to ensuring adequate internal controls are established for processing payroll journals. Currently, the Department:</p> <ul style="list-style-type: none"> • Sends payroll journals electronically via Adobe Acrobat Sign on day four of payroll processing. • Generates system automated emails, which are sent to the reviewer each day the journal is unsigned. • Reconciles unsigned payroll journals and will follow up with responsible staff. <p>To further improve controls over timely approval and return of payroll journals, the Department will:</p> <ul style="list-style-type: none"> • Continue to review existing internal controls to assess their effectiveness and make improvements as needed. • Review the Payroll Manual to ensure directions, guidelines, and expectations around the payroll journal approval are clearly defined. • Evaluate the appropriateness of establishing a timeline for returning signed payroll journals for incorporation into the Payroll Manual. <p>Estimated June 2024</p> <p>Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	20.205	\$0	20.205 COVID-19		20.219		20.224	
<u>Assistance Listing #</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										
2022	009	<p>Finding: 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> <p>Questioned Costs:</p> <table border="0" data-bbox="678 615 1075 758"> <thead> <tr> <th><u>Assistance Listing #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <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> </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>In July 2022, the Department executed a memo agreement with the Federal Highway Administration (FHWA) to update the risk-based review process to a leading practice. This new process will improve the effectiveness of subrecipient monitoring efforts which will focus reviews and resources on the high-risk agencies or projects rather than a three-year review cycle.</p> <p>However, FHWA is reluctant to formally open the Stewardship and Oversight (S&O) Agreement for revisions, as a new nationwide “template” is under development. Based on the existing language in the S&O Agreement with FHWA, the finding was issued for fiscal year 2022.</p> <p>With FHWA’s approval to implement the risk-based approach, the Department will:</p> <ul style="list-style-type: none"> • Conduct baseline Project Management Reviews (PMR) for each Certification Acceptance (CA) agency. This process began in September 2022, with 13 PMRs completed, 22 near completion, and 9 in process. • Analyze CA PMRs and assign a risk rating, which will be used in the PMR selection process. • Update risk-based approach policies to complete PMRs, as needed. • Update the Local Agency Guidelines Manual to reflect the risk-based approach to complete PMRs, as needed. • Communicate changes to policies and procedures to Local Program staff and stakeholders, as needed. <p>The conditions noted in this finding were previously reported in findings 2021-008, 2020-016 and 2019-015.</p> <p>Completion Date: Estimated September 2023</p>	<u>Assistance Listing #</u>	<u>Amount</u>	20.205	\$0	20.205 COVID-19		20.219		20.224	
<u>Assistance Listing #</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	
2022	009 (cont'd)	Agency Contact:	Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2022	010	<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 requirements to issue management decisions for audit findings to subrecipients of the Highway Planning and Construction Cluster.</p> <table border="0"> <tr> <td style="text-align: right;"><u>Assistance Listing #</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 complete</p> <p>The Department is committed to ensuring our programs comply with federal regulations related to subrecipient monitoring.</p> <p>The Department’s Local Programs Division typically issues Management Decision Letters (Decision Letters) to all subrecipients that receive single audit findings related to WSDOT federal grant awards. For the subrecipient in question, the subrecipient had contacted the Division upon realizing a discrepancy in their advertisement practices, which was prior to the auditors issuing the single audit finding. The Division reviewed the subrecipient’s advertisement practices, evaluated and approved the corrective action plan, and implemented a training plan with the subrecipient. Since these activities preceded the issuance of the subrecipient’s single audit finding and resolved the deficiency, the Department elected to forgo a formal Decision Letter.</p> <p>Based on the audit recommendations, the Department will continue to review all single audit findings issued for subrecipients and send Decision Letters.</p> <p>The conditions noted in this finding were previously reported in findings 2021-010, 2020-015 and 2019-017.</p> <p>December 2022</p> <p>Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	20.205	\$0	20.205 COVID-19		20.219		20.224	
<u>Assistance Listing #</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										
2022	011	<p>Finding: 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> <p>Questioned Costs:</p> <table border="0" data-bbox="678 642 1075 789"> <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>20.205 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 quality assurance (QA) requirements and safeguarding that materials and workmanship conform to approved plans and specifications through testing, inspections, or certifications.</p> <p>The Department continues to work closely with the Federal Highway Administration (FHWA) on the QA program and has received positive feedback on the strength of the program. In addition, the Department is currently investing in the Unifier software to replace separate QA legacy systems, which will allow shared data and provide built-in controls to help prevent the issues identified in the audit. Depending on funding and programming times, the Department estimates Unifier to be online for the QA program within five years.</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"> • Update policies and procedures, including the Department’s Construction Manual (M46-01), as needed to ensure staff practices meet federal regulations. Updates will also include other clarifications to address documentation and evidence of compliance, and a reasonable level of controls regarding materials testing, inspections, certification, acceptance, and tester certifications. • Obtain approval of updates to the Construction Manual from the FHWA. • Communicate changes in policies and procedures to division staff and stakeholders. • Provide training to Project Engineering Office staff to emphasize QA program requirements. <p>The conditions noted in this finding were previously reported in findings 2021-011, 2020-017 and 2019-019.</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
2022	011 (cont'd)	Completion Date: Estimated June 2024 Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	012	<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 controls over and did not comply with requirements to perform risk assessments for subrecipients of the Formula Grants for Rural Areas program.</p> <table border="0"> <tr> <td><u>Assistance Listing #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>20.509</td> <td>\$0</td> </tr> <tr> <td>20.509 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Washington State Department of Transportation (WSDOT) concurs with the finding and is in the process of implementing the audit recommendations. Specifically, the Department's Public Transportation Division will ensure it performs risk assessments for all subrecipients receiving federal subawards regardless of when WSDOT executes the related contract.</p> <p>As of February 2023, the Public Transportation Division updated its risk assessment process and plans to complete all risk assessments by July 1, 2023.</p> <p>Estimated July 2023</p> <p>Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	20.509	\$0	20.509 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
20.509	\$0								
20.509 COVID-19									

Department of Corrections

Agency 310

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2022	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 Corrections improperly charged \$37,392 to the Coronavirus Relief Fund.</p> <table border="1" data-bbox="678 556 1079 619"> <thead> <tr> <th><u>Assistance Listing #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>21.019 COVID-19</td> <td>\$37,392</td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>The Department concurs that the questioned costs identified by the auditors resulted from an employee's overpayment inappropriately charged to the Coronavirus Relief Fund (CRF).</p> <p>The Department is committed to ensuring compliance with federal grant requirements. In response to this audit finding, the Department:</p> <ul style="list-style-type: none"> • Reviewed controls around payroll overpayments and developed a process to ensure they are not included in any future federal funding transfers. • Reviewed and identified allowable costs that were not initially charged to the grant which would compensate for the questioned costs identified. The identified costs have been filed with the original transfer journal voucher and will be provided to the Office of Financial Management (OFM). <p>Since the Department received CRF funding through legislative appropriation, resolution of the questioned costs with the grantor will be managed by the OFM.</p> <p>June 2023</p> <p>Anita Kendall Senior Director, Business Services PO Box 41106 Olympia, WA 98504-1106 (360) 480-7915 Anita.kendall@doc1.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	21.019 COVID-19	\$37,392
<u>Assistance Listing #</u>	<u>Amount</u>						
21.019 COVID-19	\$37,392						

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2022	014	Finding: Questioned Costs: Status: Corrective Action: Completion Date: Agency Contact:	The Department of Social and Health Services improperly charged \$390 to the Coronavirus Relief Fund. <table border="0"> <tr> <td style="text-align: left;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>21.019 COVID-19</td> <td style="text-align: right;">\$390</td> </tr> </table> Corrective action in progress The Department concurs with the finding. Since the Department received CRF funding through legislative appropriation, resolution of the questioned costs with the grantor will be managed by the Office of Financial Management. Estimated October 2023 Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov	<u>Assistance Listing #</u>	<u>Amount</u>	21.019 COVID-19	\$390
<u>Assistance Listing #</u>	<u>Amount</u>						
21.019 COVID-19	\$390						

Office of Financial Management

Agency 105

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2022	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 Office of Financial Management did not have adequate internal controls over and did not comply with reporting requirements for the Coronavirus Relief Fund.</p> <table border="0"> <tr> <td data-bbox="678 583 971 615"><u>Assistance Listing #</u></td> <td data-bbox="971 583 1433 615"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 615 971 646">21.019 COVID-19</td> <td data-bbox="971 615 1433 646">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>The Office had controls in place for the Coronavirus Relief Fund (CRF) reporting requirements to ensure reported amounts, including corrections or adjustments made during the reporting period, were properly tracked and documented for subsequent reporting cycles. The Office performed continual monitoring of CRF expenditures to ensure the total grant expenditures reported were complete and accurate.</p> <p>The Office’s Statewide Accounting staff took over the responsibility for reviewing and certifying cycle 8 to 10 reports. Each report was reviewed prior to submission and documentation of the review was adequately maintained. The review ensured amounts submitted on the reports reconciled to supporting documentation provided by agencies at the time the reports were prepared. However, system issues in the federal reporting system created challenges in documenting changes to the templates as errors appeared and were subsequently corrected for the reporting cycle.</p> <p>For the final cycle 10 report, the Office ensured the cumulative amounts on the CRF report were supported by the underlying accounting records and performed a complete reconciliation of expenditures to the totals reported for each expenditure category. All revisions and resubmissions of the final report were completed in cycle 10. No additional revisions are required at this time.</p> <p>The final report was submitted in January 2023 and the grant is in its closeout phase. The Office considers this issued resolved.</p> <p>The conditions noted in this finding were previously reported in finding 2021-014.</p> <p>January 2023</p> <p>Brian Tinney Statewide Accounting Director PO Box 43127 Olympia, WA 98504-3127 (564) 999-1781 brian.tinney@ofm.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	21.019 COVID-19	\$0
<u>Assistance Listing #</u>	<u>Amount</u>						
21.019 COVID-19	\$0						

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2022	016	<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 requirements to ensure payments to subrecipients of the Emergency Rental Assistance program were allowable and properly supported.</p> <table border="0"> <tr> <td><u>Assistance Listing #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>21.023 COVID-19</td> <td>\$255,642,551</td> </tr> </table> <p>Corrective action in progress</p> <p>The Department implemented procedures to strengthen internal controls to ensure Emergency Rental Assistance program expenditures are allowable, properly supported, and in compliance with the subrecipient fiscal monitoring requirements.</p> <p>The Homelessness Assistance Unit managing director completed the following corrective actions in September 2022:</p> <ul style="list-style-type: none"> • Updated unit reimbursement procedures to include a requirement for specific supporting documentation to accompany payment requests from all subrecipients. • Provided training to staff on reviewing supporting documentation to ensure expenditures reconcile with reimbursement requests and to verify expenditures are within the period of performance. • Reviewed 2 CFR 200.332 and updated procedures to include additional requirements for pass-through entities. • Worked with the Department’s internal control officer for review and feedback of the updated procedures. <p>The managing director will perform a review of the reimbursement process during the next fiscal year, which begins July 1, 2023, to ensure procedures are followed.</p> <p>The Department will consult with the federal grantor to discuss the audit results.</p> <p>Estimated September 2023</p> <p>Gena Allen Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	21.023 COVID-19	\$255,642,551
<u>Assistance Listing #</u>	<u>Amount</u>						
21.023 COVID-19	\$255,642,551						

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2022	017	<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 reporting requirements for the Emergency Rental Assistance program.</p> <table border="0"> <tr> <td data-bbox="678 583 971 615"><u>Assistance Listing #</u></td> <td data-bbox="971 583 1432 615"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 615 971 646">21.023 COVID-19</td> <td data-bbox="971 615 1432 646">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>The Department implemented procedures to strengthen internal controls to ensure compliance with reporting and special test compliance requirements.</p> <p>In December 2021, the Department contracted with a vendor skilled in performing data analytics. The vendor:</p> <ul style="list-style-type: none"> • Helped aggregate the data required in the monthly and quarterly reports submitted to Treasury. • Worked with the Department to create a report form, with embedded data validation checks, to ensure data quality and accuracy. <p>The Department updated its process to document review of the aggregated report form data prior to submission to Treasury. Additionally, bi-monthly meetings are held with the vendor staff to ensure understanding of any updated Emergency Rental Assistance reporting requirements and discuss potential impact to the data aggregation process.</p> <p>Funding for this program ends June 30, 2023. The Department will follow these updated procedures until final reporting is completed.</p> <p>Estimated July 2023</p> <p>Gena Allen Internal Control Officer PO Box 42525 Olympia, WA 98504 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	21.023 COVID-19	\$0
<u>Assistance Listing #</u>	<u>Amount</u>						
21.023 COVID-19	\$0						

Office of Financial Management

Agency 105

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2022	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 Office of Financial Management did not have adequate internal controls over and did not comply with requirements to ensure Coronavirus State and Local Fiscal Recovery Funds were used only for allowable activities.</p> <table border="0"> <tr> <td data-bbox="678 615 836 642"><u>Assistance Listing #</u></td> <td data-bbox="987 615 1073 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 642 836 669">21.027 COVID-19</td> <td data-bbox="987 642 1127 669">\$300,000,000</td> </tr> </table> <p>Corrective action not taken</p> <p>The Office does not concur with the audit finding.</p> <p>The state of Washington created a separate fund to track the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) expenditures. The state, through legislation, approved the transfer from the CSLFRF account to various state transportation accounts. The Office reaffirms that all expenditures from the transportation accounts that received the CSLFRF funds were used to maintain government services.</p> <p>The <i>State Administrative and Accounting Manual</i> requires all state agencies to establish internal controls over payments for goods and services, including ensuring payments are lawful and for proper purposes, reviewing payments to ensure they are supported, as well as documenting the review of all payments. State agencies continued to follow their established internal controls to ensure expenditures from the transportation accounts were proper and allowable for both non-CSLFRF and CSLFRF funds.</p> <p>The Office will continue to:</p> <ul style="list-style-type: none"> • Work with the U.S. Treasury through upcoming desk audits to ensure no questioned costs are required to be repaid. • Document all correspondences with the grantor during the audit resolution process. <p>Not applicable</p> <p>Brian Tinney Statewide Accounting Director PO Box 43127 Olympia, WA 98504-3127 (564) 999-1781 brian.tinney@ofm.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	21.027 COVID-19	\$300,000,000
<u>Assistance Listing #</u>	<u>Amount</u>						
21.027 COVID-19	\$300,000,000						

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan				
2022	019	<p>Finding: The Department of Commerce did not have adequate internal controls over and did not comply with requirements for monitoring subrecipients to ensure payments were allowable, properly supported, and met period of performance requirements for the Coronavirus State and Local Fiscal Recovery Funds.</p> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <tr> <td style="text-align: right;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">21.027 COVID-19</td> <td style="text-align: right;">\$28,886,606</td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department implemented procedures to strengthen internal controls to ensure program expenditures are allowable, properly supported, and in compliance with the subrecipient fiscal monitoring requirements.</p> <p>The Homelessness Assistance Unit managing director completed the following corrective actions in July 2022:</p> <ul style="list-style-type: none"> • Updated unit reimbursement procedures to include a requirement for specific supporting documentation to accompany payment requests from all subrecipients. • Provided training to staff on reviewing supporting documentation to ensure expenditures reconcile with reimbursement requests and to verify expenditures are within the period of performance. • Reviewed 2 CFR 200.332 and updated procedures to include additional requirements for pass-through entities. • Worked with the Department’s internal control officer for review and feedback of the updated procedures. <p>The managing director will perform a review of the reimbursement process during the next fiscal year which begins July 1, 2023, to ensure procedures are followed.</p> <p>The Department increased the number of client files reviewed during program monitoring. The client file review included verifying household assistance expenses were allowable and incurred within the period of performance.</p> <p>Since the Department received the Coronavirus State and Local Fiscal Recovery Funds 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 September 2023</p> <p>Agency Contact: Gena Allen Internal Control Officer PO Box 42525 Olympia, WA 98504 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	21.027 COVID-19	\$28,886,606
<u>Assistance Listing #</u>	<u>Amount</u>					
21.027 COVID-19	\$28,886,606					

Office of Financial Management

Agency 105

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	020	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p>	<p>The Office of Financial Management did not have adequate internal controls over and did not comply with reporting requirements for the Coronavirus State and Local Fiscal Recovery Funds.</p> <table border="0" data-bbox="678 583 1075 642"> <tr> <td data-bbox="678 583 841 613"></td> <td data-bbox="678 583 971 613"><u>Assistance Listing #</u></td> <td data-bbox="678 583 1075 613"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 613 841 642">21.027 COVID-19</td> <td data-bbox="678 613 971 642"></td> <td data-bbox="678 613 1075 642">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>The Office has continued to strengthen internal controls for the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) reporting to ensure compliance with the federal requirements.</p> <p>As of May 2022, the Office:</p> <ul style="list-style-type: none"> • Transitioned the primary responsibility for centralized CSLFRF reporting to the Statewide Accounting Division. • Hired a Budget and Grants Coordinator with experience in federal reporting to oversee the reporting process. <p>The Office will continue to:</p> <ul style="list-style-type: none"> • Monitor updates to the U.S Treasury’s Project and Expenditure Report User Guide. • Improve the quarterly reporting template and assist state agencies during the reporting process. • Ensure reported amounts, including corrections or adjustments made during the reporting period, are properly tracked and documented for the subsequent reporting cycles. • Perform reconciliations of reported expenditures to ensure agency expenditures are accurately reported, allowing for adjustments/ corrections required due to issues with the reporting system. • Ensure reported expenditures are accurate and adequately supported by accounting records before the information is uploaded to the federal reporting system. • Document correspondences with the U.S. Treasury when system errors are identified and resolutions recommended by the grantor, if received. <p>Internal procedures have been developed to formally document the reporting process.</p> <p>May 2023</p>		<u>Assistance Listing #</u>	<u>Amount</u>	21.027 COVID-19		\$0
	<u>Assistance Listing #</u>	<u>Amount</u>							
21.027 COVID-19		\$0							

Office of Financial Management

Agency 105

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	020 (cont'd)	Agency Contact: Brian Tinney Statewide Accounting Director PO Box 43127 Olympia, WA 98504-3127 (564) 999-1781 brian.tinney@ofm.wa.gov

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2022	021	<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 requirements to perform risk assessments for subrecipients of the Coronavirus State and Local Fiscal Recovery Funds.</p> <table border="0"> <tr> <td data-bbox="678 583 954 615"><u>Assistance Listing #</u></td> <td data-bbox="954 583 1432 615"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 615 954 646">21.027 COVID-19</td> <td data-bbox="954 615 1432 646">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>The Department implemented procedures to strengthen internal controls to ensure the program complies with the subrecipient monitoring risk assessment requirements.</p> <p>The Homelessness Assistance Unit managing director completed the following corrective actions:</p> <ul style="list-style-type: none"> • Updated the unit risk assessment procedures to require risk assessment forms to be completed prior to contract execution for all subawards. • Reviewed 2 CFR 200.332 to ensure procedures are updated to comply with all requirements for pass-through entities. • Reviewed the updated procedures and risk assessment form with the Department’s central contract office. <p>The federal team managers provided training to current staff and new hires on the updated procedures and are responsible for reviewing completed risk assessments.</p> <p>The Homelessness Assistance Unit managing director will perform a review of the process at the end of the current fiscal year to ensure procedures have been followed and the form is adequate to capture all required elements.</p> <p>Estimated September 2023</p> <p>Gena Allen Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	21.027 COVID-19	\$0
<u>Assistance Listing #</u>	<u>Amount</u>						
21.027 COVID-19	\$0						

Washington State University

Agency 365

Fiscal Year	Finding Number	Finding and Corrective Action Plan															
2022	022	<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 ensure that returns of Title IV funds were accurate for the Student Financial Assistance programs.</p> <table border="1" data-bbox="678 556 1079 756"> <thead> <tr> <th><u>Assistance Listing #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>84.007</td> <td>\$2,582</td> </tr> <tr> <td>84.033</td> <td></td> </tr> <tr> <td>84.038</td> <td></td> </tr> <tr> <td>84.063</td> <td></td> </tr> <tr> <td>84.268</td> <td></td> </tr> <tr> <td>84.379</td> <td></td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>The University has improved processes for the return of Title IV funds. The University:</p> <ul style="list-style-type: none"> • Included a standard calculation in workbooks to quickly identify whether amounts to be returned for withdrawn students will exceed the amounts disbursed. • Implemented a quality check to review these exceptions, and to investigate and correct as necessary. <p>The University has returned all questioned costs to the sponsors.</p> <p>May 2023</p> <p>Heather Lopez Chief Audit Executive PO Box 641221 Pullman, WA 99164-1221 (509) 335-2001 hlopez@wsu.edu</p>	<u>Assistance Listing #</u>	<u>Amount</u>	84.007	\$2,582	84.033		84.038		84.063		84.268		84.379	
<u>Assistance Listing #</u>	<u>Amount</u>																
84.007	\$2,582																
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				
2022	023	<p>Finding: 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> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <tr> <td style="padding-right: 20px;"><u>Assistance Listing #</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> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Office monitors and ensures all Local Education Agencies (LEA) implement school testing security measures. All LEAs 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.</p> <p>The Office will continue to communicate with LEAs to ensure they provide the DASR for all tests administered in the spring, as follows:</p> <ul style="list-style-type: none"> • Once per week for four weeks leading up to the end of the test administration window. • Once per week for three weeks after the end of the test administration window. <p>In August, the Office will receive the annual final list of all tests administered by each LEA and will be able to narrow its focus for sending out weekly reminders. If the Office has not received completed DASRs by mid-September, a management decision letter will be sent to the LEA's Superintendent to inform them of the non-compliance and potential consequences as outlined in federal regulations.</p> <p>The conditions noted in this finding were previously reported in findings 2021-021 and 2020-026.</p> <p>Completion Date: Estimated October 2023</p> <p>Agency Contact: Christopher Hanczrik Director, Assessment Operations and Select Assessments PO Box 47200 Olympia, WA 98504-7200 (360) 485-3580 Christopher.Hanczrik@k12.wa.us</p>	<u>Assistance Listing #</u>	<u>Amount</u>	84.010	\$0
<u>Assistance Listing #</u>	<u>Amount</u>					
84.010	\$0					

Washington Charter School Commission

Agency 359

Fiscal Year	Finding Number	Finding and Corrective Action Plan				
2022	024	<p>Finding: The Charter School Commission did not have adequate internal controls over and did not comply with requirements to ensure charter schools with relationships to charter management organizations were monitored for conflicts of interest.</p> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: middle;"> <tr> <td style="padding-right: 20px;"><u>Assistance Listing #</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> <p>Status: Corrective action complete</p> <p>Corrective Action: Although the Commission believes that a finding was not warranted, the Commission has begun implementing additional oversight requirements identified in the audit.</p> <p>As of May 2023, the Commission:</p> <ul style="list-style-type: none"> • Implemented a process to review all charter public school board members' F-1 Personal Financial Affairs Disclosure forms for potential conflict of interest using the Public Disclosure Commission (PDC) website. • Required all charter public schools to submit each board member's F-1 form to the Commission directly via the compliance software, Epicenter, as follows: <ul style="list-style-type: none"> ○ By April 15 of each year for current board members in alignment with the PDC's annual submission deadline. ○ Within two weeks of appointment for new board members in alignment with PDC submission guidelines. <p>The Commission created and will maintain a conflict-of-interest tracker, including dates forms are received, to ensure each board member's potential conflict of interest is actively reviewed.</p> <p>The Commission will continue to work with the Office of Superintendent of Public Instruction (OSPI) on federal funding administered by OSPI and be informed of matters that may require additional actions by the Commission.</p> <p>Completion Date: May 2023</p> <p>Agency Contact: Jessica de Barros Executive Director PO Box 40996 Olympia, WA 98501-0996 360-725-5511 charterschoolinfo@k12.wa.us</p>	<u>Assistance Listing #</u>	<u>Amount</u>	84.010	\$0
<u>Assistance Listing #</u>	<u>Amount</u>					
84.010	\$0					

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2022	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 controls over and did not comply with requirements to ensure it met the earmarking requirements for the Special Education program.</p> <table border="0" data-bbox="678 583 1084 699"> <tr> <td><u>Assistance Listing #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>84.027</td> <td>\$188,873</td> </tr> <tr> <td>84.027 COVID-19</td> <td></td> </tr> <tr> <td>84.173</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>When the Special Education program underwent a fiscal leadership transition in 2021, the incoming director identified necessary changes in agency procedures for closing out the fiscal year for the program. Since that time, the Office has fully implemented internal controls to ensure spending plans do not exceed the maximum allowable amounts earmarked for administration and other state-level activities.</p> <p>The updated procedures require the director of Operations and the budget analyst to perform the following:</p> <ul style="list-style-type: none"> • Review criteria for spending plans at the beginning of the fiscal year. • Review the Grant Award Notice and Grants to States Summary Table and Preschool Grants to States Summary Table. • Review spending plans and update the maximum allowable amounts earmarked for administration and other state-level activities in the spending plan throughout the fiscal year. • Meet weekly to review spending plans and update plans as requests are received. • Review monthly expenditure reports during weekly meetings. <p>These updated procedures have contributed to increased communication and partnership between the director of Operations and the budget analyst. These internal controls provide assurance that maximum allowable amounts earmarked for administration and other state-level activities will be in compliance with federal rules.</p> <p>The Office will consult with the federal grantor to discuss whether the questioned costs identified in the audit should be repaid.</p> <p>March 2023</p> <p>Tania May Assistant Superintendent, Special Education PO Box 47200 Olympia, WA 98504-7200 (360) 725-6075 tania.may@k12.wa.us</p>	<u>Assistance Listing #</u>	<u>Amount</u>	84.027	\$188,873	84.027 COVID-19		84.173	
<u>Assistance Listing #</u>	<u>Amount</u>										
84.027	\$188,873										
84.027 COVID-19											
84.173											

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2022	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 to ensure it performed risk assessments for subrecipients of the Special Education program.</p> <table border="0"> <tr> <td style="text-align: right;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">84.027</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: right;">84.027 COVID-19</td> <td></td> </tr> <tr> <td style="text-align: right;">84.173</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>In April 2022, the Office’s Special Education division revised and expanded the form package that Educational Service Districts (ESDs) need to submit as part of year-end reporting. Additionally, ESDs are required to respond to a series of questions and provide applicable documentation for contracts and procurement, time and effort process and reports, documentation for professional development expenditures, and year-end expenditure reports.</p> <p>Based on the results from monitoring activities over year-end reporting, ESDs will be selected for additional monitoring and may be subject to an onsite visit if deemed necessary.</p> <p>In March 2023, the Office finalized the Fiscal Monitoring Procedures Handbook for ESDs. The following timeline has been developed for full implementation of the corrective actions:</p> <ul style="list-style-type: none"> • ESDs are required to upload documentation by February 1, 2024. • The Office will complete review of submitted documents and issue reports to ESDs by February 29, 2024. Reports will identify any required or recommended corrective actions. • The Office will issue final reports to ESDs within 60 calendar days after documentation review, by March 29, 2024. <p>The conditions noted in this finding were previously reported in finding 2021-023.</p> <p>Estimated March 2024</p> <p>Tania May Assistant Superintendent, Special Education PO Box 47200 Olympia, WA 98504-7200 (360) 725-6075 tania.may@k12.wa.us</p>	<u>Assistance Listing #</u>	<u>Amount</u>	84.027	\$0	84.027 COVID-19		84.173	
<u>Assistance Listing #</u>	<u>Amount</u>										
84.027	\$0										
84.027 COVID-19											
84.173											

Office of Financial Management

Agency 105

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2022	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 Financial Management did not have adequate internal controls over and did not comply with federal level of effort requirements for the Education Stabilization Fund program.</p> <table border="0"> <thead> <tr> <th data-bbox="678 583 971 611"><u>Assistance Listing #</u></th> <th data-bbox="971 583 1433 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="678 611 971 638">84.425D COVID-19</td> <td data-bbox="971 611 1433 638">\$0</td> </tr> <tr> <td data-bbox="678 638 971 665">84.425R COVID-19</td> <td></td> </tr> <tr> <td data-bbox="678 665 971 693">94.425U COVID-19</td> <td></td> </tr> <tr> <td data-bbox="678 693 971 720">84.425V COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action not taken</p> <p>The Office does not concur with the finding.</p> <p>The Office performed the maintenance of effort (MOE) calculations in accordance with the guidance provided by the U.S. Department of Education (ED). Based on appropriations and past funding, it was determined that the fiscal year 2022 expenditure level did not meet the MOE requirement. The Office followed the federal guidance and directions from a legislative proviso in the enacted state budget (Chapter 334, Laws of 2021, Sec. 954) and submitted a waiver request for fiscal years 2022 and 2023. The waiver was submitted before ED’s stipulated deadline of December 31, 2021. ED’s website confirmed an MOE waiver request was received from Washington state and the status of the request is currently listed as “under review.”</p> <p>The Office maintains adequate internal controls and has followed all federal and state requirements with due diligence in requesting the MOE waiver. The approval process rests with the federal grantor, and the waiver has not been disapproved.</p> <p>In addition, the Office has been meeting with ED on a monthly basis and is already consulting with the grantor regarding the pending waiver request. The Office will also continue to work with the Legislature, which is the state-level authority for state appropriations, to monitor any updates to federal requirements.</p> <p>Not applicable</p> <p>Brian Tinney Statewide Accounting Director PO Box 43127 Olympia, WA 98504-3127 (564) 999-1781 brian.tinney@ofm.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	84.425D COVID-19	\$0	84.425R COVID-19		94.425U COVID-19		84.425V COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>												
84.425D COVID-19	\$0												
84.425R COVID-19													
94.425U COVID-19													
84.425V COVID-19													

University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	028	<p>Finding:</p> <p>Questioned</p> <p>Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The University of Washington did not establish adequate internal controls to ensure payments to contractors and subrecipients for the Global AIDS program were allowable, properly supported and within the period of performance.</p> <table border="0"> <tr> <td data-bbox="678 615 971 642"><u>Assistance Listing #</u></td> <td data-bbox="971 615 1433 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 642 971 669">93.067</td> <td data-bbox="971 642 1433 669">\$0</td> </tr> <tr> <td data-bbox="678 669 971 697">93.067 COVID-19</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>The University partially concurs with the finding.</p> <p>The University disagrees with the auditors' assertion that internal controls were inadequate to ensure payments to contractors and subrecipients of the Global AIDS program were allowable, properly supported, and within the period of performance.</p> <p>Payments to country offices</p> <p>The University administers the program through its International Training and Education Center for Health (I-TECH), a center in the University's Department of Global Health, with staff in various locations worldwide. I-TECH country offices are not contractors but are an extension of the University. The audit identified one of 58 payments in the test sample (1.7 percent) that did not meet the approval requirements set forth in I-TECH's standard operating procedures. Based on the error percentage, the University disagrees with this part of the finding.</p> <p>Payments to contractors</p> <p>The University's current payment process to contractors has multiple approval requirements. Upon receipt, program/budget manager reviews and approves individual invoices prior to input into the University's procurement system by the I-TECH accounts payable administrator. The system requires compliance approval from the account payable supervisor or other manager, as well as funding approval from the budget manager prior to payment. Approvals of Budget Activity Reports (BARS) are not part of the approval process for contractor payments, but are post-payment reviews by budget managers of monthly expenses posted to the budget to ensure they are within expectations.</p> <p>The University disagrees with the exceptions identified in the finding related to payments to contractors. The exceptions noted were payments made to country offices instead of contractors, the supporting approvals of which were provided to the auditors on April 26, 2023, prior to the completion of fieldwork.</p> <p>Subrecipient reimbursements</p> <p>Contract managers review each subrecipient invoice for reasonableness,</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.067	\$0	93.067 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.067	\$0								
93.067 COVID-19									

University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	028 (cont'd)	<p>allowability and allocability, and require approval by both budget managers and principal investigators (PI) prior to payment in the University's procurement system. The auditors reviewed and verified PI approvals for each selected subrecipient with no exception identified. It should be noted that approvals of BARS are also not part of the approval process for payments to subrecipients.</p> <p>The University acknowledges that documentation related to BARS reviews by budget managers was not available for 52 of the transactions tested and agrees that improvement is needed for retaining documentation of monthly reviews. In response to the finding, the University has started saving BARS review documentation on the server to ensure the documents are readily available.</p> <p>Completion Date: April 2023</p> <p>Agency Contact: Erick Winger Controller 4300 Roosevelt Way NE Seattle, WA 98195 (206) 543-5322 erickw@uw.edu</p>

University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	029	<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 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 data-bbox="678 583 889 611"><u>Assistance Listing #</u></td> <td data-bbox="987 583 1073 611"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 611 889 638">93.067</td> <td data-bbox="987 611 1073 638">\$0</td> </tr> <tr> <td colspan="2" data-bbox="678 638 1073 665">93.067 COVID-19</td> </tr> </table> <p>Corrective action in progress</p> <p>The University acknowledges that one report related to the Global AIDS program subaward modification was not submitted during the audit period in accordance with Federal Funding Accountability and Transparency Act (FFATA) requirements.</p> <p>The University:</p> <ul style="list-style-type: none"> • Submitted the required report as of May 2023. • Reviewed all subaward actions (new subawards and modifications) for the program active during fiscal year 2022 and verified that no additional reports were missed. <p>The University maintains that solid and effective controls are already in place related to FFATA reporting, but acknowledges that the current process can be enhanced through better use of the data in the Sponsored Projects Administration and Electronic Research Compliance (SPAERC) system. The University will:</p> <ul style="list-style-type: none"> • Strengthen management monitoring process to ensure compliance with FFATA reporting requirements. • Design a report to assist in the identification and review of FFATA-reportable actions. Implementation of this process is expected to occur in fiscal year 2024. <p>Estimated December 2023</p> <p>Erick Winger Controller 4300 Roosevelt Way NE Seattle, WA 98195 (206) 543-5322 erickw@uw.edu</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.067	\$0	93.067 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.067	\$0								
93.067 COVID-19									

University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	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 University of Washington did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Global AIDS program received required single or program-specific audits, and that it followed up on findings and issued management decisions.</p> <table border="0"> <tr> <td data-bbox="678 615 971 646"><u>Assistance Listing #</u></td> <td data-bbox="971 615 1433 646"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 646 971 678">93.067</td> <td data-bbox="971 646 1433 678">\$0</td> </tr> <tr> <td data-bbox="678 678 971 709">93.067 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The University maintains that there are adequate internal controls to ensure the Global AIDS program complies with the requirements for pass-through entities as outlined in Uniform Guidance 2 CFR § 200.332 and the university policy incorporated in Grants Information Memorandum 8.</p> <p>As noted in the finding, the University uses a certification process to obtain information and documentation needed, such as audited financial statements, from each subrecipient and perform a risk assessment using standard risk criteria. For the one exception identified by the auditors, the University misinterpreted the response provided by the subrecipient regarding whether it expended \$750,000 or more in federal awards during the fiscal year. Although the single or program specific audit report was not obtained and reviewed, a risk assessment was performed on the subrecipient. With a medium risk rating, the subrecipient was subject to monitoring at the program level throughout the project during the period in question, in accordance with University policy.</p> <p>The University will:</p> <ul style="list-style-type: none"> • Update the certification process with all subrecipients to confirm if federal expenditures during a fiscal year exceed the \$750,000 threshold to require a single or program-specific audit. • Issue written management decisions for all applicable audit findings. • Ensure subrecipients develop and perform acceptable corrective actions to address all audit recommendations, if applicable. <p>Estimated September 2023</p> <p>Erick Winger Controller 4300 Roosevelt Way NE Seattle, WA 98195 (206) 543-5322 erickw@uw.edu</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.067	\$0	93.067 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.067	\$0								
93.067 COVID-19									

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	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 Health did not have adequate internal controls over and did not comply with requirements to ensure payments to providers were allowable, met cost principles, and were within the period of performance for the Immunization Cooperative Agreements program.</p> <table border="0"> <tr> <td style="text-align: right;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.268</td> <td>\$4,287,159</td> </tr> <tr> <td>93.268 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 internal controls can be strengthened over provider payments to ensure funds are allowable and spent within the period of performance. The following actions were taken:</p> <ul style="list-style-type: none"> • Required payments to providers contain adequate support in line with the A19 matrix and subrecipients' risk assessments. • Provided additional training to staff in the immunization unit responsible for reviewing invoices. • Developed tracking sheets which enable staff to record details from backup documentation reviews and payment approvals. <p>The Department will review the control weaknesses identified in the audit related to the consolidated contract payment process and will determine if changes need to be made.</p> <p>The Department disagrees with the audit exceptions and questioned costs identified in the finding. The Department will work with the federal grantor to resolve any questioned costs.</p> <p>Estimated December 2023</p> <p>Jeff Arbuckle External Audit Manager PO Box 47890 Olympia, WA 98504-7890 (360) 701-0798 Jeff.Arbuckle@doh.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.268	\$4,287,159	93.268 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.268	\$4,287,159								
93.268 COVID-19									

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	032	Finding: Questioned Costs: Status: Corrective Action: Completion Date: Agency Contact:	The Department of Health did not have adequate internal controls to ensure it filed accurate and timely reports required by the Federal Funding Accountability and Transparency Act for the Immunization Cooperative Agreements program. <table border="0"> <tr> <td><u>Assistance Listing #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>93.268</td> <td>\$0</td> </tr> <tr> <td>93.268 COVID-19</td> <td></td> </tr> </table> Corrective action in progress The Department agrees with the finding. The Department will review internal processes and determine when a review is most effective to ensure accuracy and completeness of the Federal Funding Accountability and Transparency Act reporting submissions. Management has already addressed the obligation dates to ensure the execution date of the award or amendment is reported. Estimated July 2024 Jeff Arbuckle External Audit Manager PO Box 47890 Olympia, WA 98504-7890 (360) 701-0798 Jeff.Arbuckle@doh.wa.gov	<u>Assistance Listing #</u>	<u>Amount</u>	93.268	\$0	93.268 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.268	\$0								
93.268 COVID-19									

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	033	<p>Finding: The Department of Health did not have adequate internal controls over and did not comply with fiscal monitoring requirements to ensure subrecipients of the Epidemiology and Laboratory Capacity for Infectious Diseases program only used funds for allowable activities and met cost principles.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.323 \$1,644,873 93.323 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with the finding. The Department agrees with the auditors' recommendation over subrecipient monitoring to require transactions that were previously coded as "COVID" to be recorded with the specific revenue source and will do so in future monitoring visits. The Department does not agree with the auditors' assessment of a material weakness in internal controls over subrecipient monitoring. When staff conduct fiscal monitoring site visits, key control systems including payroll and disbursements are reviewed and documented. These monitoring activities ensure internal controls are operating effectively and providing assurance that reimbursements are allowable and accurate.</p> <p>The Department acknowledges that internal controls can be strengthened over provider payments and will take the following actions:</p> <ul style="list-style-type: none"> • Require payments to providers be adequately supported by the appropriate backup documentation and subrecipient risk assessments. • Update the documentation requirements to align with the identified risk levels and federal guidance. • Develop tracking sheets, which enable staff to record details from backup documentation reviews and payment approvals. • Provide additional training to staff in the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) program responsible for reviewing invoices. <p>The Department disagrees with the SAO's assessment of a material weakness in internal controls over the consolidated contract provider payment process for the ELC program. The Department has established processes in place to ensure payments are allowable and meet cost principles for the program. These include:</p> <ul style="list-style-type: none"> • Perform annual review and approval of detailed subrecipient budgets. • Compare invoice amounts to budgeted amounts for reasonableness before payment approval. • Provide subrecipients regular technical assistance and training on applicable policies related to fiscal and programmatic processes.

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	033 (cont'd)	<ul style="list-style-type: none"> Conduct biennial program and fiscal monitoring visits to subrecipients as part of the Department's monitoring procedures. <p>In addition, the ELC program has monitoring controls in place and evidence of review at the program level. Program staff maintain a detailed spreadsheet that documents review and approval and includes any amounts that need to be withheld until issues with invoice support are resolved. These reviews are to be completed within the 10-day period before payment is released.</p> <p>The Department is planning on meeting with federal grantors to work through the exceptions and questioned costs identified in the finding.</p> <p>Completion Date: Estimated March 2024</p> <p>Agency Contact: Jeff Arbuckle External Audit Manager PO Box 47890 Olympia, WA 98504-7890 (360) 701-0798 Jeff.Arbuckle@doh.wa.gov</p>

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	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 Health did not have adequate internal controls over and did not comply with reporting requirements for the Epidemiology and Laboratory Capacity for Infectious Diseases program.</p> <table border="0"> <tr> <td style="text-align: right;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.323</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: right;">93.323 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Department partially agrees with the finding.</p> <p>For the two reports on which the auditors took exceptions, the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) program did discover the errors after the original reports were submitted. The Department notified the Centers for Disease Control and Prevention (CDC) about the reporting errors in February 2022, which was within the reporting period. However, due to a technical issue, the federal reporting system would not allow ELC program staff to input edits to the reports for the months of July through October 2021. After a discussion with CDC, program staff were advised to submit the corrected data of the previous reports via email, which was subsequently accepted by the grantor and the issue was resolved.</p> <p>The Department agrees there needs to be evidence of documented reviews of reports and is implementing steps to ensure review and approval of reports are well documented and retained before final submission to the federal grantor.</p> <p>Estimated December 2023</p> <p>Jeff Arbuckle External Audit Manager PO Box 47890 Olympia, WA 98504-7890 (360) 701-0798 Jeff.Arbuckle@doh.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.323	\$0	93.323 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.323	\$0								
93.323 COVID-19									

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	035	<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 paid with Temporary Assistance for Needy Families funds were allowable and properly supported.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.558 <u>Amount</u> \$67,699,429</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 implemented grant-level management of all federal funds, including the Temporary Assistance for Needy Families (TANF) grant. The Department allocated the TANF grant to eligible clients and allowable activities in compliance with 45 CFR 98.67.</p> <p>For the fiscal year 2021 program audit, the State Auditor’s Office (SAO) issued a finding with \$32 questioned costs for non-compliance with the CCDF eligibility requirement. No other findings, management letters, or exit items were reported in this compliance area or the cost allocation of funds based on eligibility for the CCDF or TANF grants. Given that eligibility or cost allocation has not been an area of concern, and transfers were processed between TANF and CCDF source of funds with the same eligibility criteria, the Department is assured that TANF funding was spent appropriately within federal regulations.</p> <p>The Department is committed to improving internal controls. The Department does not currently have the resources to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance recommended by SAO. In response to prior year’s audit recommendations, the Department has submitted a budget request to the Legislature in the 2023-2025 biennial budget for additional resources to process adjustments to include transaction-level data.</p> <p>As part of the audit resolution process, the Department of Health and Human Services (HHS), which oversees the CCDF program at the federal level, reviews all SAO findings and issues management decision letters. The letters will reflect the grantor’s determination of whether an audit finding is sustained, the reasons for the decision, and the required actions by the auditee. When a management decision is issued for the fiscal year 2021 finding, the Department will work with HHS and follow the audit resolution process.</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	035 (cont'd)	The conditions noted in this finding were previously reported in finding 2021-028. Completion Date: Estimated December 2024 Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan															
2022	036	<p>Finding: The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with client eligibility requirements for child care services paid with the Child Care and Development Fund and Temporary Assistance for Needy Families funds.</p> <table border="0" data-bbox="508 615 1075 758"> <tr> <td data-bbox="508 615 625 642">Questioned</td> <td data-bbox="683 615 886 642"><u>Assistance Listing #</u></td> <td data-bbox="987 615 1075 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="508 642 625 669">Costs:</td> <td data-bbox="683 642 753 669">93.558</td> <td data-bbox="987 642 1057 669">\$5,689</td> </tr> <tr> <td></td> <td data-bbox="683 669 753 697">93.575</td> <td data-bbox="987 669 1057 697">\$5,078</td> </tr> <tr> <td></td> <td data-bbox="683 697 870 724">93.575 COVID-19</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 724 753 751">93.596</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 overpayments and referred them to the Office of Financial Recovery for collection.</p> <p>As part of process and internal control improvements, the Department implemented the Fair Start for Kids Act (FSKA) on October 1, 2021, to simplify rules and expand eligibility. The FSKA:</p> <ul data-bbox="699 1220 1425 1409" style="list-style-type: none"> • Raises the State Median Income threshold, increasing the number of eligible two-parent households. • Caps copayments at \$115 for applicants and \$215 for reapplicants, reducing the copay amounts for two-parent households. • Acts as disincentives for fraud as families are less likely to report the non-custodial parent who is not a household member. <p>The Department continues to review cases for accuracy following these new rules and policies.</p> <p>In September 2022, the Office of Child Care (OCC) released a document to help CCDF lead agencies simplify the format and content of child care assistance applications, which includes guidance on defining, collecting, and verifying eligibility information. The Department continues to follow guidance from OCC to update policies and procedures within the authority under the Revised Code of Washington and Washington Administrative Code. This includes:</p> <ul data-bbox="699 1755 1425 1898" style="list-style-type: none"> • Updating policies and procedures for cases with simplified eligibility such as families experiencing homelessness or families with children receiving protective services. Public Benefit Specialist (PBS) staff received training in the winter of 2022, which included the use of systems data to establish household composition. 	Questioned	<u>Assistance Listing #</u>	<u>Amount</u>	Costs:	93.558	\$5,689		93.575	\$5,078		93.575 COVID-19			93.596	
Questioned	<u>Assistance Listing #</u>	<u>Amount</u>															
Costs:	93.558	\$5,689															
	93.575	\$5,078															
	93.575 COVID-19																
	93.596																

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	036 (cont'd)	<ul style="list-style-type: none"> Developing a guide for staff to more effectively use the Employment Security Department (ESD) quarterly reported data for eligibility determinations. The ESD data is directly reported by the employer, secured, and reduces delays in benefits by eliminating the wait for employment verification. It is also simple to use for the PBS staff and the auditors, thereby reducing income calculation errors and removing the need for consumers to provide documentation to support the eligibility determination. This procedural change and training are expected to be completed by the summer of 2023. <p>The conditions noted in this finding were previously reported in findings 2021-035, 2020-039, 2019-032, 2018-030, 2017-026, 2016-023, 2015-026, 2014-026, 2013-017 and 2012-30.</p> <p>Completion Date: Estimated October 2023</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	037	<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 requirements to ensure staff properly considered the income information obtained from data matching when determining client eligibility and benefits for the Temporary Assistance for Needy Families program.</p> <table border="0" data-bbox="678 642 1071 703"> <tr> <td data-bbox="678 642 828 672"></td> <td data-bbox="678 642 941 672"><u>Assistance Listing #</u></td> <td data-bbox="678 642 1071 672"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 672 828 703">93.558</td> <td data-bbox="678 672 941 703"></td> <td data-bbox="678 672 1071 703">\$0</td> </tr> </table> <p>Corrective action not taken</p> <p>The Department does not concur with the finding.</p> <p>The Department has established processes in place to ensure income information is properly considered during client eligibility and benefits determination for the Temporary Assistance for Needy Families (TANF) Program. During eligibility determination at application intake, the eligibility worker:</p> <ul style="list-style-type: none"> • Interviews the client to determine income. • Compares client reported information and cross matches against the Income Eligibility and Verification System (IEVS) per the Code of Federal Regulations (CFR). • Resolves discrepancies for all new or previously unverified information received. • Uses the information to determine if the client income is below the maximum earned income limits for TANF per WAC 388-478-0035. • Verifies all circumstances as required in WAC 388-490-0005 and follows requirements when discrepancies exist, which include taking appropriate actions if the information is questionable, confusing, or outdated. <p>The Department utilizes Spider, which is a tool that combines several different data matches including IEVS. In addition, the Department uses templates to appropriately and comprehensively document the eligibility determination to ensure consistency, accuracy, and that lean processes are followed.</p> <ul style="list-style-type: none"> • The <i>Earned Income Template</i> <ul style="list-style-type: none"> ○ Addresses income received within 30 days of the application date and any discrepancies found between the case record, online verification systems, previously projected income, and income type. ○ Does not require documentation if there is no income reported and when no discrepancy is found in cross matches. • The <i>Final Narrative Template</i> <ul style="list-style-type: none"> ○ Includes completing check boxes to document types of cross matches reviewed during application intake and a summary of the transactions that occurred. 		<u>Assistance Listing #</u>	<u>Amount</u>	93.558		\$0
	<u>Assistance Listing #</u>	<u>Amount</u>							
93.558		\$0							

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	037 (cont'd)	<p>In all seven exceptions identified by the auditors, the client’s situation did not require the eligibility workers to use the <i>Earned Income Templates</i> due to:</p> <ul style="list-style-type: none"> • No income reported. • No income found in IEVS and other cross matches. • No discrepancies. • No changes within 30 days. <p>The eligibility workers did create documentation using the <i>Final Narrative Template</i> for all seven cases with notation stating: “Reviewed the following system(s): Spider.” All these actions were consistent and aligned with the Department’s “Standard Remarks and Narrative Documentation” procedures.</p> <p>Alerts are not generated for all income fluctuations but as appropriate when a review and potential action is required. This is to minimize creating unnecessary alerts which would take staff time away from other required and mission-critical actions. The Department asserts that the system is working as designed, which is evidenced by the fact that the Department accurately determined eligibility in all seven cases identified as exceptions by the auditors.</p> <p>The Department will continue to:</p> <ul style="list-style-type: none"> • Review IEVS information at application intake and verify and document any discrepancies between what is reported by the household and what is shown in the cross matches. • Use templates to ensure documentation supports the eligibility decisions. • Generate alerts when an applicant is budgeted with zero income, but the IEVS data match shows income. • Use the final narrative documentation template, that includes check boxes, to notate cross matches reviewed during application intake. <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 Richard.Meyer@dshs.wa.gov</p>

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan										
2022	038	<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 requirements to ensure it filed reports required by the Federal Funding Accountability and Transparency Act.</p> <table border="0" data-bbox="678 583 1075 674"> <tr> <td></td> <td style="text-align: center;"><u>Assistance Listing #</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 Department has two programs that administer the two different program funding activities. Corrective actions are listed separately for each program to reflect slightly different implementation timelines.</p> <p>Low-Income Home Energy Assistance Program (LIHEAP)</p> <p>The program 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 April 2022, the program implemented the following procedures to strengthen internal controls and to ensure compliance with the reporting requirements:</p> <ul style="list-style-type: none"> • Designated the LIHEAP program manager to be responsible for performing the FFATA reporting duties. • 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. • 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. • Required each award and amendment to be entered separately into the FFATA Subaward Reporting System. <p>The program provided and will continue to provide training to program staff before the annual technical assistance and training conference for sub-grantees. The training consists of the FFATA requirement overview and walkthrough of the Department’s internal FFATA reporting procedures.</p> <p>The program will continue to review the FFATA procedures on an annual basis to ensure compliance with current federal requirements.</p> <p>Corrective action was completed for the Low-Income Home Energy Assistance Program in April 2022.</p>		<u>Assistance Listing #</u>	<u>Amount</u>	93.568		\$0	93.568 COVID-19		
	<u>Assistance Listing #</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
2022	038 (cont'd)	<p>Low-Income Weatherization Program</p> <p>The Low-Income Weatherization Program added all current awards to the FFATA Subaward Reporting System and data entry of the awards was completed as of January 15, 2023.</p> <p>In response to the finding, the program implemented the following procedures to strengthen internal controls and to ensure compliance with the reporting requirements:</p> <ul style="list-style-type: none"> • Award letters and funding allocations will be reviewed by the budget team and assistant director before issuing subawards to the weatherization network. • Added 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. • Designated the Weatherization Program coordinator to be responsible for performing the FFATA reporting duties. • 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. • 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. <p>The program will provide training to all relevant current staff and future staff at the time of onboarding, including supervisors, program managers, and program coordinators. 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>Corrective action was completed for the Low-Income Weatherization Program in January 2023.</p> <p>The conditions noted in this finding were previously reported in finding 2021-031.</p> <p>Completion Date: January 2023</p> <p>Agency Contact: Gena Allen Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	039	<p>Finding:</p> <p>Questioned</p> <p>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 reporting requirements for the Low-Income Home Energy Assistance Program.</p> <table border="0"> <tr> <td data-bbox="678 583 971 615"><u>Assistance Listing #</u></td> <td data-bbox="971 583 1432 615"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 615 971 646">93.568</td> <td data-bbox="971 615 1432 646">\$0</td> </tr> <tr> <td data-bbox="678 646 971 678">93.568 COVID-19</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>The Low-Income Home Energy Assistance Program (LIHEAP) receives awards from one funding source in a typical program year. During fiscal year 2022, the Department received additional COVID Pandemic funds from additional sources. The Department was instructed to keep and track all funds separately.</p> <p>The U.S. Department of Health and Human Services (HHS) issued the Action Transmittal LIHEAP-AT-2022-02 Performance Data Form for Fiscal Year 2021 on March 14, 2022. The Action Transmittal states that the first page of the federal report was to include all Coronavirus Aid, Relief, and Economic Security Act and the American Rescue Plan Act funds as combined and separated out in subsequent pages of the report.</p> <p>To meet reporting requirements, the Department tracked and reported all funds separately for regular LIHEAP funding and additional LIHEAP funding. The reports were reviewed and accepted by HHS and APPRISE, a contractor of HHS.</p> <p>The Department follows the reporting process outlined below:</p> <ul style="list-style-type: none"> • Program manager pulls the necessary reports. • Managing director (MD) reviews reports before submittal. • Program manager submits reports once MD approval is received. • Program manager receives notice that the report has been accepted by the funder. • Program manager saves a copy of the report, documentation, and acceptance. <p>The program manager is working with the HHS contractor, APPRISE, to revise the reporting submission.</p> <p>The conditions noted in this finding were previously reported in finding 2021-032.</p> <p>March 2023</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.568	\$0	93.568 COVID-19	
<u>Assistance Listing #</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	
2022	039 (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							
2022	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 Commerce did not have adequate internal controls over and did not comply with requirements to issue management decisions for audit findings to subrecipients of the Low-Income Home Energy Assistance Program.</p> <table border="0"> <tr> <td style="text-align: right;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.568</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: right;">93.568 COVID-19</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>The Department’s internal control officer is responsible for completing the monitoring of federal reporting and issuing management decisions for subrecipients who receive federal audit findings for programs funded with the Department’s federal pass-through funding.</p> <p>Beginning in December 2021, the internal control officer documented all findings, corrective action plans, and communication with subrecipients in a monitoring spreadsheet. This enabled the Department to ensure all efforts in monitoring subrecipients were taken. In May 2022, all management decisions were added to the monitoring spreadsheet which documented the Department’s management decisions.</p> <p>To ensure compliance with federal requirements for subrecipient monitoring, the Department has implemented the following process:</p> <ul style="list-style-type: none"> • Review all audit findings issued to Department subrecipients. • Review each subrecipient’s corrective action plan. • Review and discuss all findings and corrective action plans with subrecipients to identify and understand the basis for the deficiency and planned corrections. • Create a management decision for each subrecipient finding, receive leadership approval, and formally communicate the decision to our subrecipient. • All management decisions will be formally communicated to our pass-through subrecipients within the six-month federal deadline. <p>September 2022</p> <p>Gena Allen Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.568	\$0	93.568 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.568	\$0								
93.568 COVID-19									

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	041	<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: <u>Assistance Listing #</u> <u>Amount</u> 93.575 \$260,552,979 93.575 COVID-19 93.596</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 implemented grant-level management of all federal funds, including the CCDF grant. The Department allocated the CCDF grant to eligible clients and allowable activities in compliance with 45 CFR 98.67.</p> <p>For the fiscal year 2021 program audit, the State Auditor’s Office (SAO) issued a finding with \$32 questioned costs for non-compliance with the CCDF eligibility requirement. No other findings, management letters, or exit items were reported in this compliance area or the cost allocation of funds based on eligibility. Given that eligibility or cost allocation has not been an area of concern, and transfers were processed between CCDF source of funds with the same eligibility criteria, the Department is assured that CCDF funding was spent appropriately within federal regulations.</p> <p>The Department is committed to improving internal controls. The Department does not currently have the resources to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance recommended by SAO. In response to prior year’s audit recommendations, the Department has submitted a budget request to the Legislature in the 2023-2025 biennial budget for additional resources to process adjustments to include transaction-level data.</p> <p>As part of the audit resolution process, the Department of Health and Human Services (HHS), which oversees the CCDF program at the federal level, reviews all SAO findings and issues management decision letters. The letters will reflect the grantor’s determination of whether an audit finding is sustained, the reasons for the decision, and the required actions by the auditee. When a management decision is issued for the fiscal year 2021 finding, the Department will work with HHS and follow the audit resolution process.</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	041 (cont'd)	<p>The conditions noted in this finding were previously reported in findings 2021-033, 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>Completion Date: Estimated December 2024</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan												
2022	042	<p>Finding: The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with matching, level of effort, and earmarking requirements for the Child Care and Development Fund Cluster.</p> <table border="0" data-bbox="508 615 1075 730"> <tr> <td data-bbox="508 615 625 642">Questioned</td> <td data-bbox="683 615 886 642"><u>Assistance Listing #</u></td> <td data-bbox="987 615 1075 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="508 642 625 669">Costs:</td> <td data-bbox="683 642 753 669">93.575</td> <td data-bbox="987 642 1016 669">\$0</td> </tr> <tr> <td></td> <td data-bbox="683 669 870 697">93.575 COVID-19</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 697 753 724">93.596</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 implemented grant-level management of all federal funds, including the CCDF grant. The Department allocated the CCDF grant to eligible clients and allowable activities in compliance with 45 CFR 98.67.</p> <p>For the fiscal year 2021 program audit, the State Auditor’s Office (SAO) issued a finding with \$32 questioned costs for non-compliance with the CCDF eligibility requirement. No other findings, management letters, or exit items were reported in this compliance area or the cost allocation of funds based on eligibility. Given that eligibility or cost allocation has not been an area of concern, and transfers were processed between CCDF source of funds with the same eligibility criteria, the Department is assured that CCDF funding was spent appropriately within federal regulations.</p> <p>The Department is committed to improving internal controls. The Department does not currently have the resources to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance recommended by SAO. In response to prior year’s audit recommendations, the Department has submitted a budget request to the Legislature in the 2023-2025 biennial budget for additional resources to process adjustments to include transaction-level data.</p> <p>As part of the audit resolution process, the Department of Health and Human Services (HHS), which oversees the CCDF program at the federal level, reviews all SAO findings and issues management decision letters. The letters will reflect the grantor’s determination of whether an audit finding is sustained, the reasons for the decision, and the required actions by the auditee. When a management decision is issued for the fiscal year 2021 finding, the Department will work with HHS and follow the audit resolution process.</p> <p>The conditions noted in this finding were previously reported in findings 2021-036 and 2020-040.</p>	Questioned	<u>Assistance Listing #</u>	<u>Amount</u>	Costs:	93.575	\$0		93.575 COVID-19			93.596	
Questioned	<u>Assistance Listing #</u>	<u>Amount</u>												
Costs:	93.575	\$0												
	93.575 COVID-19													
	93.596													

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	042 (cont'd)	Completion Date: Estimated December 2024 Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	043	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.575 \$0 93.575 COVID-19 93.596</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 implemented grant-level management of all federal funds, including the CCDF grant. The Department allocated the CCDF grant to eligible clients and allowable activities in compliance with 45 CFR 98.67.</p> <p>For the fiscal year 2021 program audit, the State Auditor’s Office (SAO) issued a finding with \$32 questioned costs for non-compliance with the CCDF eligibility requirement. No other findings, management letters, or exit items were reported in this compliance area or the cost allocation of funds based on eligibility. Given that eligibility or cost allocation has not been an area of concern, and transfers were processed between CCDF source of funds with the same eligibility criteria, the Department is assured that CCDF funding was spent appropriately within federal regulations.</p> <p>The Department is committed to improving internal controls. The Department does not currently have the resources to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance recommended by SAO. In response to prior year’s audit recommendations, the Department has submitted a budget request to the Legislature in the 2023-2025 biennial budget for additional resources to process adjustments to include transaction-level data.</p> <p>As part of the audit resolution process, the Department of Health and Human Services (HHS), which oversees the CCDF program at the federal level, reviews all SAO findings and issues management decision letters. The letters will reflect the grantor’s determination of whether an audit finding is sustained, the reasons for the decision, and the required actions by the auditee. When a management decision is issued for the fiscal year 2021 finding, the Department will work with HHS and follow the audit resolution process.</p> <p>The conditions noted in this finding were previously reported in finding 2021-037 and 2020-041.</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	043 (cont'd)	Completion Date: Estimated December 2024 Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	044	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.575 \$0 93.575 COVID-19 93.596</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 implemented grant-level management of all federal funds, including the CCDF grant. The Department allocated the CCDF grant to eligible clients and allowable activities in compliance with 45 CFR 98.67.</p> <p>For the fiscal year 2021 program audit, the State Auditor’s Office (SAO) issued a finding with \$32 questioned costs for non-compliance with the CCDF eligibility requirement. No other findings, management letters, or exit items were reported in this compliance area or the cost allocation of funds based on eligibility. Given that eligibility or cost allocation has not been an area of concern, and transfers were processed between CCDF source of funds with the same eligibility criteria, the Department is assured that CCDF funding was spent appropriately within federal regulations.</p> <p>The Department is committed to improving internal controls. The Department does not currently have the resources to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance recommended by SAO. In response to prior year’s audit recommendations, the Department has submitted a budget request to the Legislature in the 2023-2025 biennial budget for additional resources to process adjustments to include transaction-level data.</p> <p>As part of the audit resolution process, the Department of Health and Human Services (HHS), which oversees the CCDF program at the federal level, reviews all SAO findings and issues management decision letters. The letters will reflect the grantor’s determination of whether an audit finding is sustained, the reasons for the decision, and the required actions by the auditee. When a management decision is issued for the fiscal year 2021 finding, the Department will work with HHS and follow the audit resolution process.</p> <p>The conditions noted in this finding were previously reported in finding 2021-038.</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	044 (cont'd)	Completion Date: Estimated December 2024 Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan			
2022	045	<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> <table border="0" data-bbox="508 583 1075 699"> <tr> <td data-bbox="508 583 626 636">Questioned Costs:</td> <td data-bbox="683 583 886 699"> <u>Assistance Listing #</u> 93.575 93.575 COVID-19 93.596 </td> <td data-bbox="987 583 1075 636"> <u>Amount</u> \$412 </td> </tr> </table> <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.</p> <p>The Department concurs with the finding and has taken the following actions:</p> <ul style="list-style-type: none"> • In September 2020, in response to the COVID-19 pandemic, the Department obtained grantor’s approval to revise the Child Care and Development Fund (CCDF) State Plan to waive the annual unannounced monitoring requirement and allowing for virtual monitoring, through September 30, 2021, but some providers were unable to participate in the virtual process resulting in monitoring visits not being conducted during state fiscal year 2022. • In the fall of 2022, to address staff turnover issues, the Department began recruiting new staff and providing training on child care licensing rules and regulations. This included adding a new position in November 2022 to assist supervisors with onboarding and training new staff hired during the audit period. • The Department implemented a data driven, phased in approach, to return staff to in-person field work after the COVID-19 pandemic: <ul style="list-style-type: none"> ○ In July 2022, began authorizing staff, subject to pandemic related restrictions, to visit providers on-site to provide assistance with meeting health and safety requirements. ○ In the spring of 2023, prioritized monitoring visits to return to compliance with CCDF health and safety requirements. • Established an overpayment for the questioned costs and referred to the Office of Financial Recovery for collection. • For license-exempt family, friend, and neighbor (FFN) providers, the Department: <ul style="list-style-type: none"> ○ Requested approval from the Office of Child Care for a hybrid monitoring approach (in-person and virtual visits). ○ Dedicated staff resources to update WA Compass to include all health and safety requirements for FFNs and address data format issues. <p>The Department will continue to strengthen internal controls as follows:</p>	Questioned Costs:	<u>Assistance Listing #</u> 93.575 93.575 COVID-19 93.596	<u>Amount</u> \$412
Questioned Costs:	<u>Assistance Listing #</u> 93.575 93.575 COVID-19 93.596	<u>Amount</u> \$412			

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	045 (cont'd)	<p>For licensed providers:</p> <ul style="list-style-type: none"> • Continue to implement return to in-person field work by reducing pandemic level requirements. • Prioritize new staff training to first focus on monitoring visits and health and safety requirements. • Continue to track and monitor health and safety requirements with available tools until all WA Compass system development is completed. • Create an in-training licensing position to assist staff recruitment efforts and add additional lead worker positions to assist supervisors with training and caseload management. • Conduct a root cause analysis to determine other underlying causes for missed monitoring visits and untimely follow-ups, and how to address them. • Examine ways to secure resources to add additional full-time staff to support caseload needs. <p>For FFN providers:</p> <ul style="list-style-type: none"> • Continue to track and monitor FFN health and safety requirements with available tools until all WA Compass system development is completed. <p>The conditions noted in this finding were previously reported in findings 2021-039, 2020-042, 2019-039, 2018-035, 2017-025, 2016-022 and 2015-024.</p> <p>Completion Date: Estimated July 2024</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2022	046	Finding: Questioned Costs: Status: Corrective Action: Completion Date: Agency Contact:	<p>The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to ensure potential child care fraud was correctly identified and reported for the Child Care and Development Fund Cluster.</p> <table border="0"> <tr> <td style="text-align: right;"><u>Assistance Listing #</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 concurs with the finding.</p> <p>As of January 2023:</p> <ul style="list-style-type: none"> The Department updated the Barcode system algorithm to fix the improper scoring of the Fraud Early Detection (FRED) referrals. Referrals are now being scored, per the details of the algorithm, to include the additional four points for FRED referrals received from hotline calls. The Office of Fraud and Accountability sent a request to store the information for the prioritization tool to the Economic Services Administration, who maintains the Barcode system and server space. <p>The Department anticipates the Barcode system will be updated and service space will be created by December 2023.</p> <p>Estimated December 2023</p> <p>Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.575	\$0	93.575 COVID-19		93.596	
<u>Assistance Listing #</u>	<u>Amount</u>										
93.575	\$0										
93.575 COVID-19											
93.596											

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	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 Department of Children, Youth, and Families did not have adequate controls over and did not comply with certain requirements of its Public Assistance Cost Allocation Plan.</p> <table border="0"> <tr> <td style="text-align: right;"><u>Assistance Listing #</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;">\$0</td> </tr> <tr> <td style="text-align: right;">93.658 COVID-19</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>The Department concurs with the finding and is committed to improving internal controls.</p> <p>During July through September 2021, the first three months of the audit period, the Department did not have adequate staffing levels to maintain the business processes for the Public Assistance Cost Allocation Plan (PACAP) cost base for administrative charges. Available staff focused on grant reconciliations and close-out of the prior fiscal year financial transactions. In October 2021, the Department began updating the monthly workbooks in accordance with the approved PACAP.</p> <p>To address the finding and audit recommendations, the Department:</p> <ul style="list-style-type: none"> • Reviewed the written base edit form procedures with staff. • Added reminders for base edit entries to the Cost Allocation and Grants Management Unit calendar. <p>April 2023</p> <p>Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.658	\$0	93.658 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.658	\$0								
93.658 COVID-19									

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	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 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 data-bbox="678 583 971 613"><u>Assistance Listing #</u></td> <td data-bbox="971 583 1432 613"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 613 971 642">93.658</td> <td data-bbox="971 613 1432 642">\$0</td> </tr> <tr> <td data-bbox="678 642 971 672">93.658 COVID-19</td> <td></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>The conditions noted in this finding were previously reported in finding 2021-040.</p> <p>Estimated December 2023</p> <p>Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.658	\$0	93.658 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.658	\$0								
93.658 COVID-19									

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2022	049	<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 and did not comply with some Public Assistance Cost Allocation Plan requirements.</p> <table border="0" data-bbox="678 583 1076 730"> <thead> <tr> <th><u>Assistance Listing #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>93.658</td> <td>\$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 complete</p> <p>The Random Moment Time Study (RMTS) is a federally approved cost allocation methodology to claim allowable federal funds. The Department's use of the RMTS is included in its Public Assistance Cost Allocation Plan (PACAP) with the federal grantor. The Department maintains that the sampling universe is accurate and complete and complies with federal requirements. There is no known deficiency with the integrity of the RMTS, nor are unallowable costs allocated to federal programs.</p> <p>Effective October 2022, the Department contracted with the University of Massachusetts (UMass) for the design and implementation of the RMTS mechanism. UMass has updated the RMTS instructions for the new quarterly process, which remains in compliance with federal law while alleviating the department-imposed restrictions. It also addresses the auditor's concerns regarding the internal controls applicable to the RMTS worker types included in the sampling universe.</p> <p>The Department has also taken additional actions to address system limitations caused by high staff turnover rates within the cost pools. These include:</p> <ul style="list-style-type: none"> • The Headquarters (HQ) RMTS Coordinator pulls an InfoFamLink worker list report that shows all workers with access to the FamLink system. The list is then reviewed by job class to verify the accuracy of RMTS group assignment and to identify the workers that are eligible to be included in the sample. • The Cost Allocation and Grants Management Unit pulls a job classification report from the Human Resource Management System (HRMS) at the end of every pay cycle. The HQ RMTS Coordinator compares the HRMS report to the InfoFamLink worker list report to verify if they are eligible to be sampled and properly allocated in HRMS. The HRMS has additional information related to job class to assist in sample eligibility determination and strengthen the internal controls around RMTS samples pulled. • The HQ RMTS Coordinator pulls a workload report from InfoFamLink to view worker caseloads and primary assignments. This is an additional tool to determine if a worker is eligible and assigned to the correct RMTS sample pool. 	<u>Assistance Listing #</u>	<u>Amount</u>	93.658	\$0	93.658 COVID-19		93.659		93.659 COVID-19	
<u>Assistance Listing #</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
2022	049 (cont'd)	<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 2021-042, 2020-044 and 2019-044.</p> <p>Completion Date: October 2022</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	050	<p>Finding: The Department of Children, Youth, and Families did not have adequate internal controls to ensure group care facility employees had cleared background checks before having unsupervised access to children.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.658 \$0 93.658 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department partially concurs with the finding. The Department is committed to ensuring the health, safety, and well-being of all children in our care. As stated in the <i>Effect of Condition</i> on the audit finding, the auditors found all group care facility staff sampled during the audit had a cleared background check prior to working in the facility. While the Department agrees the use of definitions such as “effective date” and “start date” in FamLink could be misleading, the Department does not concur internal controls were not adequate to ensure group care facility employees had cleared background checks before having unsupervised access to children. The Department is confident that all staff who work with children and youth have cleared background checks.</p> <p>Effective April 1, 2023, the Department implemented a new process for processing background checks for group care facilities to strengthen internal controls, documentation, and clarification on the “effective date.” The updated process is outlined below:</p> <ul style="list-style-type: none"> • A new form was created with clear instructions for the group care facilities to provide the applicant/employee information, including the background check confirmation code, directly to the Department’s Background Check Unit (BCU). • The BCU works with the applicant/employee through the fingerprint background check process. • The results are sent directly to the BCU at which time they complete a child abuse/neglect history check and, if needed, a suitability assessment. The BCU documents the results in FamLink with the date the background check is completed. • The BCU emails the results to the group care facility and the Department’s Licensing Division (LD) group. If the applicant/employee is cleared and is not a renewal, LD staff adds the applicant/employee to the group care facility in FamLink with the clearance information attached. <p>Completion Date: April 2023</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	050 (cont'd)	Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	051	<p>Finding: The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with reporting requirements for the Foster Care program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.658 93.658 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department acknowledges that errors were made in the quarterly reports submitted during the audit period. The errors were identified by the Department and corrected in October 2022.</p> <p>The Department understands accuracy in reporting is vital. To address the audit finding and recommendations, the Department took the following corrective actions:</p> <ul style="list-style-type: none"> • The lead worker established three meetings each quarter with the Cost Allocation and Grants Director for processing the quarterly reports: <ul style="list-style-type: none"> ○ A pre-meeting to discuss the reporting requirements, ○ A meeting during the reporting process to review the final report prior to submission, and ○ A post reporting meeting to discuss any concerns encountered during the reporting process. • Implemented a data verification process by management prior to submission of the quarterly reports. <p>The Department is committed to improving internal controls over grant management activities and will continue to properly follow the grantor’s published instructions when completing the quarterly reports.</p> <p>Completion Date: October 2022</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	052	<p>Finding: The Department of Children, Youth, and Families did not have adequate internal controls over level of effort requirements for the Adoption Assistance program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.659 \$0 93.659 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: When the auditors issued the prior year finding, the Department had taken the following actions:</p> <ul style="list-style-type: none"> • In February 2022, hired a new position to manage the adoption savings program. • In May 2022: <ul style="list-style-type: none"> ○ Reviewed federal grantor’s reporting instructions and guidance with staff involved in the preparation and submission of the financial report. ○ Reviewed written procedures for tracking and monitoring adoption savings expenditures to ensure compliance with level of effort requirements. ○ Established monthly meetings between the Child Welfare Program and Cost Allocation and Grant Management Unit staff to review expenditures and level of effort requirements prior to report submission. These meetings help to improve processes for monitoring and verifying adoption savings expenditures. <p>The auditors issued the fiscal year 2021 finding in May 2022, which was 11 months after fiscal year 2022 began. The delay did not allow corrective actions to be developed and implemented timely for fiscal year 2022 and resulted in a repeat finding.</p> <p>The conditions noted in this finding were previously reported in finding 2021-045.</p> <p>Completion Date: May 2022</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	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 Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure clients were eligible for the Children’s Health Insurance Program.</p> <table border="0"> <tr> <td data-bbox="678 583 941 613"><u>Assistance Listing #</u></td> <td data-bbox="941 583 1433 613"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 613 941 642">93.767</td> <td data-bbox="941 613 1433 642">\$3,036,657</td> </tr> <tr> <td data-bbox="678 642 941 672">93.767 COVID-19</td> <td></td> </tr> </table> <p>Corrective action not required</p> <p>The Authority does not concur with the finding.</p> <p>The Authority pursued and was notified of approval for the 1115 disaster waiver from the Centers for Medicare & Medicaid Services (CMS). The waiver will approve Children’s Health Insurance Program (CHIP) funding for clients aged 19 and over during the public health emergency, retroactive to March 18, 2020. Once the official approval letter is received from CMS, the issue will be resolved, and the approval letter will be provided to CMS Audit Resolution.</p> <p>The Children’s Health Insurance Program Reauthorization Act (CHIPRA) postpartum period is state-funded and the Authority processes manual journal vouchers to move federal funding to state funding each quarter. For this audit, the auditors did not allow sufficient time for accounting staff to provide the journal vouchers for inclusion in the audit results. The Authority will work with CMS during the audit resolution process and provide the journal vouchers as needed to demonstrate that state funds were used for the postpartum expenditures.</p> <p>Effective July 1, 2022, the Authority added coding to ProviderOne which automates the accounting process for CHIPRA postpartum client funding.</p> <p>The conditions noted in this finding were previously reported in finding 2021-046.</p> <p>Not applicable</p> <p>Kari Summerour, CPA External Audit Compliance Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.Summerour@hca.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.767	\$3,036,657	93.767 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.767	\$3,036,657								
93.767 COVID-19									

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan																								
2022	054	<p>Finding: 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"> <tr> <td style="padding-right: 20px;">Questioned</td> <td style="padding-right: 20px;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>Costs:</td> <td>93.767</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td></td> <td>93.767 COVID-19</td> <td></td> </tr> <tr> <td></td> <td>93.775</td> <td></td> </tr> <tr> <td></td> <td>93.777</td> <td></td> </tr> <tr> <td></td> <td>93.777 COVID-19</td> <td></td> </tr> <tr> <td></td> <td>93.778</td> <td></td> </tr> <tr> <td></td> <td>93.778 COVID-19</td> <td></td> </tr> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: The Authority implemented policies and procedures and established a process to:</p> <ul style="list-style-type: none"> • Collect audited financial reports annually from managed care organizations. • Conduct audits of encounter and financial data no less than once every three years. <p>Additionally, the Authority amended managed care contract language to include the following:</p> <ul style="list-style-type: none"> • Required managed care organizations to submit audited financial reports annually beginning in fiscal year 2023. • Directed managed care organizations to follow the required timing and procedures for submitting audited financial reports. • Clarified that failure to submit reports is sanctionable. <p>The Authority also conducted an encounter validation audit and is conducting a financial report validation audit. These audits are completed in a frequency outlined in federal regulations.</p> <p>The conditions noted in this finding were previously reported in finding 2021-048.</p> <p>Completion Date: May 2022</p> <p>Agency Contact: Kari Summerour, CPA External Audit Compliance Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.Summerour@hca.wa.gov</p>	Questioned	<u>Assistance Listing #</u>	<u>Amount</u>	Costs:	93.767	\$0		93.767 COVID-19			93.775			93.777			93.777 COVID-19			93.778			93.778 COVID-19	
Questioned	<u>Assistance Listing #</u>	<u>Amount</u>																								
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Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan																
2022	055	<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 Program.</p> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <tr> <td style="text-align: right;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.767</td> <td>\$612,277</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>93.777 COVID-19</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> <tr> <td>93.778 COVID-19</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority partially concurs with the finding.</p> <p>The Authority agrees that ProviderOne sends revalidation notifications one day after the due date rather than before the due date. A system revision to correct this issue is expected to be in place by the beginning of 2024.</p> <p>The Authority does not concur with the remainder of the audit finding as stated in the description of condition. The auditor did not provide sufficient information for the Authority to review the identified exceptions and associated questioned costs. Due to the lack of information provided, the Authority is unable to agree or disagree with the results of the audit.</p> <p>The Authority will work with the auditor to obtain sufficient supporting information to review the exceptions and questioned costs. Once this process is completed, the Authority will work with the Centers for Medicare & Medicaid Services on finding resolution.</p> <p>The conditions noted in this finding were previously reported in findings 2021-047, 2020-046, 2019-048, 2018-042, 2017-033, and 2016-035. The auditors determined 2016-035 as resolved.</p> <p>Completion Date: Estimated March 2024</p> <p>Agency Contact: Kari Summerour, CPA External Audit Compliance Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-5337 Kari.Summerour@hca.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.767	\$612,277	93.767 COVID-19		93.775		93.777		93.777 COVID-19		93.778		93.778 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>																	
93.767	\$612,277																	
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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan																		
2022	056	<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> <table border="0" data-bbox="508 615 1128 787"> <tr> <td data-bbox="508 615 625 642">Questioned</td> <td data-bbox="683 615 885 642"><u>Assistance Listing #</u></td> <td data-bbox="992 615 1073 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="508 642 573 669">Costs:</td> <td data-bbox="683 642 751 669">93.775</td> <td data-bbox="992 642 1128 669">\$237,404,150</td> </tr> <tr> <td></td> <td data-bbox="683 669 751 697">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 697 867 724">93.777 COVID-19</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 724 751 751">93.778</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 751 867 779">93.778 COVID-19</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>The Department performed payment reconciliations, cost report reviews, and settlement assessments for all 140 cost reports received during the first half of fiscal year 2022 (July 1, 2021, through December 31, 2021). Of the cost reports received, 66 providers (47 percent) were subject to the Developmental Disabilities Administration (DDA) payroll verification review. The State Auditor’s Office (SAO) did not question any of the costs that were associated with the 66 providers. However, SAO is questioning all payments made to the 74 providers who did not receive a payroll verification review in the first half of the fiscal year.</p> <p>For the second half of the fiscal year (January 1, 2022, through June 30, 2022), even though the Department had the same internal controls in place, SAO asserted that every payment during this time frame was a questioned cost because the cost reports for calendar year 2022 had not yet been submitted for department review.</p> <p>The Department strongly disagrees that all these costs should be questioned. The Department 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.</p> <p>The Developmental Disabilities Administration 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"> • Medicaid service verifications, • Allowable costs payment reconciliations, • Payroll verification processes, • Review of rate payments and increases, • Quality assurance reviews, • Duplicate payment reports, • Residential Care Services certification processes, • Contract monitoring, • Reconciliation processes for rates, cost reports, and settlements, • Segregation of duties and other verification and approval processes. 	Questioned	<u>Assistance Listing #</u>	<u>Amount</u>	Costs:	93.775	\$237,404,150		93.777			93.777 COVID-19			93.778			93.778 COVID-19	
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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2022	056 (cont'd)	<p>The Department strongly believes that its current oversight and monitoring procedures adequately confirm that services received by clients meet the certification standards for supported living providers. The Department continues its efforts to bring quality services to clients who receive habilitative residential support while following all program requirements, including reconciling the settlement amounts that were issued to providers in the cost report settlement process.</p> <p>Based on the information provided above, the Department maintains that the questioned costs for this audit finding are not substantiated. Unfortunately, SAO did not choose a more collaborative approach aimed at supporting the Department in its continuing quality improvement efforts. The Department continues to adjust its processes openly and appropriately as needed and remains open to partnering with SAO to resolve disagreements in this audit area and find common ground.</p> <p>The Department intends to send a request to the Centers for Medicare & Medicaid Services, through the audit resolution process, requesting the questioned costs reported by the SAO be rescinded.</p> <p>The conditions noted in this finding were previously reported in findings 2021-049, 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. 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: Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan																		
2022	057	<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 timely investigation of complaints of client abuse and neglect at Medicaid residential facilities.</p> <table border="0" data-bbox="508 615 1075 785"> <tr> <td data-bbox="508 615 625 642">Questioned</td> <td data-bbox="683 615 886 642"><u>Assistance Listing #</u></td> <td data-bbox="987 615 1075 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="508 642 625 669">Costs:</td> <td data-bbox="683 642 753 669">93.775</td> <td data-bbox="987 642 1016 669">\$0</td> </tr> <tr> <td></td> <td data-bbox="683 669 753 697">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 697 870 724">93.777 COVID-19</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 724 753 751">93.778</td> <td></td> </tr> <tr> <td></td> <td data-bbox="683 751 870 779">93.778 COVID-19</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 complaint investigation timeframes decreased due to an increase in 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>By December 2023, the Department will:</p> <ul data-bbox="699 1354 1425 1604" style="list-style-type: none"> • Extend the contract with Health Care Management Solutions to assist with surveys. This will allow RCS staff to return the focus to complaint investigations, complaint backlog, and compliance with required investigation timeframes. • Condense and streamline Nursing Home Surveyor Training to enable staff to complete survey training faster than previous timeframes. • Provide training to staff that were recently hired to fill the vacant positions to ensure compliance with investigation timeframes. <p>The conditions noted in this finding were previously reported in finding 2021-054.</p> <p>Completion Date: Estimated December 2023</p>	Questioned	<u>Assistance Listing #</u>	<u>Amount</u>	Costs:	93.775	\$0		93.777			93.777 COVID-19			93.778			93.778 COVID-19	
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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2022	057 (cont'd)	Agency Contact:	Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan													
2022	058	<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 Social and Health Services did not have adequate internal controls over False Claims Act requirements.</p> <table border="0"> <thead> <tr> <th><u>Assistance Listing #</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 in progress</p> <p>The Department concurs with the finding.</p> <p>As of April 2023, the Department:</p> <ul style="list-style-type: none"> Generated and tested a new internal report that will include all Aging and Long-Term Support Administration and Developmental Disabilities Administration Medicaid providers. Mailed correspondence to the one provider who was missing documentation to request the False Claims Act (FCA) attestation, policy, and procedures. Updated process to include follow up with providers monthly until the FCA attestations and other documents are received. <p>By October 2023, the Department will ensure all outstanding FCA attestations and documents are returned to ensure compliance with the FCA requirement.</p> <p>Estimated October 2023</p> <p>Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.775	\$0	93.777		93.777 COVID-19		93.778		93.778 COVID-19	
<u>Assistance Listing #</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													
2022	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 Department of Social and Health Services did not have adequate internal controls over and did not comply with federal provider eligibility requirements for the Medicaid Program.</p> <table border="0"> <thead> <tr> <th data-bbox="678 583 889 615"><u>Assistance Listing #</u></th> <th data-bbox="987 583 1075 615"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="678 615 889 646">93.775</td> <td data-bbox="987 615 1075 646">\$0</td> </tr> <tr> <td data-bbox="678 646 889 678">93.777</td> <td></td> </tr> <tr> <td data-bbox="678 678 889 709">93.777 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="678 709 889 741">93.778</td> <td></td> </tr> <tr> <td data-bbox="678 741 889 772">93.778 COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>The Department concurs with the finding.</p> <p>As of June 2022, individual providers are no longer contracted through the Department and now contract with Consumer Direct of Washington. As a result of this change, this type of error will not occur for individual providers moving forward.</p> <p>As of March 2023, the Department reviewed all providers in the monthly exclusion report.</p> <p>The Department verified that the provider identified in the finding for missing enrollment documentation was never employed and did not receive any payments.</p> <p>March 2023</p> <p>Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.775	\$0	93.777		93.777 COVID-19		93.778		93.778 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>														
93.775	\$0														
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93.778 COVID-19															

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan												
2022	060	<p>Finding: The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it periodically audited cost report data for rate setting, hospital billings, and other financial and statistical records for inpatient hospital services.</p> <p>Questioned Costs:</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>Assistance Listing #</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>93.777 COVID-19</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> <tr> <td>93.778 COVID-19</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority partially concurs with the finding.</p> <p>The Authority does not agree it did not comply with federal requirements related to audits of inpatient hospitals. The Authority performs the following procedures:</p> <p>Cost report data for rate setting:</p> <ul style="list-style-type: none"> • Audits Medicaid cost report schedules and supporting documentation used for the Certified Public Expenditure Program. • Audits critical access hospital data and uses final audited Medicare cost reports for settlement. • Reviews and audits hospital cost reports using the ratio of costs-to-charges payment method. <p>Hospital billings:</p> <ul style="list-style-type: none"> • Annual audits of hospital billings. <p>Other financial and statistical records:</p> <ul style="list-style-type: none"> • Audits disproportionate share hospital reimbursements. <p>The Authority concurs that documentation of the different hospital audits performed could be more clearly defined and will formalize procedures related to the conduct of the required audits.</p> <p>The conditions noted in this finding were previously reported in findings 2021-051 and 2020-049.</p> <p>Completion Date: Estimated December 2023</p> <p>Agency Contact: Kari Summerour, CPA External Audit Compliance Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.Summerour@hca.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.775	\$0	93.777		93.777 COVID-19		93.778		93.778 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>													
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93.778 COVID-19														

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan													
2022	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 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>Assistance Listing #</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>93.777 COVID-19</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> <tr> <td>93.778 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority partially concurs with the finding.</p> <p>The Authority has received guidance from the Centers for Medicare & Medicaid Services (CMS) and will adjust the state plan based on CMS requirements. Per CMS guidance, this adjustment will not include separately listing the methods and procedures it uses to safeguard against unnecessary utilization of care and services.</p> <p>The Authority does not concur with the auditor’s conclusion regarding its statewide surveillance and utilization control program not meeting federal program integrity requirements. The Authority’s program meets CMS standards and requirements and provides reasonable oversight. The Authority will update its policies and procedures related to the program.</p> <p>The Authority concurs that the two providers of the Program of All-inclusive Care for the Elderly (PACE) were not monitored for their compliance with the False Claims Act (FCA) during the fiscal year. The Department of Social and Health Services (DSHS) manages the contracts for the PACE program, but payments to these providers are routed through the Authority’s ProviderOne system. The process for PACE provider monitoring has been clarified with DSHS who is responsible for providing FCA oversight for these contracts.</p> <p>The conditions noted in this finding were previously reported in findings 2021-050, 2020-047, 2020-048, 2019-052, 2019-053 and 2018-047.</p> <p>Estimated December 2023</p> <p>Kari Summerour, CPA External Audit Compliance Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.Summerour@hca.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.775	\$0	93.777		93.777 COVID-19		93.778		93.778 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>														
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93.778 COVID-19															

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan			
2022	062	<p>Finding: 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 data-bbox="506 583 625 638">Questioned Costs:</td> <td data-bbox="683 583 886 751"> <u>Assistance Listing #</u> 93.775 93.777 93.777 COVID-19 93.778 93.778 </td> <td data-bbox="987 583 1084 638"> <u>Amount</u> \$977,612 </td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority partially concurs with the finding.</p> <p>The Authority has established 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. The Authority has documented the process to 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 & Medicare Services (CMS).</p> <p>The Authority agrees that \$1,032 needs to be repaid to CMS and will initiate return of those funds.</p> <p>The Authority does not concur that the remaining \$976,580 needs to be returned to CMS. The state pursued assets through its available means and the court. The provider in question has been out of business since 2017 and a final court ruling was made in June 2022. In April 2023, the Attorney General’s Office certified the defaulted corporation had no identifiable assets. In accordance with 42 CFR 433.318(d), the provider is out of business and the Authority is not required to return the overpayment to CMS. The Authority will provide the court documentation and Attorney General’s certification to CMS Audit Resolution.</p> <p>The conditions noted in this finding were previously reported in findings 2021-052 and 2020-050.</p> <p>Completion Date: Estimated September 2023</p> <p>Agency Contact: Kari Summerour, CPA External Audit Compliance Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.Summerour@hca.wa.gov</p>	Questioned Costs:	<u>Assistance Listing #</u> 93.775 93.777 93.777 COVID-19 93.778 93.778	<u>Amount</u> \$977,612
Questioned Costs:	<u>Assistance Listing #</u> 93.775 93.777 93.777 COVID-19 93.778 93.778	<u>Amount</u> \$977,612			

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	063	<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 controls over and did not comply with requirements to ensure payments to providers for the Block Grants for Community Mental Health Services were allowable and met period of performance requirements.</p> <table border="0"> <tr> <td data-bbox="678 615 971 642"><u>Assistance Listing #</u></td> <td data-bbox="971 615 1433 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 642 971 669">93.958</td> <td data-bbox="971 642 1433 669">\$8,668,982</td> </tr> <tr> <td data-bbox="678 669 971 697">93.958 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority partially concurs with the audit recommendations.</p> <p>The Authority will:</p> <ul style="list-style-type: none"> • Maintain all supporting documentation used to calculate the year-end accrual transactions. • Maintain a workbook to calculate estimated expenditures to be accrued for the fiscal year. <p>The Authority will continue to review payments for allowability and ensure they occur within the grant period. The period of performance of the grant extends beyond the end of the state’s fiscal year. Invoices for the program continue to be received after fiscal year end and the cut-off date for reporting on the Schedule of Expenditures of Federal Awards.</p> <p>The Authority does not concur with the questioned costs and will verify with the grantor that questioned costs do not need to be repaid.</p> <p>Estimated September 2023</p> <p>William Sogge, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.958	\$8,668,982	93.958 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.958	\$8,668,982								
93.958 COVID-19									

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	064	Finding: Questioned Costs: Status: Corrective Action: Completion Date: Agency Contact:	The Health Care Authority did not have adequate internal controls over level of effort requirements for the Block Grants for Community Mental Health Services program. <table border="0"> <tr> <td style="text-align: right;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.958</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: right;">93.958 COVID-19</td> <td></td> </tr> </table> Corrective action complete The Federal Financial Reporting unit updated procedures for preparing the quarterly level of effort tracking workbooks. The procedures were updated to include: <ul style="list-style-type: none"> • Accurate and complete expenditure criteria for generating the reports used to prepare the workbooks. • Required documented review and approval of the quarterly level of effort tracking workbooks. February 2023 William Sogge, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov	<u>Assistance Listing #</u>	<u>Amount</u>	93.958	\$0	93.958 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.958	\$0								
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Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	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 requirements to ensure it filed accurate and timely reports required by the Federal Funding Accountability and Transparency Act for the Block Grants for Community Mental Health Services.</p> <table border="0"> <tr> <td style="text-align: right;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.958</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: right;">93.958 COVID-19</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>The Authority finalized 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 finalized the criteria for when FFATA reports are required. The Authority initiated this process for all subawards beginning July 1, 2022.</p> <p>The Authority implemented the following procedures to ensure compliance with the reporting requirements:</p> <ul style="list-style-type: none"> • Office of Contracts and Procurement includes a FFATA form as the last attachment in all subawards and ensures it is complete prior to forwarding it to Grants Accounting. • Grants Accounting staff have been assigned and received training to routinely monitor FFATA contracts forwarded by the Office of Contracts and Procurement and enter agency information into the FFATA Subaward Reporting System. <p>The implemented procedures were designed to ensure compliance with FFATA reporting requirements. The Authority will continue to provide training to staff involved in the process.</p> <p>July 2022</p> <p>William Sogge, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.958	\$0	93.958 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.958	\$0								
93.958 COVID-19									

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2022	066	<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 Community Mental Health Services program and the Block Grants for Prevention and Treatment of Substance Abuse program received required single audits, and that it appropriately followed up on findings and issued management decisions.</p> <table border="0"> <thead> <tr> <th data-bbox="678 674 971 701"><u>Assistance Listing #</u></th> <th data-bbox="971 674 1433 701"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="678 701 971 728">93.958</td> <td data-bbox="971 701 1433 728">\$0</td> </tr> <tr> <td data-bbox="678 728 971 756">93.958 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="678 756 971 783">93.959</td> <td></td> </tr> <tr> <td data-bbox="678 783 971 810">93.959 COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress</p> <p>The Authority concurs with the finding. The Authority will:</p> <ul style="list-style-type: none"> • Follow established procedures related to the agency-wide monitoring of subrecipients' single audits. • Issue management decision letters for findings subrecipients received related to programs that are funded by the Authority's pass-through federal funding. • Evaluate corrective actions to ensure subrecipients adequately address audit recommendations. <p>Estimated July 2023</p> <p>William Sogge, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.958	\$0	93.958 COVID-19		93.959		93.959 COVID-19	
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Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan						
2022	067	<p>Finding: The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure payments to providers for the Block Grants for Prevention and Treatment of Substance Abuse program were allowable and met period of performance requirements.</p> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <tr> <td style="padding-right: 20px;"><u>Assistance Listing #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.959</td> <td style="text-align: right;">\$19,959,714</td> </tr> <tr> <td>93.959 COVID-19</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority partially concurs with the audit recommendations.</p> <p>The Authority concurs that expenditures for indirect charges were applied to the award, through the Authority’s cost allocation system, for activities that occurred after the period of performance. The Authority will develop written procedures to review allocation bases at the end of a grant period.</p> <p>The Authority does not concur with the audit exceptions related to two accruals recorded in the accounting system before the period of performance. As noted by the auditors, no payments were made on these accruals. The period of performance of the grant extends beyond the end of the state’s fiscal year. Invoices for the program continue to be received after fiscal year end and the cut-off date for reporting on the Schedule of Expenditures of Federal Awards. Staff review payments for grant allowability based on service month when invoices are received.</p> <p>The Authority does not concur with the questioned costs related to the year-end accruals and will verify with the grantor that questioned costs do not need to be repaid. The year-end accruals were solely recorded as estimates and were not used to make any program payments or draw funds from the grantor. While the year-end accruals may include some amounts beyond the state fiscal year, questioning the year-end accruals in their entirety is an overstatement of any potential error that was made.</p> <p>The Authority will update procedures for calculating year-end accruals to:</p> <ul style="list-style-type: none"> • Maintain all supporting documentation used to calculate the year-end accrual transactions. • Maintain a workbook to calculate estimated expenditures to be accrued for the fiscal year. <p>The conditions noted in this finding were previously reported in findings 2021-057 and 2020-059.</p> <p>Completion Date: Estimated September 2023</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.959	\$19,959,714	93.959 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>							
93.959	\$19,959,714							
93.959 COVID-19								

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2022	067 (cont'd)	Agency Contact:	William Sogge, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	068	<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 data-bbox="678 615 954 642"><u>Assistance Listing #</u></td> <td data-bbox="954 615 1433 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 642 954 669">93.959</td> <td data-bbox="954 642 1433 669">\$661</td> </tr> <tr> <td data-bbox="678 669 954 697">93.959 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Federal Financial Reporting unit will update procedures for preparing monthly earmarking tracking workbooks to ensure the Authority does not exceed the maximum allowable amount for administrative costs. The procedures will also include management review and approval of the earmarking tracking workbooks.</p> <p>The Authority processed subsequent adjustments reducing the administrative costs charged to the grant, which the auditors did not take into consideration. The Authority does not concur with the questioned costs identified in the audit and will confirm with the federal grantor that the questioned costs do not need to be repaid.</p> <p>The conditions noted in this finding were previously reported in finding 2021-056.</p> <p>Estimated September 2023</p> <p>William Sogge, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.959	\$661	93.959 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.959	\$661								
93.959 COVID-19									

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	069	<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 accurate and timely reports required by the Federal Funding Accountability and Transparency Act for the Block Grants for Prevention and Treatment of Substance Abuse.</p> <table border="0"> <tr> <td><u>Assistance Listing #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>93.959</td> <td>\$0</td> </tr> <tr> <td colspan="2">93.959 COVID-19</td> </tr> </table> <p>Corrective action complete</p> <p>The Authority finalized 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 finalized the criteria for when FFATA reports are required. The Authority initiated this process for all subawards beginning July 1, 2022.</p> <p>The Authority implemented the following procedures to ensure compliance with the reporting requirements:</p> <ul style="list-style-type: none"> • Office of Contracts and Procurement includes a FFATA form as the last attachment in all subawards and ensures it is complete prior to forwarding it to Grants Accounting. • Grants Accounting staff have been assigned and received training to routinely monitor FFATA contracts forwarded by the Office of Contracts and Procurement and enter agency information into the FFATA Subaward Reporting System. <p>The implemented procedures were designed to ensure compliance with FFATA reporting requirements. The Authority will continue to provide training to staff involved in the process.</p> <p>The conditions noted in this finding were previously reported in finding 2021-058.</p> <p>July 2022</p> <p>William Sogge, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.959	\$0	93.959 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
93.959	\$0								
93.959 COVID-19									

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2022	070	<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 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="678 615 971 642"><u>Assistance Listing #</u></td> <td data-bbox="971 615 1433 642"><u>Amount</u></td> </tr> <tr> <td data-bbox="678 642 971 669">93.959</td> <td data-bbox="971 642 1433 669">\$0</td> </tr> <tr> <td data-bbox="678 669 971 697">93.959 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority concurs with the audit recommendations and is in the process of centralizing procedures related to subrecipient monitoring.</p> <p>The Authority will develop procedures related to the agency-wide risk assessment process and ensure the assessment results are used to determine the subrecipient monitoring work that will be performed.</p> <p>The conditions noted in this finding were previously reported in findings 2021-060 and 2020-064.</p> <p>Estimated December 2023</p> <p>William Sogge, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	<u>Assistance Listing #</u>	<u>Amount</u>	93.959	\$0	93.959 COVID-19	
<u>Assistance Listing #</u>	<u>Amount</u>								
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ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, www.sao.wa.gov. Additionally, we share regular news and other information via an email subscription service and social media channels.

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