

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding Number	Finding Title
2024-001	The State lacked adequate internal controls over financial reporting to ensure college scholarship allowances were accurately reported.
2024-002	The State lacked adequate internal controls over financial reporting to ensure it reported all discretely presented component unit financial activity in its financial statements.
2024-003	The State lacked adequate internal controls over financial reporting to ensure it accurately reported the University of Washington's financial activity in the state's financial statements.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding Number	Finding Title
2024-004	The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to ensure it communicated federal award identification elements to subrecipients of the Child and Adult Care Food Program.
2024-005	The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with required monitoring of subrecipients of the Child and Adult Care Food Program
2024-006	The Office of Superintendent of Public Instruction did not have internal controls over and did not comply with requirements to verify single audits were completed for all subrecipients of the Child and Adult Care Food Program.
2024-007	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.
2024-008	The Employment Security Department did not have adequate internal controls to ensure compliance with federal requirements to annually certify that employer tax credits reported under the Federal

	Unemployment Tax Act are matched against employer contributions paid under the Unemployment Insurance program.
2024-009	The Employment Security Department did not have adequate internal controls over and did not comply with requirements to ensure it profiled all claimants under the Unemployment Insurance program to identify people likely to need reemployment services and ensure staff providing those services received required training.
2024-010	The Employment Security Department 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 for the Workforce Innovation and Opportunity grant.
2024-011	The Washington State Department of Transportation did not have adequate internal controls over and did not comply with federal requirements for suspension and debarment and wage rate notification.
2024-012	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 program.
2024-013	The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to collect certified payrolls from contractors on projects funded by the Highway Planning and Construction program.
2024-014	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 program.
2024-015	The Housing Finance Commission did not have adequate internal controls over eligibility requirements for the Homeowner Assistance Fund program.
2024-016	The Housing Finance Commission did not have adequate internal controls over earmarking requirements for the Homeowner Assistance Fund program.

2024-017	The Housing Finance Commission did not have adequate internal controls over reporting requirements for the Homeowner Assistance Fund program.
2024-018	The Housing Finance Commission did not have adequate internal controls over and did not comply with reporting requirements for the Homeowner Assistance Fund program.
2024-019	The Department of Commerce did not have adequate internal controls to ensure payments to subrecipients were allowable, properly supported and met period of performance requirements for the Coronavirus State and Local Fiscal Recovery Funds.
2024-020	The Department of Commerce did not have adequate internal controls to ensure compliance with suspension and debarment requirements for the Coronavirus State and Local Fiscal Recovery Funds.
2024-021	The Washington State Department of Transportation did not have adequate controls over and did not comply with procurement and suspension and debarment requirements for the Coronavirus State and Local Fiscal Recovery Funds.
2024-022	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.
2024-023	The Department of Commerce did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Coronavirus State and Local Fiscal Recovery Funds received required single or program-specific audits, and that it appropriately followed up on findings and issued management decisions.
2024-024	The Office of Superintendent of Public Instruction improperly charged \$5,139 to the Special Education program.
2024-025	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.
2024-026	The Workforce Training and Education Coordinating Board did not have adequate internal controls over matching requirements for the Career and Technical Education – Basic Grants to States program.

2024-027	The Workforce Training and Education Coordinating Board did not have adequate internal controls to ensure compliance with level of effort requirements for the Career and Technical Education – Basic Grants to States program.
2024-028	The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with federal activities allowed and subrecipient monitoring requirements for the Education Stabilization Fund program.
2024-029	The Department of Social and Health Services did not have adequate internal controls to ensure it filed reports timely as required by the Federal Funding Accountability and Transparency Act.
2024-030	The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to ensure it communicated federal award identification elements to subrecipients of the Aging Cluster Programs.
2024-031	The Department of Social and Health Services did not have adequate internal controls to ensure subrecipients of the Aging Cluster Programs obtained required single audits.
2024-032	The Department of Health did not have adequate internal controls to ensure payments to subrecipients were allowable, met cost principles, and were within the period of performance for the Immunization Cooperative Agreements program.
2024-033	The Department of Health did not have adequate internal controls over cash management and reporting requirements for the Immunization Cooperative Agreements program.
2024-034	The Department of Health did not have adequate internal controls to ensure it filed on-time reports required by the Federal Funding Accountability and Transparency Act for the Immunization Cooperative Agreements program.
2024-035	The Department of Health did not have adequate internal controls to ensure providers maintained immunization records, control, accountability and safeguarding of vaccines for the Immunization Cooperative Agreements Program.

2024-036	The Department of Health did not have adequate internal controls over cash management and allowable cost requirements for the Epidemiology and Laboratory Capacity for Infectious Diseases program.
2024-037	The Department of Health did not have adequate internal controls to ensure payments to subrecipients were allowable and met cost principles for the Epidemiology and Laboratory Capacity for Infectious Diseases program.
2024-038	The Department of Health did not have adequate internal controls over and did not comply with suspension and debarment requirements for Epidemiology and Laboratory Capacity for Infectious Diseases program.
2024-039	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.
2024-040	The Department of Health did not have adequate internal controls over and did not comply with fiscal monitoring requirements for the Epidemiology and Laboratory Capacity for Infectious Diseases program.
2024-041	The Department of Health did not have adequate internal controls over and did not comply with requirements to ensure subrecipients of the Epidemiology and Laboratory Capacity for Infectious Diseases program received required single audits, and that it appropriately followed up on findings and issued management decisions.
2024-042	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.
2024-043	The Department of Children, Youth, and Families did not have adequate internal controls over eligibility requirements for child care services paid with the Child Care and Development Fund and Temporary Assistance for Needy Families funds.
2024-044	The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to ensure the statewide court hearing rate assessment was performed for subrecipients of the Child Support Services program.

2024-045	The Department of Social and Health Services did not have adequate internal controls to ensure risk assessments performed for subrecipients of the Child Support Services program were accurate and complete.
2024-046	The Department of Social and Health Services 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 for the Refugee and Entrant Assistance program.
2024-047	The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal requirements to perform fiscal and program monitoring of subrecipients for the Refugee and Entrant Assistance programs.
2024-048	The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Refugee and Entrant Assistance programs received required single audits, and that it followed up on findings and issued management decisions.
2024-049	The Department of Commerce improperly charged \$492,317 to earmarking requirements for the Low-Income Home Energy Assistance Program.
2024-050	The Department of Commerce did not have adequate internal controls over and did not comply with period of performance requirements for the Low-Income Home Energy Assistance program.
2024-051	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.
2024-052	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.
2024-053	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.
2024-054	The Department of Commerce did not have adequate internal controls over and did not comply with federal requirements to ensure subawards

	for the Low-Income Home Energy Assistance Program are clearly identified as subawards.
2024-055	The Department of Commerce did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Low Income Home Energy Assistance program received required single audits, and that it appropriately followed up on findings and issued management decisions.
2024-056	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.
2024-057	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.
2024-058	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 Cluster.
2024-059	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.
2024-060	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.
2024-061	Edmonds College did not have adequate controls over reporting for its Head Start Program.
2024-062	Edmonds College did not have adequate internal controls over and did not comply with protection of federal interest requirements for its Head Start program.
2024-063	Edmonds College did not have adequate internal controls over and did not comply with program governance requirements for its Head Start program.

2024-064	Skagit Valley College did not have adequate internal controls over and did not comply with program governance requirements for its Head Start program.
2024-065	Community Colleges of Spokane did not have adequate controls over and did not comply with program governance requirements for its Head Start program.
2024-066	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.
2024-067	The Department of Children, Youth, and Families did not have adequate internal controls to ensure monthly foster care maintenance payments to children's caregivers were adequate and accurate for the Foster Care program.
2024-068	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.
2024-069	The Department of Children, Youth, and Families did not have adequate internal controls to ensure a child is eligible and group care facility employees and adults residing in prospective caregivers' households had cleared background checks before having unsupervised access to children.
2024-070	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.
2024-071	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure Foster Care Maintenance payment rates were properly calculated.
2024-072	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure payments to providers were allowable and properly supported for the Social Services Block Grant.
2024-073	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with reporting requirements to

	ensure reports were complete and accurate for the Social Services Block Grant program.
2024-074	The Health Care Authority did not have adequate internal controls over and did not comply with managed care financial audit requirements.
2024-075	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.
2024-076	The Department of Health did not have adequate internal controls over and did not comply with requirements to ensure timely review of hospital complaints.
2024-077	The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to ensure it referred all credible allegations of provider fraud to the state's Medicaid Fraud Control Unit.
2024-078	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 survey requirements for Medicaid intermediate care facilities.
2024-079	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 survey requirements for Medicaid nursing homes.
2024-080	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.
2024-081	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.
2024-082	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 Substance Use Prevention, Treatment, and Recovery Services program were allowable and met period of performance requirements.

2024-083	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 Substance Use Prevention, Treatment, and Recovery Services.
2024-084	The Health Care Authority did not have adequate internal controls to ensure subrecipients of the Block Grants for Substance Use, Prevention, Treatment and Recovery Services program received required single audits, and that it appropriately followed up on findings and issued management decisions.
2024-085	The Military Department did not have adequate internal controls to ensure it accurately filed reports required by the Federal Funding Accountability and Transparency Act for the Disaster Grants Public Assistance program.

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 Education	Office of Superintendent of Public Instruction	84.027, 84.173	Special Education Cluster	\$5,139	\$26,883	2024-024
U.S. Department of Education	Office of Superintendent of Public Instruction	84.425	COVID-19 Education Stabilization Fund	\$47,322,280	-	2024-028
U.S. Department of Health and Human Services	Department of Health	93.268	Immunization Cooperative Agreements	\$464,473	\$465,976	2024-032