

Single Audit Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State of Washington
Office of Financial Management
April 2025



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State of Washington
Single Audit Report
For Fiscal Year Ended
June 30, 2024

Financial Statements Section

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INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

State of Washington July 1, 2023 through June 30, 2024

The Honorable Bob Ferguson
State of Washington
Olympia, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and aggregate discretely presented component units and remaining fund information of the State of Washington, as of and for the year ended June 30, 2024, 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.

We did not audit the financial statements of the Department of Retirement Systems, Local Government Investment Pool, University of Washington, funds managed by the State Investment Board, Fred Hutchinson Cancer Center, Health Benefits Exchange, Valley Medical Center, and Washington State Housing Finance Commission. Those financial statements represent part or all the total assets, net position, and revenues or additions of the governmental activities, the business-type activities, each major fund, and aggregate discretely presented component units and remaining fund information as follows:

Opinion Unit	Percent of Total Assets	Percent of Net Position	Percent of Total Revenues / Additions
Governmental Activities	15.1%	22.2%	7.5%
Business-Type Activities	70.1%	100.0%	28.0%
Higher Education Special Revenue Fund	87.1%	53.6%	49.1%
Higher Education Endowment Fund	97.4%	97.2%	88.4%
Higher Education Student Services Fund	65.8%	80.3%	78.8%

Workers' Compensation Fund	94.3%	87.9%	25.6%
Discretely Presented Component Units	95.5%	92.1%	98.7%
Aggregate Remaining Funds	98.1%	95.9%	64.5%

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. The financial statements of the Washington State Housing Finance Commission were not audited in accordance with *Government Auditing Standards*.

Qualified Opinion on Aggregate Discretely Presented Component Units, Higher Education Special Revenue Fund and Higher Education Student Services Fund

In our opinion, except for the possible effects of the matter described below, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component units, Higher Education Special Revenue Fund and Higher Education Student Services Fund of the State, as of June 30, 2024, and the changes in financial position thereof for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Business-type Activities, Remaining Fund Information and Other Major Funds

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of each of the governmental activities, the business-type activities, remaining fund information and other major funds, as of June 30, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified Opinions

We were unable to obtain sufficient appropriate audit evidence as described below for certain elements of the Aggregate Discretely Presented Component Units, Higher Education Special Revenue Fund and Higher Education Student Services Fund.

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 qualified and unmodified audit opinions.

Matters Giving Rise to Qualified Opinions on Aggregate Discretely Presented Component Units, Higher Education Special Revenue Fund and Higher Education Student Services Fund

The State did not report the financial activity of the state university and college foundations as a component unit in the state's financial statements. Additionally, the State did not report complete financial activity of the Washington State Housing Finance Commission in the state's financial statements. Accounting principles generally accepted in the United States of America require reporting of a discretely presented component units of legally separate, tax-exempt entities. If the State included this activity assets and deferred outflows, liabilities and deferred inflows, revenue and expenses would be increased by \$2.6 billion, \$1.1 billion, \$506.6 million, and \$417.7 million respectively.

We were unable to obtain sufficient and appropriate audit evidence about reported cash and cash equivalents, investments, due from other funds, due from other governments, accrued liabilities, due to other funds, due to other governments, miscellaneous revenue, transfers in, and transfers out in the Higher Education Special Revenue Fund because the State needed additional time to investigate balances and make necessary corrections. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. The effects on these balances are not reasonably determinable but are presumed to be material.

We were unable to obtain sufficient and appropriate audit evidence about reported cash and cash equivalents, investments, due from other funds, due from other governments, other noncurrent assets, accounts payable, other long-term liabilities, miscellaneous revenue, transfers in, and transfers out the Higher Education Student Services Fund because the State needed additional time to investigate balances and make necessary corrections. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. The effects on these balances are not reasonably determinable but are presumed to be material.

Matters of Emphasis

As discussed in Note 1.D.1, the financial statements include pension trust fund investments valued at \$93.9 billion, which comprise 38.9 percent of the total assets and 43.5 percent of the net position of the remaining fund information. The fair values of those investments have been estimated by management in the absence of readily determinable fair values. Management's estimates are based

upon information provided by the fund managers or, in the case of investments in partnerships, the general partners. Our opinion is not modified with respect to this matter.

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 23, 2024 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 fluid and cursive, with the first name "Pat" and last name "McCarthy" clearly distinguishable.

Pat McCarthy, State Auditor

Olympia, WA

December 23, 2024

MD&A
Management's Discussion and Analysis

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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, 2024. 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 \$38.86 billion (reported as net position). Of this amount, \$(8.76) 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 \$33.27 billion, an increase of 1.6 percent compared with the prior year.
- The state's capital assets increased by \$1.77 billion, total bond debt increased by \$780.0 million, and the state's net investment in capital assets is \$28.58 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 four 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, Higher Education Endowment and Other Permanent Funds, and the Wildlife and Natural Resources Fund. 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	
	2024	2023	2024	2023	2024	2023
ASSETS						
Current and other assets	\$ 53,657	\$ 51,411	\$ 34,357	\$ 31,224	\$ 88,014	\$ 82,635
Capital assets	49,233	47,614	3,672	3,520	52,905	51,134
Total assets	102,890	99,025	38,029	34,744	140,919	133,769
DEFERRED OUTFLOWS OF RESOURCES	3,460	3,666	604	672	4,064	4,338
LIABILITIES						
Current and other liabilities	9,931	8,603	2,145	2,225	12,076	10,828
Long-term liabilities outstanding	38,607	36,984	49,536	45,498	88,143	82,482
Total liabilities	48,538	45,587	51,681	47,723	100,219	93,310
DEFERRED INFLOWS OF RESOURCES	4,954	6,521	946	942	5,900	7,463
NET POSITION						
Net investment in capital assets	27,711	26,360	872	678	28,583	27,038
Restricted	18,542	16,535	497	4,351	19,039	20,886
Unrestricted	6,605	7,688	(15,363)	(18,278)	(8,758)	(10,590)
Total net position	<u>\$ 52,858</u>	<u>\$ 50,583</u>	<u>\$ (13,994)</u>	<u>\$ (13,249)</u>	<u>\$ 38,864</u>	<u>\$ 37,334</u>

Note: The 2023 amounts presented here have been restated to correct errors in previously issued financial statements. Refer to Note 2 Accounting Changes and Error Corrections for details.

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 \$38.86 billion at June 30, 2024, as compared to the restated amount of \$37.33 billion at June 30, 2023.

The largest portion of the state's net position (73.5 percent for fiscal year 2024 as compared to 72.4 percent for fiscal year 2023) 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 (49.0 percent for fiscal year 2024 as compared to 55.9 percent for fiscal year 2023) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$(8.76) 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 \$50.58 billion, as restated, in fiscal year 2023 to \$52.86 billion in fiscal year 2024.

As previously mentioned, the state's activities are divided between governmental and business-type. The majority of support for governmental activities comes from taxes and intergovernmental grants, while business-type activities are supported primarily through user charges.

STATE OF WASHINGTON
Changes in Net Position
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
REVENUES						
Program revenues:						
Charges for services	\$ 10,250	\$ 9,268	\$ 18,663	\$ 15,791	\$ 28,913	\$ 25,059
Operating grants and contributions	26,169	28,465	60	46	26,229	28,511
Capital grants and contributions	1,013	891	5	1	1,018	892
General revenues:						
Taxes	34,746	35,811	20	15	34,766	35,826
Interest and investment earnings (loss)	1,573	693	1,480	770	3,053	1,463
Total revenues	73,751	75,128	20,228	16,623	93,979	91,751
EXPENSES						
General government	(3,849)	(4,848)	—	—	(3,849)	(4,848)
Education - K-12	(17,398)	(16,868)	—	—	(17,398)	(16,868)
Education - Higher education	(10,281)	(9,957)	—	—	(10,281)	(9,957)
Human services	(31,829)	(30,293)	—	—	(31,829)	(30,293)
Adult corrections	(1,545)	(1,304)	—	—	(1,545)	(1,304)
Natural resources and recreation	(2,149)	(2,076)	—	—	(2,149)	(2,076)
Transportation	(3,576)	(3,022)	—	—	(3,576)	(3,022)
Interest on long-term debt	(1,139)	(1,107)	—	—	(1,139)	(1,107)
Workers' compensation	—	—	(7,141)	(4,039)	(7,141)	(4,039)
Unemployment compensation	—	—	(1,914)	(1,208)	(1,914)	(1,208)
Higher education student services	—	—	(4,561)	(4,154)	(4,561)	(4,154)
Health insurance	—	—	(4,234)	(3,855)	(4,234)	(3,855)
Other business-type activities	—	—	(2,888)	(2,703)	(2,888)	(2,703)
Total expenses	(71,766)	(69,475)	(20,738)	(15,959)	(92,504)	(85,434)
Excess (deficiency) of revenues over expenses before contributions to endowments and transfers	1,985	5,653	(510)	664	1,475	6,317
Contributions to endowments	54	138	—	—	54	138
Transfers	236	1	(236)	(1)	—	—
Increase (decrease) in net position	2,275	5,792	(746)	663	1,529	6,455
Net position - July 1, as previously reported	50,415	—	(13,165)	—	37,250	—
Error corrections	168	—	(84)	—	84	—
Net position - July 1, as restated	50,583	44,623	(13,248)	(13,828)	37,335	30,795
Net position - June 30	<u>\$ 52,858</u>	<u>\$ 50,415</u>	<u>\$ (13,994)</u>	<u>\$ (13,165)</u>	<u>\$ 38,864</u>	<u>\$ 37,250</u>

Note: The 2023 amounts presented here have not been restated as it is not practicable for the state to determine the impact each error had on the individual revenue and expense categories due to the quantity and nature of the error corrections. Refer to Note 2 Accounting Changes and Error Corrections for a description of the error corrections.

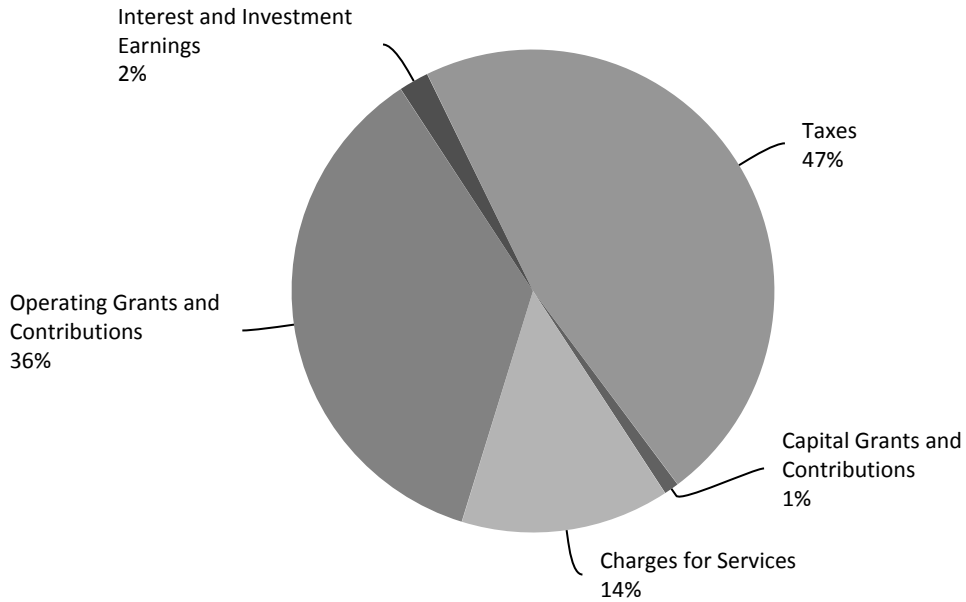
Governmental Activities. Governmental activities resulted in an increase in the state of Washington's net position of \$2.28 billion. Key factors contributing to operating results of governmental activities are:

- Tax revenue decreased by \$1.07 billion or 3.0 percent in fiscal year 2024 as compared to fiscal year 2023. Sales and use tax, which are the main tax revenue for governmental activities, reported a decrease of \$28.1 million. Revenue from real estate excise taxes, levied on the sale of real estate, decreased by \$662.0 million reflecting the slowdown in housing sales. Other taxes decreased by \$662.9 million which was mainly due to a decrease in estate taxes levied on the value of property transferred upon the death of the owner.
- Charges for services increased by \$982.1 million in fiscal year 2024 as compared to fiscal year 2023. The majority of this increase was due to an increase in patient care revenue for the University of Washington as a result of strong volumes, lower length of stay, and new programs.
- Operating grants and contributions decreased by \$2.30 billion or 8.1 percent in fiscal year 2024 compared with fiscal year 2023. The decrease reflects the continuing slowdown of federal stimulus funds received in response to COVID-19. As of June 30, 2024, \$474.2 million in federal stimulus funds received from the U.S. Department of the Treasury remained unspent and is classified as unearned revenue.
- Expenses grew by \$2.29 billion or 3.3 percent in fiscal year 2024 as compared to fiscal year 2023. The largest increases were in human services of \$1.54 billion, K-12 education of \$530.3 million, and higher education of \$324.1 million in fiscal year 2024 as compared to fiscal year 2023. This reflects the state's need to help provide funding for education and its ongoing commitment to provide additional funding in human services. Transportation expenses also increased \$554.7 million. The majority of the increase for transportation is for the Move Ahead Washington transportation program which is funded from the Washington Climate Commitment Act.

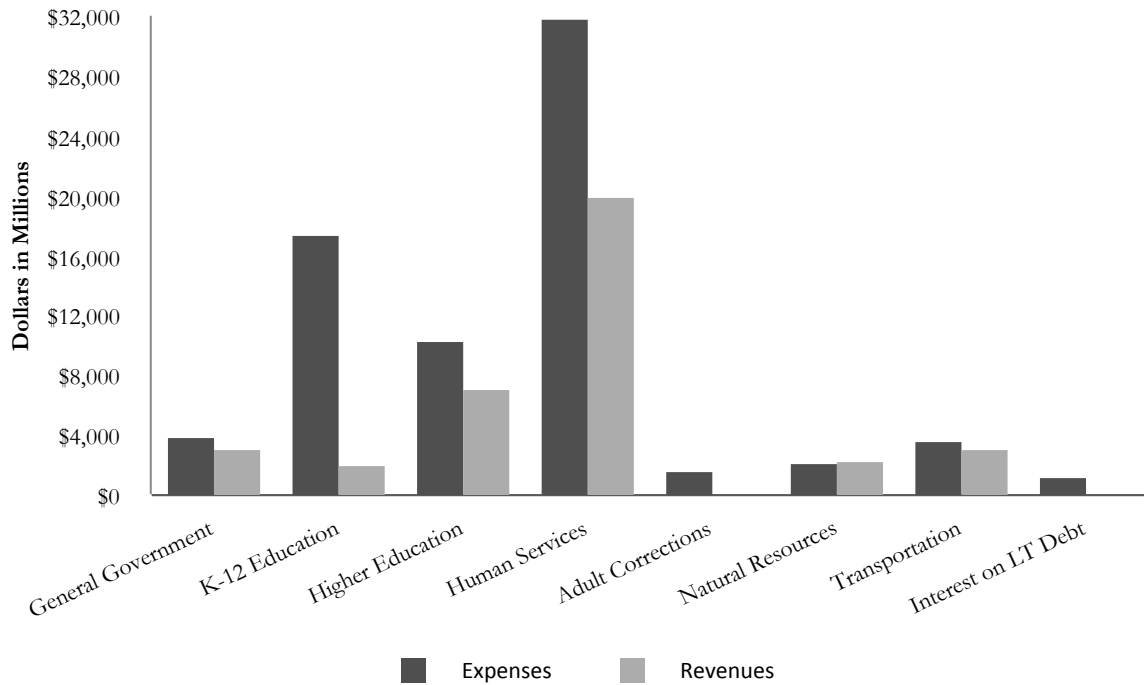
Business-Type Activities. Business-type activities decreased the state of Washington's net position by \$746.1 million. Key factors contributing to the operating results of business-type activities are:

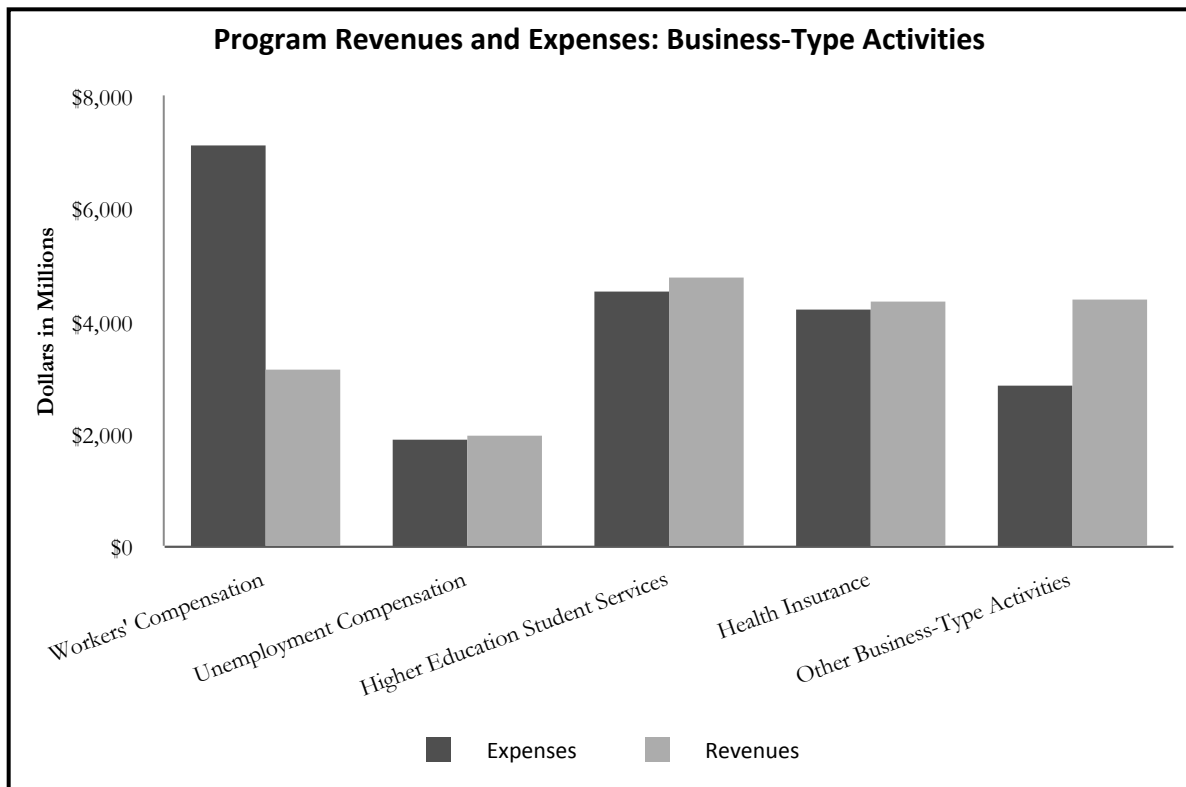
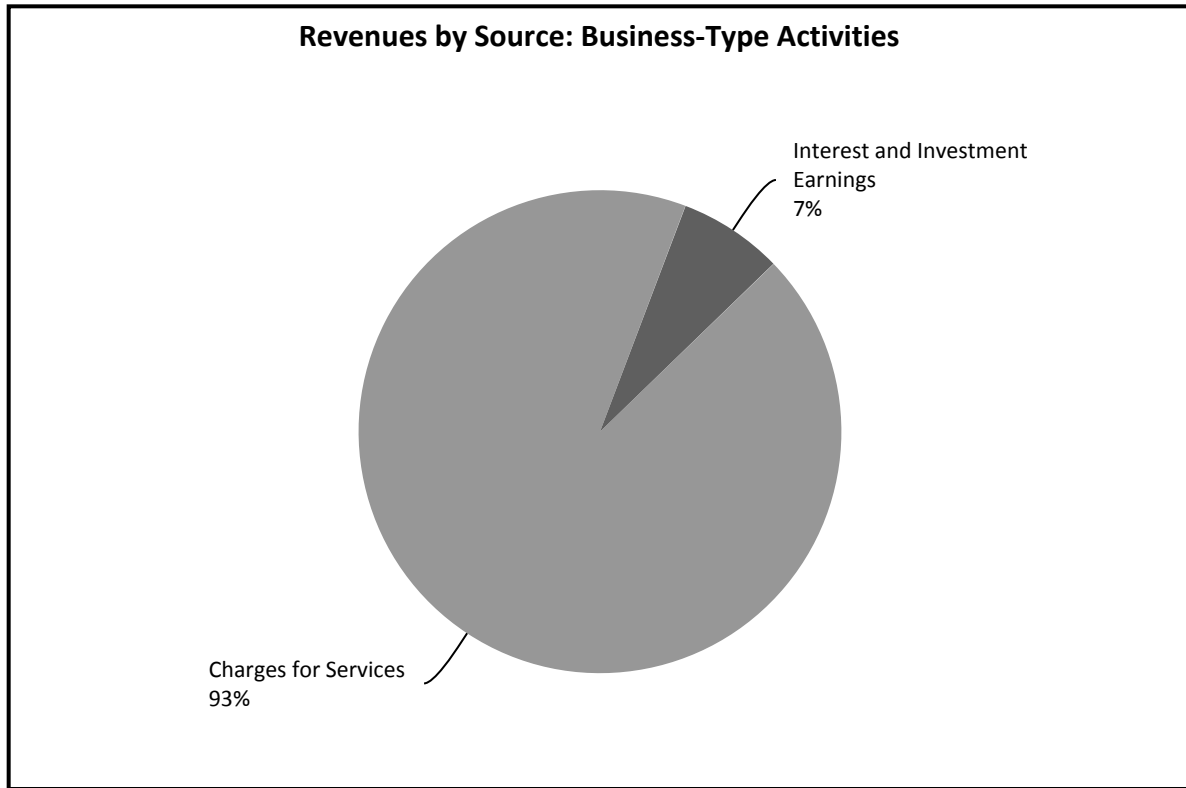
- The workers' compensation activity decrease in net position in fiscal year 2024 was \$2.87 billion compared to a decrease of \$397.3 million in fiscal year 2023. Premiums and assessments revenue increased \$109.4 million in fiscal year 2024 as compared with fiscal year 2023 as a result of an increase in reported hours and an increase in premium rates. Claim costs increased by \$3.06 billion in fiscal year 2024 as compared with fiscal year 2023 attributed to a cost-of-living adjustment for the workers' compensation Supplemental Pension Account. Investment income increased by \$503.5 million as compared to fiscal year 2023.
- The unemployment compensation activity reported an operating gain in fiscal year 2024 of \$160.6 million compared to an operating gain of \$509.3 million in fiscal year 2023. Premiums and assessments revenue increased \$280.7 million in fiscal year 2024 as compared with fiscal year 2023. Unemployment insurance benefits increased by \$727.6 million in fiscal year 2024 compared to fiscal year 2023. The unemployment rate for the state for June 2024 was 4.9 percent, an increase from the adjusted 3.9 percent unemployment rate for June 2023.
- The higher education student services activity reported an increase in net position of \$313.5 million in fiscal year 2024 as compared to an increase of \$254.2 million in fiscal year 2023. Operating revenues increased by \$436.2 million and operating expenses increased by \$328.2 million as compared to fiscal year 2023.
- The health insurance activity increase in net position in fiscal year 2024 was \$147.0 million compared to an increase of \$156.4 million in fiscal year 2023. Health insurance premiums collected increased by \$362.2 million in fiscal year 2024 as compared with fiscal year 2023. Claim costs increased by \$377.8 million in fiscal year 2024 as compared with fiscal year 2023. Rates are created by actuarial analysis and adjusted annually to maintain a positive fund balance.

Revenues by Source: Governmental Activities



Program Revenues and Expenses: Governmental 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, 2024, the state's governmental funds reported combined ending fund balances of \$33.27 billion. Of this amount, \$3.73 billion or 11.2 percent is nonspendable, either due to its form or legal constraints; and \$8.48 billion or 25.5 percent is restricted for specific programs by external constraints, constitutional provisions, or contractual obligations. An

additional \$14.97 billion or 45.0 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 \$2.14 billion or 6.4 percent of total fund balance has been assigned to specific purposes by management. The unassigned portion of the governmental fund balance is \$3.95 billion or 11.9 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 decreased by \$1.17 billion or 11.5 percent in fiscal year 2024 as compared to an \$880.4 million increase, as restated, in fiscal year 2023. Revenues decreased in fiscal year 2024 while expenditures continued to grow. Assigned fund balance of \$2.03 billion is reported for fiscal year 2024 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			
(in millions of dollars)			
	Fiscal Year		Difference
	2024	2023	Increase (Decrease) 2024 - 2023
REVENUES			
Taxes	\$ 30,212	\$ 30,138	\$ 74
Federal grants	20,923	23,529	(2,606)
Investment revenue (loss)	488	173	315
Other	1,428	1,151	277
Total	53,051	54,991	(1,940)
EXPENDITURES			
Human services	30,933	30,563	370
Education	18,686	17,452	1,234
Other	3,805	4,484	(679)
Total	53,424	52,499	925
Net transfers in (out)	(993)	(1,915)	922
Other financing sources	195	303	(108)
Net increase (decrease) in fund balance	\$ (1,171)	\$ 880	\$ (2,051)

Note: The 2023 amounts presented here have been restated to correct errors in previously issued financial statements. Refer to Note 2 Accounting Changes and Error Corrections for details.

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, Higher Education Endowment and Other Permanent, and the Wildlife and

Natural Resources 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 2024 was a decrease of \$85.8 million compared to an increase of \$556.4 million in fiscal year 2023. The decrease in the fund balance can be attributed to a number of factors.

While charges for services increased by \$881.2 million compared to fiscal year 2023, there was an overall decrease in revenue of \$258.7 million driven mainly by decreased tax revenue.

- The fund balance for the Higher Education Endowment and Other Permanent Funds increased by \$694.5 million in fiscal year 2024 compared to an increase of \$211.5 million in fiscal year 2023. The increase is a result of positive growth in investment earnings in fiscal year 2024.
- The fund balance for the Wildlife and Natural Resources Fund increased by \$926.4 million in fiscal year 2024 compared to an increase of \$985.8 million in fiscal year 2023. Both revenues and expenditures increased as the state continues to collect proceeds from the sale of greenhouse gas allowances as authorized in the Climate Commitment Act of 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 2024 are as follows:

- The Workers' Compensation Fund reported a decrease in net position of \$2.87 billion in fiscal year 2024. Operating expenses increased by \$3.10 billion as compared to fiscal year 2023 due to a significant increase in claims expense attributed to a cost-of-living adjustment for the workers' compensation Supplemental Pension Account. Operating revenues increased by \$121.7 million due to an increase in reported hours and an increase in premium rates. In addition, investment income increased \$503.5 million as compared to fiscal year 2023.
- Washington's Unemployment Compensation Fund reported an increase in net position of \$160.6 million. Unemployment benefit claims expense increased by \$727.6 million in fiscal year 2024 as compared to fiscal year 2023 due to an increase in the number of unemployed. Unemployment premiums and assessments increased by \$280.7 million in fiscal year 2024 as compared to 2023 as a result of the increased unemployment rates.
- The Higher Education Student Services Fund reported an increase in net position of \$313.5 million in fiscal year 2024 as compared to fiscal year 2023. Operating revenues increased by \$436.2 million and operating expenses increased by \$328.2 million as compared to fiscal year 2023.

- The Health Insurance Fund reported an increase in net position of \$147.0 million in fiscal year 2024 as compared to fiscal year 2023. Operating revenues increased by \$357.8 million and operating expenses increased by \$379.1 million as compared to fiscal year 2023.

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 \$1.63 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 \$8.10 billion over the course of the fiscal year to address increases in the state's human services, education, and general wage increases for state staff.

The state did not overspend its legal spending authority for the 2023-2025 biennium. Actual General Fund revenues and expenditures were 48.8 percent and 44.2 percent of final budgeted resources and appropriations, respectively, for the first fiscal year of the 2023-2025 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, 2024, totaled \$52.91 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 and subscription assets, as well as construction in progress.

Washington's fiscal year 2024 investment in capital assets, net of current year depreciation, increased \$1.77 billion over fiscal year 2023, including increases to the state's transportation infrastructure of \$1.17 billion. 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 \$3.32 billion.

State of Washington

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 2024, assets accounted for under this approach include approximately 20,980 pavement lane miles, 4,164 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	
	2024	2023	2024	2023	2024	2023
Land	\$ 3,199	\$ 3,085	\$ 77	\$ 75	\$ 3,276	\$ 3,160
Transportation infrastructure and other assets not depreciated	29,194	28,019	—	—	29,194	28,019
Buildings	9,473	9,367	2,646	2,455	12,119	11,822
Furnishings, equipment, and intangible assets	2,303	2,113	350	354	2,653	2,467
Other improvements and infrastructure	1,343	1,316	88	95	1,431	1,411
Construction in progress	2,248	2,154	222	229	2,470	2,383
Lease and subscription assets	1,473	1,560	289	312	1,762	1,872
Total	<u>\$ 49,233</u>	<u>\$ 47,614</u>	<u>\$ 3,672</u>	<u>\$ 3,520</u>	<u>\$ 52,905</u>	<u>\$ 51,134</u>

Note: The 2023 amounts presented here have been restated to correct errors in previously issued financial statements. Refer to Note 2 Accounting Changes and Error Corrections for details.

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, based on an average condition level of the the last three assessments. 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.

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 2024, actual maintenance and preservation expenditures were 3.0 percent higher than planned. Over the past five fiscal years, the actual expenditures for maintaining and preserving pavements were 19.1 percent lower than planned.

The most recent condition assessment of bridges over 20 feet in length indicates that 92.6 percent of bridges were in good or fair condition. The condition of bridges has remained steady over the last three assessment periods, averaging 93.4 percent in good or fair condition. For fiscal year 2024, the actual maintenance and preservation

expenditures were 32.5 percent higher than planned, and over the past five fiscal years, the actual expenditures were 11.9 percent lower than planned.

Bond Debt. At the end of fiscal year 2024, the state of Washington had general obligation bond debt outstanding including accreted interest and issuance premiums of \$21.92 billion, an increase of 4.4 percent from fiscal year 2023. This debt is secured by a pledge of the full faith and credit of the state. Additionally, the state had authorized \$14.35 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, 2024, 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 2018-2023 is \$26.02 billion. The debt service limitation, 8.25 percent of this mean, is \$2.15 billion. The state's maximum annual debt service as of June 30, 2024, subject to the constitutional debt

State of Washington

limitation is \$1.44 billion, or \$710.0 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 online from the Office of the State Treasurer at: [Report on the State of Washington's Debt Limitation](#).

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, 2024, 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	
	2024	2023	2024	2023	2024	2023
General obligation (GO) bonds	\$ 21,657	\$ 20,938	\$ —	\$ —	\$ 21,657	\$ 20,938
Accreted interest on zero interest rate GO bonds	266	292	—	—	266	292
Revenue bonds	1,501	1,578	2,155	2,226	3,656	3,804
Unamortized premium on bonds sold	3,364	3,152	178	155	3,542	3,307
Total	<u>\$ 26,788</u>	<u>\$ 25,960</u>	<u>\$ 2,333</u>	<u>\$ 2,381</u>	<u>\$ 29,121</u>	<u>\$ 28,341</u>

The state had revenue debt outstanding at June 30, 2024, of \$3.66 billion, a decrease of \$147.5 million compared to fiscal year 2023. 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 \$1.77 billion were refunded during the year. Washington's refunding activity produced \$114.1 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 increased while the state's personal income continues to grow. As housing prices in the state have appeared to peak, Washington housing construction continues to be volatile due to fluctuating interest rates. Resilient

economic activity and sustained public funding should result in continued revenue growth.

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, 2024, \$313.7 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 \$970.6 million as of June 30, 2024.

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.

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Basic Financial Statements
Government-wide Financial Statements

Statement of Net Position

June 30, 2024

(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	\$ 19,730,855	\$ 7,830,504	\$ 27,561,359	\$ 938,447
Taxes receivable (net of allowance for uncollectibles)	6,074,704	3,788	6,078,492	—
Other receivables (net of allowance for uncollectibles)	4,790,009	3,954,515	8,744,524	396,030
Internal balances	124,776	(124,776)	—	—
Due from other governments	6,889,572	458,178	7,347,750	—
Inventories and prepaids	187,347	86,841	274,188	119,046
Restricted cash and investments	392,256	8,899	401,155	—
Restricted receivables, current	4,818	—	4,818	—
Investments, noncurrent	10,027,067	21,617,959	31,645,026	1,172,474
Restricted investments, noncurrent	—	34,977	34,977	—
Restricted net pension asset	5,435,952	340,567	5,776,519	4,993
Other assets	—	145,911	145,911	1,241,744
Capital assets:				
Non-depreciable assets	34,640,536	298,599	34,939,135	278,068
Depreciable assets (net of accumulated depreciation)	14,592,898	3,373,510	17,966,408	1,537,856
Total capital assets	49,233,434	3,672,109	52,905,543	1,815,924
Total Assets	102,890,790	38,029,472	140,920,262	5,688,658
DEFERRED OUTFLOWS OF RESOURCES				
	3,459,656	603,874	4,063,530	19,466
Total Assets and Deferred Outflows of Resources	\$ 106,350,446	\$ 38,633,346	\$ 144,983,792	\$ 5,708,124

The notes to the financial statements are an integral part of this statement.

Statement of Net Position

June 30, 2024

(expressed in thousands)

Concluded

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION				
LIABILITIES				
Accounts payable	\$ 4,643,173	\$ 575,966	\$ 5,219,139	\$ 143,734
Accrued liabilities	2,573,234	789,106	3,362,340	394,621
Obligations under security lending agreements	—	25,032	25,032	—
Due to other governments	1,502,365	548,176	2,050,541	—
Unearned revenues	1,212,404	206,488	1,418,892	158,996
Long-term liabilities:				
Due within one year	2,615,619	3,658,730	6,274,349	64,995
Due in more than one year	35,990,976	45,877,533	81,868,509	2,078,339
Total Liabilities	48,537,771	51,681,031	100,218,802	2,840,685
DEFERRED INFLOWS OF RESOURCES	4,954,286	946,734	5,901,020	59,933
NET POSITION				
Net investment in capital assets	27,711,426	872,350	28,583,776	434,435
Restricted for:				
Nonexpendable permanent endowments	3,539,589	—	3,539,589	—
Expendable endowment funds	2,673,409	—	2,673,409	—
Pensions	6,523,172	496,784	7,019,956	7,096
Human services	808,612	—	808,612	—
Wildlife and natural resources	1,436,459	—	1,436,459	—
Transportation	1,888,177	—	1,888,177	—
Budget stabilization	970,616	—	970,616	—
Higher education	71,264	—	71,264	—
Other purposes	630,709	—	630,709	702,191
Unrestricted	6,604,956	(15,363,553)	(8,758,597)	1,663,784
Total Net Position	52,858,389	(13,994,419)	38,863,970	2,807,506
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 106,350,446	\$ 38,633,346	\$ 144,983,792	\$ 5,708,124

The notes to the financial statements are an integral part of this statement.

Statement of Activities
For the Fiscal Year Ended June 30, 2024
(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	\$ 3,848,748	\$ 1,554,679	\$ 1,511,096	\$ 500
Education - K-12 education	17,398,119	29,556	1,931,465	250
Education - higher education	10,280,892	3,811,556	3,296,310	34,646
Human services	31,829,072	1,142,476	18,741,092	—
Adult corrections	1,544,495	7,727	2,525	—
Natural resources and recreation	2,149,447	1,913,993	312,466	57,880
Transportation	3,576,241	1,790,000	374,125	919,585
Interest on long-term debt	1,138,972	—	—	—
Total Governmental Activities	71,765,986	10,249,987	26,169,079	1,012,861
Business-Type Activities:				
Workers' compensation	7,140,629	3,159,348	9,739	—
Unemployment compensation	1,913,872	1,924,478	55,549	—
Higher education student services	4,561,139	4,798,048	(6,108)	4,585
Health insurance	4,234,397	4,367,766	—	—
Washington's lottery	778,121	1,032,723	—	—
Paid family and medical leave	1,775,851	1,731,964	—	—
Other	333,832	1,648,679	566	—
Total Business-Type Activities	20,737,841	18,663,006	59,746	4,585
Total Primary Government	\$ 92,503,827	\$ 28,912,993	\$ 26,228,825	\$ 1,017,446
Total Component Units	\$ 3,329,336	\$ 2,372,799	\$ 822,665	\$ —

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 previously reported

Error corrections

Net Position - Beginning, as restated

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

State of Washington

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
\$ (782,473)	\$ —	\$ (782,473)	
(15,436,848)	—	(15,436,848)	
(3,138,380)	—	(3,138,380)	
(11,945,504)	—	(11,945,504)	
(1,534,243)	—	(1,534,243)	
134,892	—	134,892	
(492,531)	—	(492,531)	
(1,138,972)	—	(1,138,972)	
(34,334,059)	—	(34,334,059)	
—	(3,971,542)	(3,971,542)	
—	66,155	66,155	
—	235,386	235,386	
—	133,369	133,369	
—	254,602	254,602	
—	(43,887)	(43,887)	
—	1,315,413	1,315,413	
—	(2,010,504)	(2,010,504)	
\$ (34,334,059)	\$ (2,010,504)	\$ (36,344,563)	
			\$ (133,872)
15,938,205	—	15,938,205	—
6,868,716	—	6,868,716	—
4,686,231	—	4,686,231	53,201
1,530,865	—	1,530,865	—
2,172,480	20,200	2,192,680	—
292,272	—	292,272	—
629,589	—	629,589	—
887,669	—	887,669	—
1,740,276	—	1,740,276	85,080
1,573,189	1,480,352	3,053,541	170,392
36,319,492	1,500,552	37,820,044	308,673
1,985,433	(509,952)	1,475,481	174,801
53,871	—	53,871	—
236,146	(236,146)	—	—
2,275,450	(746,098)	1,529,352	174,801
50,415,009	(13,164,643)	37,250,366	2,632,253
167,930	(83,678)	84,252	452
50,582,939	(13,248,321)	37,334,618	2,632,705
\$ 52,858,389	\$ (13,994,419)	\$ 38,863,970	\$ 2,807,506

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Basic Financial Statements
Fund Financial Statements

Balance Sheet
GOVERNMENTAL FUNDS

June 30, 2024
(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds
ASSETS			
Cash and cash equivalents	\$ 7,025,452	\$ 736,461	\$ 1,207,743
Investments	2,344	4,273,438	5,777,089
Taxes receivable (net of allowance)	5,656,163	119,704	—
Receivables (net of allowance)	1,426,548	1,247,834	58,504
Due from other funds	1,565,462	1,029,217	170
Due from other governments	2,566,306	699,556	—
Inventories and prepaids	19,200	54,749	—
Restricted cash and investments	22,959	128,089	—
Restricted receivables	—	2,147	—
Total Assets	\$ 18,284,434	\$ 8,291,195	\$ 7,043,506
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 2,969,921	\$ 226,214	\$ —
Accrued liabilities	804,701	962,521	206,168
Due to other funds	334,808	616,841	740,203
Due to other governments	503,198	35,498	50,000
Unearned revenue	720,591	294,881	—
Claims and judgments payable	37,155	—	—
Total Liabilities	5,370,374	2,135,955	996,371
DEFERRED INFLOWS OF RESOURCES	3,917,728	375,218	34,038
FUND BALANCES			
Nonspendable fund balance	60,929	54,749	3,302,986
Restricted fund balance	999,919	71,224	2,710,111
Committed fund balance	1,902,336	5,544,110	—
Assigned fund balance	2,032,952	109,939	—
Unassigned fund balance	4,000,196	—	—
Total Fund Balances	8,996,332	5,780,022	6,013,097
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 18,284,434	\$ 8,291,195	\$ 7,043,506

The notes to the financial statements are an integral part of this statement.

State of Washington

Wildlife and Natural Resources		Nonmajor Governmental Funds		Total
\$	2,754,865	\$	6,733,946	\$ 18,458,467
	—		345,443	10,398,314
	32,294		266,543	6,074,704
	293,625		1,628,423	4,654,934
	58,993		438,908	3,092,750
	1,191,001		2,150,751	6,607,614
	2,471		70,375	146,795
	8		154,287	305,343
	—		2,477	4,624
\$	4,333,257	\$	11,791,153	\$ 49,743,545

\$	32,721	\$	1,205,294	\$ 4,434,150
	77,242		245,601	2,296,233
	48,109		1,215,164	2,955,125
	21,206		355,968	965,870
	21,858		167,018	1,204,348
	—		102,537	139,692
	201,136		3,291,582	11,995,418
	59,556		90,646	4,477,186

	2,471		306,978	3,728,113
	1,479,803		3,218,147	8,479,204
	2,590,291		4,933,897	14,970,634
	—		—	2,142,891
	—		(50,097)	3,950,099
	4,072,565		8,408,925	33,270,941
\$	4,333,257	\$	11,791,153	\$ 49,743,545

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**Reconciliation of the Balance Sheet to the
Statement of Net Position
GOVERNMENTAL FUNDS**

June 30, 2024
(expressed in thousands)

Total Fund Balances for Governmental Funds	\$	33,270,941
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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	\$	34,516,957	
Depreciable assets		28,517,296	
Less: Accumulated depreciation/amortization		(14,905,859)	
Total capital assets			48,128,394

Long-term receivables for capital assets are not financial resources and therefore are not reported in the funds.	35,000
---	--------

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.	4,114,632
--	-----------

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.	5,332,850
--	-----------

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.	3,320,992
---	-----------

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.	(4,416,165)
--	-------------

Unmatured interest on general obligation bonds and other debt is not recognized in the funds until due.	(414,015)
---	-----------

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Net Position.	(1,659,215)
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Bonds and other financing contracts payable	\$	(26,581,813)	
Accreted interest on bonds and other debt		(265,740)	
Right-to-use lease liabilities		(1,199,222)	
Subscription liabilities		(120,995)	
Compensated absences		(960,683)	
Other postemployment benefits obligations		(3,596,820)	
Net pension liability		(1,003,692)	
Unclaimed property		(186,132)	
Pollution remediation obligations		(304,585)	
Claims and judgments		(44,680)	
Asset retirement obligations		(31,800)	
Other obligations		(558,863)	
Total long-term liabilities			(34,855,025)

Net Position of Governmental Activities	\$	52,858,389
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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, 2024

(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds
REVENUES			
Retail sales and use taxes	\$ 15,806,770	\$ 3	\$ —
Business and occupation taxes	6,420,485	442,499	—
Property taxes	4,614,073	—	—
Excise taxes	1,043,056	522,926	—
Motor vehicle and fuel taxes	53	—	—
Other taxes	2,327,147	436,327	—
Licenses, permits, and fees	155,677	1,065	—
Other contracts and grants	607,700	1,534,851	—
Timber sales	4,426	—	43,266
Federal grants-in-aid	20,923,009	1,759,861	—
Charges for services	64,134	3,786,911	—
Investment income (loss)	488,360	206,058	551,529
Miscellaneous revenue	377,274	231,034	92,057
Contributions and donations	—	—	53,871
Unclaimed property	219,109	—	—
Total Revenues	53,051,273	8,921,535	740,723
EXPENDITURES			
Current:			
General government	2,237,365	303	166
Human services	30,933,248	180,565	—
Natural resources and recreation	1,004,475	—	—
Transportation	111,665	—	—
Education	18,686,212	8,361,356	4,542
Intergovernmental	144,350	—	—
Capital outlays	301,508	189,035	10,305
Debt service:			
Principal	4,711	15,039	—
Interest	1,255	46,825	—
Total Expenditures	53,424,789	8,793,123	15,013
Excess of Revenues Over (Under) Expenditures	(373,516)	128,412	725,710
OTHER FINANCING SOURCES (USES)			
Bonds issued	112,601	—	—
Refunding bonds issued	—	—	—
Payments to escrow agents for refunded bond debt	—	—	—
Issuance premiums	337	261	—
Other debt issued	5,590	2,640	—
Right-to-use lease acquisition	75,988	2,231	—
Transfers in	908,313	87,871	1,918
Transfers out	(1,900,893)	(307,260)	(33,100)
Total Other Financing Sources (Uses)	(798,064)	(214,257)	(31,182)
Net Change in Fund Balances	(1,171,580)	(85,845)	694,528
Fund Balances - Beginning, as previously reported	10,164,278	5,872,294	5,318,569
Change within financial reporting entity	—	—	—
Error corrections	3,634	(6,427)	—
Fund Balances - Beginning, as restated	10,167,912	5,865,867	5,318,569
Fund Balances - Ending	\$ 8,996,332	\$ 5,780,022	\$ 6,013,097

The notes to the financial statements are an integral part of this statement.

State of Washington

Wildlife and Natural Resources	Nonmajor Governmental Funds	Total
\$ 47	\$ 131,385	\$ 15,938,205
4,991	741	6,868,716
—	—	4,614,073
5,264	601,234	2,172,480
18,536	1,512,276	1,530,865
298,060	374,568	3,436,102
1,492,535	2,361,651	4,010,928
2,764	347,439	2,492,754
81,680	61,222	190,594
58,046	1,948,271	24,689,187
19,180	779,114	4,649,339
27,999	299,242	1,573,188
175,011	893,490	1,768,866
—	—	53,871
—	—	219,109
2,184,113	9,310,633	74,208,277
85,159	1,590,309	3,913,302
9,739	1,797,445	32,920,997
817,196	311,254	2,132,925
18,202	2,896,760	3,026,627
17,195	521,493	27,590,798
76	415,807	560,233
105,181	3,020,695	3,626,724
1,319	1,388,626	1,409,695
19	1,097,626	1,145,725
1,054,086	13,040,015	76,327,026
1,130,027	(3,729,382)	(2,118,749)
—	1,931,549	2,044,150
—	1,596,204	1,596,204
—	(1,754,103)	(1,754,103)
—	459,100	459,698
—	2,255	10,485
2,284	10,174	90,677
25,084	3,489,229	4,512,415
(231,011)	(1,838,423)	(4,310,687)
(203,643)	3,895,985	2,648,839
926,384	166,603	530,090
—	11,387,513	32,742,654
3,146,500	(3,146,500)	—
(319)	1,309	(1,803)
3,146,181	8,242,322	32,740,851
\$ 4,072,565	\$ 8,408,925	\$ 33,270,941

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**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, 2024
(expressed in thousands)

Net Change in Fund Balances - Total Governmental Funds \$ 530,090

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	\$ 2,591,124	
Less: Depreciation expense	(1,049,288)	
		1,541,836

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.

160,648

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.

(892,315)

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	\$ (4,441,390)	
Principal payments on bonds and other financing contracts	3,654,642	
Accrued interest on bonds	26,520	
		(760,228)

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	\$ (107,615)	
Other postemployment benefits	236,432	
Pensions	1,368,419	
Pollution remediation	(5,639)	
Claims and judgments	(2,439)	
Accrued interest	(9,461)	
Unclaimed property	(40,381)	
Asset retirement obligations	(2,017)	
Other obligations	258,120	
		1,695,419

Change in Net Position of Governmental Activities	\$	2,275,450
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The notes to the financial statements are an integral part of this statement.

**Statement of Net Position
PROPRIETARY FUNDS**

June 30, 2024
(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	\$ 140,752	\$ 3,689,671	\$ 1,548,260
Investments	1,495,602	—	8,203
Taxes receivable (net of allowance)	—	—	—
Receivables (net of allowance)	1,104,882	1,219,880	619,396
Due from other funds	1,117	5,146	26,955
Due from other governments	1,164	137,164	107,234
Inventories	—	—	52,996
Prepaid expenses	168	—	15,735
Restricted cash and investments	653	—	8,246
Restricted receivables	—	—	—
Total Current Assets	2,744,338	5,051,861	2,387,025
Noncurrent Assets:			
Investments, noncurrent	18,379,596	—	516,428
Restricted investments, noncurrent	—	—	34,977
Restricted net pension asset	64,906	—	237,463
Other noncurrent assets	2,629	—	95,812
Capital assets:			
Land and other non-depreciable assets	3,332	—	71,926
Buildings	69,759	—	4,622,709
Other improvements	1,290	—	159,144
Furnishings, equipment, and intangibles	106,332	—	1,162,735
Infrastructure	—	—	45,669
Lease assets	31,055	—	332,604
Subscription assets	4,932	—	83,434
Accumulated depreciation and amortization	(163,096)	—	(3,200,166)
Construction in progress	48,753	—	170,375
Total Noncurrent Assets	18,549,488	—	4,333,110
Total Assets	21,293,826	5,051,861	6,720,135
DEFERRED OUTFLOWS OF RESOURCES	78,432	—	460,185
Total Assets and Deferred Outflows of Resources	\$ 21,372,258	\$ 5,051,861	\$ 7,180,320

The notes to the financial statements are an integral part of this statement.

State of Washington

Continued

			Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$ 468,065	\$ 390,837	\$ 6,237,585	\$ 856,656	
—	89,114	1,592,919	—	
—	3,788	3,788	—	
72,470	937,887	3,954,515	100,075	
8	134,565	167,791	232,951	
195,712	8,516	449,790	156,517	
—	16,995	69,991	17,852	
835	112	16,850	22,701	
—	—	8,899	86,912	
—	—	—	194	
737,090	1,581,814	12,502,128	1,473,858	
—	2,721,935	21,617,959	44,544	
—	—	34,977	—	
3,788	34,410	340,567	103,102	
—	47,470	145,911	—	
—	1,540	76,798	4,772	
—	12,828	4,705,296	545,242	
—	7,014	167,448	15,244	
319	138,078	1,407,464	1,330,999	
—	—	45,669	2,170	
2,546	7,466	373,671	160,081	
—	3,982	92,348	164,964	
(1,972)	(53,152)	(3,418,386)	(1,237,240)	
—	2,673	221,801	118,807	
4,681	2,924,244	25,811,523	1,252,685	
741,771	4,506,058	38,313,651	2,726,543	
7,695	57,563	603,875	138,664	
\$ 749,466	\$ 4,563,621	\$ 38,917,526	\$ 2,865,207	

**Statement of Net Position
PROPRIETARY FUNDS**

June 30, 2024

(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	\$ 8,132	\$ —	\$ 477,428
Accrued liabilities	297,814	174,007	323,521
Obligations under security lending agreements	—	—	—
Bonds and notes payable	6,167	—	220,619
Total OPEB liability	2,385	—	12,312
Due to other funds	8,673	273	158,469
Due to other governments	—	529,670	732
Unearned revenue	3,160	10,623	94,149
Claims and judgments payable	2,438,709	203,478	—
Total Current Liabilities	2,765,040	918,051	1,287,230
Noncurrent Liabilities:			
Claims and judgments payable	41,214,541	—	—
Bonds and notes payable	12,599	1	2,578,457
Net pension liability	28,599	—	119,188
Total OPEB liability	92,265	—	476,262
Unearned revenue	2,845	—	—
Other long-term liabilities	6,547	—	127,580
Total Noncurrent Liabilities	41,357,396	1	3,301,487
Total Liabilities	44,122,436	918,052	4,588,717
DEFERRED INFLOWS OF RESOURCES	100,676	—	783,954
NET POSITION			
Net investment in capital assets	83,591	—	675,470
Restricted for:			
Pensions	93,835	—	349,721
Unrestricted	(23,028,280)	4,133,809	782,458
Total Net Position	(22,850,854)	4,133,809	1,807,649
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 21,372,258	\$ 5,051,861	\$ 7,180,320

The notes to the financial statements are an integral part of this statement.

State of Washington

					Concluded
					Governmental Activities
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds		
\$ 70,739	\$ 19,667	\$ 575,966	\$ 198,782		
13,965	214,266	1,023,573	108,668		
—	25,032	25,032	—		
542	3,521	230,849	179,000		
179	1,195	16,071	3,444		
405	122,560	290,380	247,871		
—	11,575	541,977	6,185		
2,030	93,681	203,643	6,295		
208,442	326,608	3,177,237	394,789		
296,302	818,105	6,084,728	1,145,034		
—	24,061	41,238,602	2,359,709		
342	3,653	2,595,052	617,624		
1,662	14,838	164,287	58,300		
6,923	46,243	621,693	133,229		
—	—	2,845	1,761		
1,254	1,122,622	1,258,003	33,198		
10,181	1,211,417	45,880,482	3,203,821		
306,483	2,029,522	51,965,210	4,348,855		
6,368	55,737	946,735	175,567		
10	113,279	872,350	365,260		
5,595	47,633	496,784	141,155		
431,010	2,317,450	(15,363,553)	(2,165,630)		
436,615	2,478,362	(13,994,419)	(1,659,215)		
\$ 749,466	\$ 4,563,621	\$ 38,917,526	\$ 2,865,207		

Statement of Revenues, Expenses, and Changes in Net Position

PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2024

(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
OPERATING REVENUES			
Sales	\$ —	\$ —	\$ 54,911
Less: Cost of goods sold	—	—	(30,788)
Gross profit	—	—	24,123
Charges for services	40	—	883,081
Patient services	—	—	2,930,111
Premiums and assessments	3,091,406	1,905,072	—
Lottery ticket proceeds	—	—	—
Federal aid for unemployment insurance benefits	—	55,549	—
Miscellaneous revenue	67,847	19,405	1,004,539
Total Operating Revenues	3,159,293	1,980,026	4,841,854
OPERATING EXPENSES			
Salaries and wages	249,294	—	1,539,116
Employee benefits	46,483	—	335,136
Personal services	14,658	—	516,113
Goods and services	97,886	—	1,717,023
Travel	4,409	—	37,301
Premiums and claims	6,646,279	1,913,872	—
Guaranteed education tuition program expense	—	—	—
Lottery prize payments	—	—	—
Depreciation and amortization	10,426	—	208,839
Miscellaneous expenses	70,814	—	(679)
Total Operating Expenses	7,140,249	1,913,872	4,352,849
Operating Income (Loss)	(3,980,956)	66,154	489,005
NONOPERATING REVENUES (EXPENSES)			
Earnings (loss) on investments	1,098,010	94,479	68,003
Interest expense	(378)	—	(178,091)
Tax and license revenue	94	—	—
Other revenues (expenses)	9,793	—	(80,829)
Total Nonoperating Revenues (Expenses)	1,107,519	94,479	(190,917)
Income (Loss) Before Contributions and Transfers	(2,873,437)	160,633	298,088
Capital contributions	—	—	4,585
Transfers in	—	—	31,747
Transfers out	—	—	(20,960)
Net Contributions and Transfers	—	—	15,372
Change in Net Position	(2,873,437)	160,633	313,460
Net Position -Beginning, as previously reported	(19,977,675)	3,973,176	1,578,221
Error corrections	258	—	(84,032)
Net Position - Beginning, as restated	(19,977,417)	3,973,176	1,494,189
Net Position - Ending	\$ (22,850,854)	\$ 4,133,809	\$ 1,807,649

The notes to the financial statements are an integral part of this statement.

State of Washington

			Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$ —	\$ 112,591	\$ 167,502	\$ 43,787	
—	(74,575)	(105,363)	(33,909)	
—	38,016	62,139	9,878	
—	105,463	988,584	1,061,896	
—	—	2,930,111	—	
4,363,732	3,156,588	12,516,798	222,017	
—	1,028,955	1,028,955	—	
—	—	55,549	—	
4,005	9,788	1,105,584	367,404	
4,367,737	4,338,810	18,687,720	1,661,195	
18,696	135,668	1,942,774	455,184	
4,547	30,541	416,707	105,380	
11,680	38,620	581,071	89,039	
7,297	147,124	1,969,330	476,103	
104	1,371	43,185	5,642	
4,190,521	1,711,909	14,462,581	1,302,764	
—	96,345	96,345	—	
—	636,283	636,283	—	
835	11,430	231,530	162,273	
—	727	70,862	313	
4,233,680	2,810,018	20,450,668	2,596,698	
134,057	1,528,792	(1,762,948)	(935,503)	
14,309	205,552	1,480,353	2,919	
(19)	(3,191)	(181,679)	(18,645)	
—	20,105	20,199	18	
29	545	(70,462)	8,048	
14,319	223,011	1,248,411	(7,660)	
148,376	1,751,803	(514,537)	(943,163)	
—	—	4,585	16,430	
—	10,000	41,747	37,295	
(1,382)	(255,551)	(277,893)	(2,877)	
(1,382)	(245,551)	(231,561)	50,848	
146,994	1,506,252	(746,098)	(892,315)	
289,524	972,111	(13,164,643)	(787,314)	
97	(1)	(83,678)	20,414	
289,621	972,110	(13,248,321)	(766,900)	
\$ 436,615	\$ 2,478,362	\$ (13,994,419)	\$ (1,659,215)	

Statement of Cash Flows
PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2024
(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 3,010,023	\$ 2,009,002	\$ 3,688,004
Payments to suppliers	(2,778,044)	(1,934,245)	(2,207,908)
Payments to employees	(331,158)	—	(1,979,515)
Other receipts	67,847	155,062	1,004,539
Net Cash Provided (Used) by Operating Activities	(31,332)	229,819	505,120
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	—	—	31,747
Transfers out	—	—	(20,960)
Operating grants and donations received	9,920	—	22,414
Taxes and license fees collected	94	—	—
Net Cash Provided (Used) by Noncapital Financing Activities	10,014	—	33,201
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest paid	(328)	—	(162,613)
Principal payments on long-term capital financing	(9,142)	—	(338,686)
Proceeds from long-term capital financing	—	—	392,790
Proceeds from sale of capital assets	25	—	14,526
Acquisitions of capital assets	(2,194)	—	(403,305)
Net Cash Provided (Used) by Capital and Related Financing Activities	(11,639)	—	(497,288)
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipt of interest	587,804	94,479	66,348
Proceeds from sale of investment securities	5,597,884	—	927,905
Purchases of investment securities	(6,126,301)	—	(755,231)
Net Cash Provided (Used) by Investing Activities	59,387	94,479	239,022
Net Increase (Decrease) in Cash and Pooled Investments	26,430	324,298	280,055
Cash and cash equivalents, July 1, as restated	114,975	3,365,373	1,276,451
Cash and cash equivalents, June 30	\$ 141,405	\$ 3,689,671	\$ 1,556,506
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (3,980,956)	\$ 66,154	\$ 489,005
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and amortization	10,426	—	208,839
Revenue reduced for uncollectible accounts	70,582	—	1,979
Change in Assets: Decrease (Increase)			
Receivables	(102,029)	184,594	(176,103)
Inventories	—	—	3,503
Prepaid expenses	(3)	—	1,216
Other assets	(3,785)	—	(27,145)
Change in Deferred Outflows of Resources: Increase (Decrease)	11,514	—	52,386
Change in Liabilities: Increase (Decrease)			
Payables	4,003,357	(20,929)	74,779
Change in Deferred Inflows of Resources: Decrease (Increase)	(40,438)	—	(123,339)
Net Cash Provided (Used) by Operating Activities	\$ (31,332)	\$ 229,819	\$ 505,120

The notes to the financial statements are an integral part of this statement.

State of Washington

Continued

			Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$ 4,337,743	\$ 4,065,596	\$ 17,110,368	\$ 1,168,830	
(4,209,577)	(2,720,931)	(13,850,705)	(699,813)	
(24,764)	(180,993)	(2,516,430)	(625,799)	
3,971	6,905	1,238,324	368,557	
107,373	1,170,577	1,981,557	211,775	
—	10,000	41,747	37,295	
(1,382)	(255,551)	(277,893)	(2,877)	
—	566	32,900	713	
—	18,423	18,517	18	
(1,382)	(226,562)	(184,729)	35,149	
(19)	(70)	(163,030)	(24,226)	
(799)	(1,730)	(350,357)	(120,724)	
—	—	392,790	92,249	
—	292	14,843	17,242	
—	(15,458)	(420,957)	(176,258)	
(818)	(16,966)	(526,711)	(211,717)	
11,634	45,837	806,102	2,805	
—	1,216,602	7,742,391	18,761	
—	(2,133,733)	(9,015,265)	(40,228)	
11,634	(871,294)	(466,772)	(18,662)	
116,807	55,755	803,345	16,545	
351,258	335,082	5,443,139	927,023	
\$ 468,065	\$ 390,837	\$ 6,246,484	\$ 943,568	
\$ 134,057	\$ 1,528,792	\$ (1,762,948)	\$ (935,503)	
835	11,430	231,530	162,273	
—	(3,082)	69,479	52	
(26,195)	(381,092)	(500,825)	(156,913)	
—	(4,557)	(1,054)	6,941	
(835)	598	976	1,347	
(245)	(4,240)	(35,415)	(10,046)	
1,125	3,080	68,105	10,609	
1,018	35,463	4,093,688	1,189,554	
(2,387)	(15,815)	(181,979)	(56,539)	
\$ 107,373	\$ 1,170,577	\$ 1,981,557	\$ 211,775	

Statement of Cash Flows
PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2024
(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	\$ —	\$ —	\$ 4,585
Acquisition of capital assets through financing arrangements	1,608	—	59,218
Amortization of annuity prize liability	—	—	—
Increase (decrease) in fair value of investments	485,551	—	1,105
Debt refunding deposited with escrow agent	—	—	168,821
Amortization of debt premium/discount	—	—	(11,032)

The notes to the financial statements are an integral part of this statement.

State of Washington

Concluded

			Governmental Activities	
Health Insurance		Nonmajor Enterprise Funds	Total	Internal Service Funds
\$	—	\$ —	\$ 4,585	\$ 16,431
	—	1,577	62,403	39,694
	—	3,123	3,123	—
	1,157	144,361	632,174	63
	—	—	168,821	—
	—	2,850	(8,182)	6,401

Statement of Fiduciary Net Position

FIDUCIARY FUNDS

June 30, 2024

(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	\$ 2,267	\$ 12,802,690	\$ 49,226	\$ 263,000
Receivables, pension and other employee benefit plans:				
Employers	—	—	263,766	—
Members (net of allowance)	—	—	7,501	—
Interest and dividends	—	—	464,286	—
Investment trades pending	—	500	13,130,014	—
Due from other pension and other employee benefit funds	—	—	45,545	—
Taxes receivable (net of allowance)	—	—	—	1,609,245
Other receivables, all other funds	—	76,351	7,788	5,910
Due from other governments	—	—	—	27,844
Investments:				
Liquidity	—	5,480,216	3,078,792	—
Fixed income	—	4,542,954	25,128,747	—
Public equity	—	—	59,734,481	—
Private equity	—	—	48,107,337	—
Real estate	—	—	32,003,115	—
Tangible assets	—	—	12,862,431	—
Innovations	—	—	1,959,817	—
Security lending collateral	—	—	404,363	—
Other noncurrent assets	—	—	—	117,823
Capital assets:				
Furnishings, equipment, and intangibles	16	—	—	—
Lease assets	1,056	—	—	5,621
Subscription assets	5,096	—	—	—
Accumulated depreciation and amortization	(1,705)	—	—	(2,108)
Total Assets	6,730	22,902,711	197,247,209	2,027,335
DEFERRED OUTFLOWS OF RESOURCES				
	—	—	243	—
Total Assets and Deferred Outflows of Resources	\$ 6,730	\$ 22,902,711	\$ 197,247,452	\$ 2,027,335

The notes to the financial statements are an integral part of this statement.

Statement of Fiduciary Net Position
FIDUCIARY FUNDS

June 30, 2024
(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	\$ 450	\$ —	\$ —	\$ 4,766
Contracts payable	—	—	—	72
Accrued liabilities	665	15,960	14,100,846	98,791
Obligations under security lending agreements	—	—	404,363	—
Notes and leases payable	733	—	—	—
Due to other funds	—	116	—	—
Due to other pension and other employee benefit funds	—	—	45,546	—
Due to other governments	—	441,153	—	648,457
Unearned revenue	—	—	744	—
Total Current Liabilities	1,848	457,229	14,551,499	752,086
Noncurrent Liabilities:				
Unearned revenue	3,870	—	—	—
Other long-term liabilities	—	—	—	7,637
Total Noncurrent Liabilities	3,870	—	—	7,637
Total Liabilities	5,718	457,229	14,551,499	759,723
DEFERRED INFLOWS OF RESOURCES	—	—	337	—
NET POSITION				
Restricted for:				
Pensions	—	—	175,613,253	—
Deferred compensation participants	—	—	7,082,363	—
Local government pool participants	—	22,445,482	—	—
Individuals, organizations, and other governments	1,012	—	—	1,267,612
Total Net Position	\$ 1,012	\$ 22,445,482	\$ 182,695,616	\$ 1,267,612

The notes to the financial statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Position

FIDUCIARY FUNDS

For the Fiscal Year Ended June 30, 2024

(expressed in thousands)

	Private-Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans	Custodial Funds
ADDITIONS				
Contributions:				
Employers	\$ —	\$ —	\$ 3,037,851	\$ —
Members	—	—	2,324,412	—
State	—	—	117,805	—
Participants	—	34,863,863	515,651	854,412
Total Contributions	—	34,863,863	5,995,719	854,412
Investment Income:				
Net appreciation (depreciation) in fair value	—	—	11,747,194	—
Interest and dividends	—	1,105,709	3,346,946	(1,744)
Earnings (loss) on investments	(14)	15,747	—	1,514
Less: Investment expenses	—	—	(864,404)	—
Net Investment Income (Loss)	(14)	1,121,456	14,229,736	(230)
Other Additions:				
Unclaimed property	146,266	—	—	—
Transfers from other plans	—	—	76,126	—
Sales tax collections for other governments	—	—	—	7,533,379
Other	862	15	26,744	282,049
Total Other Additions	147,128	15	102,870	7,815,428
Total Additions	147,114	35,985,334	20,328,325	8,669,610
DEDUCTIONS				
Pension benefits	—	—	6,488,355	—
Contribution refunds	—	—	1,182,813	—
Transfers to other plans	—	—	76,126	—
Administrative expenses	8,993	1,897	3,318	24,823
Distributions to participants	—	34,044,457	422,412	—
Payments of sales tax to other governments	—	—	—	7,509,082
Payments on behalf of retirees for medical benefits	—	—	—	855,466
Other deductions	—	—	—	301,026
Payments to or on behalf of individuals, organizations, and other governments in accordance with state unclaimed property laws	142,595	—	—	—
Total Deductions	151,588	34,046,354	8,173,024	8,690,397
Net Increase (Decrease)	(4,474)	1,938,980	12,155,301	(20,787)
Net Position - Beginning, as previously reported	5,457	20,506,502	170,540,315	1,299,489
Error corrections	29	—	—	(11,090)
Net Position - Beginning, as restated	5,486	20,506,502	170,540,315	1,288,399
Net Position - Ending	\$ 1,012	\$ 22,445,482	\$ 182,695,616	\$ 1,267,612

The notes to the financial statements are an integral part of this statement.

Statement of Net Position

COMPONENT UNITS

June 30, 2024

(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	\$ 311,887	\$ 13,790	\$ 67,885	\$ 405,762	\$ 799,324
Investments	—	—	72,864	66,259	139,123
Receivables (net of allowance)	212,740	8,621	125,452	49,217	396,030
Inventories	32,235	—	9,188	—	41,423
Prepaid expenses	20,485	7,752	48,583	803	77,623
Total Current Assets	577,347	30,163	323,972	522,041	1,453,523
Noncurrent Assets:					
Investments, noncurrent	1,121,164	—	51,310	—	1,172,474
Restricted net pension asset	—	2,876	—	2,117	4,993
Other noncurrent assets	611,089	21	23,731	606,903	1,241,744
Capital assets:					
Land	142,661	—	12,884	34,677	190,222
Buildings	1,006,950	—	553,111	460,952	2,021,013
Other improvements	—	1,783	25,008	176	26,967
Furnishings, equipment, and intangible assets	331,684	83,874	323,285	12,991	751,834
Lease asset	176,738	2,819	147,049	12,875	339,481
Subscription asset	—	3,003	21,357	—	24,360
Accumulated depreciation and amortization	(599,917)	(63,553)	(614,328)	(348,001)	(1,625,799)
Construction in progress	73,813	2,651	11,382	—	87,846
Total Noncurrent Assets	2,864,182	33,474	554,789	782,690	4,235,135
Total Assets	3,441,529	63,637	878,761	1,304,731	5,688,658
DEFERRED OUTFLOWS OF RESOURCES					
	—	6,087	10,690	2,689	19,466
Total Assets and Deferred Outflows of Resources	\$ 3,441,529	\$ 69,724	\$ 889,451	\$ 1,307,420	\$ 5,708,124

The notes to the financial statements are an integral part of this statement.

Statement of Net Position

COMPONENT UNITS

June 30, 2024

(expressed in thousands)

Concluded

	Fred Hutchinson Cancer Center	Health Benefit Exchange	Valley Medical Center	Nonmajor Component Units	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION					
LIABILITIES					
Current Liabilities:					
Accounts payable	\$ 105,622	\$ 6,951	\$ 29,028	\$ 2,133	\$ 143,734
Accrued liabilities	187,746	1,518	150,746	65,286	405,296
Total OPEB liability	—	—	—	3	3
Lease and subscription liabilities	20,816	1,990	20,539	10,972	54,317
Unearned revenue	—	22,353	—	136,643	158,996
Total Current Liabilities	314,184	32,812	200,313	215,037	762,346
Noncurrent Liabilities:					
Bonds and notes payable	1,070,150	—	266,088	—	1,336,238
Net pension liability	—	—	—	1,064	1,064
Total OPEB liability	—	1,719	—	2,589	4,308
Lease and subscription liabilities	174,457	2,336	91,260	47	268,100
Other long-term liabilities	428,824	467	—	39,338	468,629
Total Noncurrent Liabilities	1,673,431	4,522	357,348	43,038	2,078,339
Total Liabilities	1,987,615	37,334	557,661	258,075	2,840,685
DEFERRED INFLOWS OF RESOURCES	5,611	4,764	46,461	3,097	59,933
NET POSITION					
Net investment in capital assets	166,506	25,696	79,262	162,971	434,435
Restricted for:					
Pension	—	4,974	—	2,122	7,096
Other purposes	688,496	—	2,454	11,241	702,191
Unrestricted	593,301	(3,044)	203,613	869,914	1,663,784
Total Net Position	1,448,303	27,626	285,329	1,046,248	2,807,506
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 3,441,529	\$ 69,724	\$ 889,451	\$ 1,307,420	\$ 5,708,124

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, 2024
(expressed in thousands)

	Fred Hutchinson Cancer Center	Health Benefit Exchange	Valley Medical Center	Nonmajor Component Units	Total
EXPENSES	\$ 2,102,011	\$ 120,259	\$ 967,261	\$ 139,805	\$ 3,329,336
PROGRAM REVENUES					
Charges for services	1,367,742	37,461	907,671	59,925	2,372,799
Operating grants and contributions	662,078	84,323	—	76,264	822,665
Total Program Revenues	2,029,820	121,784	907,671	136,189	3,195,464
Net Program Revenues (Expense)	(72,191)	1,525	(59,590)	(3,616)	(133,872)
GENERAL REVENUES (EXPENSES)					
Earnings (loss) on investments	143,337	—	7,235	19,820	170,392
Tax and license revenue	—	—	26,144	27,057	53,201
Other revenues (expenses)	2,656	(339)	76,406	6,357	85,080
Total General Revenues (Expenses)	145,993	(339)	109,785	53,234	308,673
Change in Net Position	73,802	1,186	50,195	49,618	174,801
Net Position - Beginning, as previously reported	1,374,501	26,440	235,134	996,178	2,632,253
Error corrections	—	—	—	452	452
Net Position - Beginning, as restated	1,374,501	26,440	235,134	996,630	2,632,705
Net Position - Ending	\$ 1,448,303	\$ 27,626	\$ 285,329	\$ 1,046,248	\$ 2,807,506

The notes to the financial statements are an integral part of this statement.

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Notes to the Financial Statements

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Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2024

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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 retirement plans 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 (WSU) 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.

Retirement Plans. 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 Firefighters' Retirement System, the Washington State Patrol Retirement System, the Public Safety Employees' Retirement System, the Judicial Retirement System, and the Judges' Retirement Fund. Those retirement systems are composed of 15 defined benefit plans, three of which include a defined contribution component. The director of DRS is appointed by the Governor.

There are additional retirement plans administered outside of the DRS. The Volunteer Firefighters' and Reserve Officers' Relief and Pension Funds are administered through the State Board for Volunteer Firefighters 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 state and regional universities, the state college, the state community and technical colleges, and the Student Achievement Council each administer a separate Higher Education Supplemental Retirement Plan.

The Legislature establishes laws pertaining to the creation and administration of all public retirement plans. The participants of the public retirement plans, together with the state, provide funding for all costs of the plans based upon actuarial valuations. The state establishes benefit levels and approves the actuarial assumptions used in determining contribution levels.

Refer to Note 15 for additional information about the state's pension plans.

Blended Component Units

Blended component units have governing bodies substantively the same as the state or the applicable university, provide services entirely to the primary government, or have total debt outstanding that is expected to be paid entirely, or almost entirely, with resources of the state. 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.

During fiscal year 2024, the Tobacco Settlement Authority paid off all bonds, transferred all remaining funds to the General Fund, and closed its operations.

University of Washington Physicians (UWP) is a nonprofit corporation 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 Primary Care (UW Primary Care) is a nonprofit corporation 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 Primary Care was 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. The entities issue tax-exempt and taxable bonds to finance these activities.

Portage Bay Insurance (PBI) is a wholly-owned subsidiary formed to provide the 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.

Students Book Corporation is a legally separate entity, owned by the students of WSU, which operates bookstores on each of the WSU campuses.

Washington State University Alumni Association (WSUAA) is a nonprofit corporation that is focused on proactively increasing WSUAA membership and expanding the ways alumni and friends of WSU can become engaged with the University.

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 state's discretely presented component units are described below.

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 UW 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 Avenue N
Seattle, WA 98109-1024

Valley Medical Center (VMC) was created in July 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 VMC 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 Economic Development Finance Authority**, the **Washington Health Care Facilities Authority**, the **Washington Higher Education Facilities Authority**, and the **Washington State Housing Finance Commission** (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 UW 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 UW records revenue from CUMG based on the income distribution plan effective December 31, 2008. The UW's patient services receivable includes amounts due from CUMG of \$29.4 million in 2024.

Separate financial statements for CUMG may be obtained from:

Children's University Medical Group
4500 Sand Point Way NE, Suite 100
Seattle, WA 98105

In October 2018, the UW became an equity member in PNWCIN, LLC dba Embright, a Limited Liability Company. Embright is jointly owned by the UW, MultiCare Health System, and LifePoint Health. As a clinically integrated network owned by healthcare provider organizations, Embright enables the members to partner together to further the triple aim of improving the patient care experience and improving the health of populations while reducing costs. Together, the members represent 21 hospitals, more than 8,500 providers, and over 1,500 clinics. As of June 30, 2024, the UW's ownership interest in Embright totaled \$2.5 million.

Financial reports of Embright may be obtained at the following address:

Embright
1114 Post Avenue
Seattle, WA 98101

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.

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 796 accounts that are combined into 54 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. 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.
- **Wildlife and Natural Resources Fund** accounts for the protection, management, and remediation programs of the state's wildlife, habitats, and natural resources, including forests, water, and parks.
- **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; 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. Revenue from the federal government for unemployment benefits is also reported as operating revenues for the Unemployment Compensation Fund as this revenue source provides significant funding for the payment of unemployment benefits – the fund's principal activity. 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, debt service expenditures are 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 and the accrual basis of accounting. 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. 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: [LGIP Annual Comprehensive Financial Reports](#) 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, tangible assets and innovation) 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, 2024, these alternative investments are valued at \$93.88 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, 2024, 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 Prepaids

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 \$7.1 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 fiduciary 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, excluding intangible right-to-use lease assets and subscription 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 and Subscription-Based Information Technology Arrangements

Lessee and Subscription-Based Information Technology Arrangement (SBITA) Activities. The state is a lessee for various noncancellable leases of land, buildings, equipment, and vehicles. The state also has noncancellable SBITAs for the right to use information technology hardware and software.

For leases and SBITAs that meet the capitalization threshold, the state recognizes a lease or subscription liability, respectively, and an intangible right-to-use lease asset or subscription asset (capital assets), respectively, on the Statement of Net Position in the government-wide and proprietary and fiduciary fund financial statements.

For governmental fund financial reporting, the initial value of the lease or subscription liability is reported as other financing sources with a corresponding capital outlay at lease or subscription 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, plus any lease payments made at or before the lease commencement date and 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.

The subscription liability is initially measured at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the amount of the subscription liability, plus

any subscription payments made at or before the subscription commencement date and capitalizable implementation costs, less any vendor incentives received at or before the subscription commencement date. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying asset.

Generally, the state's incremental borrowing rate is used as the discount rate for leases and SBITAs unless the rate that the lessor/vendor 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 payments for a similar asset type and under similar terms at the commencement or remeasurement date. The University of Washington and Washington State University each use an incremental borrowing rate specific to their university as the discount rate for leases and SBITAs.

The lease or subscription term includes the noncancellable periods of the lease or SBITA, respectively, plus any additional periods covered by either the state 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 state and the lessor have a unilateral option to terminate (or if both parties have to agree to extend) are excluded from the lease or subscription term.

Certain payments are evaluated to determine if they should be included in the measurement of the lease and subscription 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 or subscription 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 or subscription asset.

For leases and SBITAs below the capitalization threshold and leases and SBITAs with a maximum possible term of 12 months or less at commencement, an expense/expenditure is recognized based on the provisions of the 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 fiduciary 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 and Washington State University each use an incremental borrowing rate specific to their university 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 state 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 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 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 12 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 280 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 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: [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 16.

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 58 percent of the eligible subscribers in fiscal year 2024. 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 15 Retirement Plans and Note 16 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 3.6 percent of a five-year rolling average of the endowments' market valuation.

The net appreciation available for authorization for expenditure by governing boards totaled \$1.36 billion. This amount is reported as restricted for expendable endowment funds on the government-wide Statement of Net Position.

5. Scholarship Allowances

On the government-wide Statement of Activities and proprietary fund statements, charges for services is reported net of scholarship allowances, which represent the difference between the state charge for tuition and fees and the amount that is paid by the student or third parties on behalf of the student. Estimated discounts and allowances for the year ending June 30, 2024, are \$516.3 million for governmental activities and \$35.2 million for business-type activities.

Note 2

Accounting Changes and Error Corrections

Reporting Change

Effective for fiscal year 2024, the state adopted the new standard, Statement No. 100, *Accounting Changes and Error Corrections*, issued by the Governmental Accounting Standards Board (GASB). This statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. It also addresses corrections of errors in previously issued financial statements. This statement prescribes the accounting and financial reporting requirements for each type of accounting change and error correction.

Change within the Financial Reporting Entity

In fiscal year 2024, the Wildlife and Natural Resources Fund reached the threshold to be reported as a major fund. It was reclassified from a nonmajor governmental fund as shown in column A of the following table.

Corrections of Errors in Previously Issued Financial Statements

The state of Washington implemented a new system to track and account for its leases and subscription-based information technology arrangements (SBITAs) in fiscal year 2024. All lease and SBITA contracts were re-evaluated and the lease and subscription assets, lease and subscription liabilities, lease receivables, and deferred inflows of resources for leases were recalculated using the new software. In addition, all lease assets and lease liabilities were recalculated using the implementation date of June 30, 2022. This change impacted the June 30, 2023, balances of multiple funds on the following line items: receivables (net); other assets, noncurrent; lease assets; subscription assets; accumulated depreciation and amortization; bonds and notes payable; and deferred inflows of resources. The effect of these recalculations are shown in column B of the following table.

During fiscal year 2024, the state determined the National Board Conditional Loan program was not being accounted for properly. Cash and cash equivalents, other receivables (net), and contracts and grants revenue were understated in the General Fund in the fiscal year ended June 30, 2023. The effect of correcting that error is shown in column C of the following table.

During fiscal year 2024, the state determined that cash and cash equivalents and fund balance were overstated in the Higher Education Special Revenue Fund, a major governmental fund, in the fiscal year ended June 30, 2023.

The effect of correcting that error is shown in column D of the following table.

During fiscal year 2024, the state determined general government expenditures and unearned revenue were overstated in the Central Administrative and Regulatory Fund, a nonmajor governmental fund, as a result of billing errors in the fiscal year ended June 30, 2021. The effect of correcting that error is shown in column E of the following table.

The state recorded adjustments, primarily between funds, to the June 30, 2023, balances of capital assets to align with the University of Washington's balances after their transition to a new accounting system. For the fiscal year ended June 30, 2023, capital assets were understated for governmental activities, including the Higher Education Revolving Fund, an internal service fund, and overstated in the Higher Education Student Services Fund, a major enterprise fund. This adjustment impacted all major classes of capital assets. The effect of the adjustments are shown in column F of the following table.

In fiscal year 2023, there was an error in the allocation of balances for retiree insurance benefits from the state's Health Insurance Fund, a major enterprise fund, to the Retiree Health Insurance Fund, a custodial fund. Cash and cash equivalents, accounts payable, accrued liabilities, and the current portion of claims and judgments payable were understated in the Health Insurance Fund; and the participant contributions, cash and cash equivalents, accounts payable, and accrued liabilities were overstated in the Retiree Health Insurance Fund in the fiscal year ended June 30, 2023. The effect of correcting that error is shown in column G of the following table.

In prior fiscal years, the state recorded scholarship allowances as an expense rather than as a reduction of revenue on the statements that use the accrual basis of accounting. As a result, charges for services and expenses for education - higher education and higher education student services were overstated on the government-wide Statement of Activities, and charges for services and miscellaneous expenses were overstated on the proprietary fund statements. This error did not have an impact on net position.

During fiscal year 2024, a change within the financial reporting entity and error corrections resulted in adjustments to and restatements of beginning net position, fund balance, and fund net position for the primary government and the fiduciary funds, as follows (amounts in thousands):

State of Washington

	June 30, 2023, as previously reported	Change within the Financial Reporting Entity (A)	Error Corrections						July 1, 2023, as restated
			(B)	(C)	(D)	(E)	(F)	(G)	
Government-Wide:									
Governmental Activities	\$ 50,415,009	\$ —	\$ 38,687	\$ 3,705	\$ (5,374)	\$ 1,317	\$ 129,595	\$ —	\$ 50,582,939
Business-Type Activities	(13,164,643)	—	4,496	—	—	—	(88,174)	—	(13,248,321)
Total Primary Government	\$ 37,250,366	\$ —	\$ 43,183	\$ 3,705	\$ (5,374)	\$ 1,317	\$ 41,421	\$ —	\$ 37,334,618
Governmental Funds:									
General	\$ 10,164,278	\$ —	\$ (71)	\$ 3,705	\$ —	\$ —	\$ —	\$ —	\$ 10,167,912
Higher Education Special Revenue	5,872,294	—	(1,053)	—	(5,374)	—	—	—	5,865,867
Higher Ed. Endowment & Other Permanent Funds	5,318,569	—	—	—	—	—	—	—	5,318,569
Wildlife and Natural Resources	—	3,146,500	(319)	—	—	—	—	—	3,146,181
Nonmajor Governmental	11,387,513	(3,146,500)	(8)	—	—	1,317	—	—	8,242,322
Total Governmental Funds	\$ 32,742,654	\$ —	\$ (1,451)	\$ 3,705	\$ (5,374)	\$ 1,317	\$ —	\$ —	\$ 32,740,851
Proprietary Funds:									
Workers' Compensation	\$ (19,977,675)	\$ —	\$ 258	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (19,977,417)
Unemployment Compensation	3,973,176	—	—	—	—	—	—	—	3,973,176
Higher Education Student Services	1,578,221	—	4,142	—	—	—	(88,174)	—	1,494,189
Health Insurance	289,524	—	97	—	—	—	—	—	289,621
Nonmajor Enterprise	972,111	—	(1)	—	—	—	—	—	972,110
Total Enterprise Funds	(13,164,643)	—	4,496	—	—	—	(88,174)	—	(13,248,321)
Internal Service Funds	(787,314)	—	7,983	—	—	—	12,431	—	(766,900)
Total Proprietary Funds	\$ (13,951,957)	\$ —	\$ 12,479	\$ —	\$ —	\$ —	\$ (75,743)	\$ —	\$ (14,015,221)
Fiduciary Funds:									
Private-Purpose Trust	\$ 5,457	\$ —	\$ 29	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 5,486
Local Government Investment Pool	20,506,502	—	—	—	—	—	—	—	20,506,502
Pension and Other Employee Benefit Plans	170,540,315	—	—	—	—	—	—	—	170,540,315
Custodial Funds	1,299,489	—	—	—	—	—	—	(11,090)	1,288,399
Total Fiduciary Funds	\$ 192,351,763	\$ —	\$ 29	\$ —	\$ —	\$ —	\$ —	\$ (11,090)	\$ 192,340,702

The Public Stadium Authority, a nonmajor component unit, recorded additional fiscal year 2023 transactions related to receivable leases after the state of Washington's Annual Comprehensive Financial Report was published. In the fiscal year ended June 30, 2023, receivables (net of allowance), other noncurrent assets, deferred inflows of resources, charges for services, and earnings (loss) on investments were understated. The effect of these additional transactions resulted in an increase in the beginning net position of the component units as follows (amounts in thousands):

	June 30, 2023, as previously reported	Error Correction	July 1, 2023, as restated
Component Units:			
Fred Hutchinson Cancer Center	\$ 1,374,501	\$ —	\$ 1,374,501
Health Benefit Exchange	26,440	—	26,440
Valley Medical Center	235,134	—	235,134
Nonmajor Component Units	996,178	452	996,630
Total Component Units	\$ 2,632,253	\$ 452	\$ 2,632,705

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, 2024, \$1.55 billion of the state's deposits with financial institutions were insured or collateralized, with the remaining \$4 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 of the plans and related earnings on those contributions, as managed by the WSIB. The Washington State Retirement System is administered by the Department of Retirement Systems (DRS). The DRS acts as the administering agency for all plans, except for the Volunteer Firefighters' and Reserve Officers' Relief and Pension Principal Funds, which are administered by the Board for Volunteer Firefighter and Reserve Officers, and the Higher Education Retirement Pension Supplemental Benefit Funds, which are administered by

each higher education entity. 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 the 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 investment 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 2024.

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 certain 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, monthly.

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 Firefighters' Retirement Plans 1 and 2; Washington State Patrol Retirement System Plans 1 and

2; Public Safety Employees' Retirement System Plan 2; Volunteer Firefighters' and Reserve Officers' Relief and Pension Principal Funds; 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, and 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 an investment component of each RSF's vintage year 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 market 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 fair 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 Index Investable Market Index with U.S. Gross. 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 funds investment program, and to meet or exceed the return of the Bloomberg 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 fair value at the time of purchase and 6 percent of its fair 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 fair 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 Global Family of Fixed Income Indices). Total fair value of below investment grade credit bonds shall not exceed 15 percent of the fair 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 fair value of below investment grade mortgage-backed, asset-backed, and commercial mortgage-backed securities shall not exceed 5 percent of the fair 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 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 with U.S. Gross, 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.

2. Valuation of Investments

The pension trust funds report 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.

State of Washington

The following table presents fair value measurements as of June 30, 2024:

Pension Trust Funds					
Investments Measured at Fair Value					
June 30, 2024					
(expressed in thousands)					
		Fair Value Measurements Using			
Investments by Fair Value Level	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	
Debt Securities					
Corporate bonds	\$ 14,316,824	\$ —	\$ 14,316,824	\$ —	
U.S. government and agency securities	7,232,475	—	7,232,475	—	
Mortgage and other asset-backed securities	1,938,362	—	1,938,362	—	
Foreign government and agency securities	1,809,143	—	1,809,143	—	
Total Debt Securities	25,296,804	—	25,296,804	—	
Equity Securities					
Common and preferred stock	23,230,166	23,228,257	—	1,909	
Depository receipts	469,708	469,708	—	—	
Real estate investment trusts and other miscellaneous	178,845	178,729	—	116	
Total Equity Securities	23,878,719	23,876,694	—	2,025	
Alternative Investments					
Real estate	987,892	—	—	987,892	
Tangible assets	959,265	959,265	—	—	
Total Alternative Investments	1,947,157	959,265	—	987,892	
Total Investments by Fair Value Level	51,122,680	\$ 24,835,959	\$ 25,296,804	\$ 989,917	
Investments Measured at Net Asset Value (NAV)					
Private equity	48,560,464				
Real estate	31,316,664				
Collective investment trust funds (equity securities)	20,772,989				
Tangible assets	12,024,318				
Innovation	1,978,276				
Total Investments Measured at the NAV	114,652,711				
Total Investments Measured at Fair Value	\$ 165,775,391				
Other Assets (Liabilities) at Fair Value					
Collateral held under securities lending agreements	\$ 408,171	\$ —	\$ 408,171	\$ —	
Margin variation receivable-futures contracts	10,755	10,755	—	—	
Net foreign exchange contracts receivable-forward and spot	(69,125)	—	(69,125)	—	
Obligations under securities lending agreements	(408,171)	—	(408,171)	—	
Total Other Assets (Liabilities) Measured at Fair Value	\$ (58,370)	\$ 10,755	\$ (69,125)	\$ —	

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 and 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. Publicly traded debt securities have fair values derived from proprietary models that use market-based measurements representing 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 and other investments that have noncurrent or “stale” fair 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. One real estate limited partnership in this classification is reported at fair value using valuation techniques for which the significant inputs for the valuation are unobservable.

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 asset investments, including private equity, real estate, tangible assets, and innovation.

Collective Investment Trust Funds. The pension trust funds invest in collective investment trust funds (fund) that allow multiple institutional investors to pool assets into a single fund, providing greater diversification and lower costs. 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 securities.

The funds are passively managed to approximate the total rates of return of the MSCI U.S. Investable Market Index and the MSCI Emerging Markets Investable Market Index. The MSCI U.S. Investable Market Index fund allows contributions and withdrawals on any business day while the MSCI Emerging Markets Investable Market Index fund limits these activities to monthly. 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 delay or suspend the right to make contributions and withdrawals from the fund if it is determined to be reasonably necessary to prevent a material adverse impact on the fund or other investors.

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 the equity of each investment vehicle (or fund), as reported by the investment partner or manager. These investments are valued at approximately \$93.88 billion as of June 30, 2024. 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 may be different than the June 30, 2024, reported net asset value.

The nature of these investments provides for distributions through the sale or liquidation of the underlying assets and long-term capital appreciation and from cash flows from operating activities. 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, 2024

(expressed in thousands)

Liquidation Periods	Investment Type					Total	Percentage of Total
	Private Equity	Real Estate	Tangible Assets	Innovation			
Less than 3 years	\$ 24,652	\$ 2,169	\$ 3,177	\$ —	\$ 29,998	— %	
3 to 9 years	4,378,064	1,629,918	805,472	—	6,813,454	7.3 %	
10 or more years	44,157,748	29,684,577	11,215,669	1,978,276	87,036,270	92.7 %	
Total	\$ 48,560,464	\$ 31,316,664	\$ 12,024,318	\$ 1,978,276	\$ 93,879,722	100.0 %	

Private Equity. This includes 277 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 primary goal of the portfolio is to create value through operational improvements, strategic guidance, and financial

restructuring in order to realize profits on the investments when sold.

Real Estate. This includes 17 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 investment managers provide quarterly fair value estimates of the pension trust funds' net equity interest in each fund. The investment manager adjusts individual assets, long-term debt, and incentive compensation liabilities to fair value at least annually and as frequently as quarterly if material market or operational changes have occurred since the last valuation date. Properties are externally appraised generally once every five years, depending upon the investment. Annual audits of most partnerships include a review of compliance with the partnership's valuation policies.

Tangible Assets. This includes 64 limited liability structures and funds with a primary goal to generate long-term and stable income streams and asset appreciation at least commensurate with inflation.

Innovation. This includes 13 limited liability structures and funds. The primary goal of the portfolio is to provide the pension trust funds with an ability to invest in investment ideas outside the traditional asset classes, with a secondary purpose of providing comfort and demonstrated success before committing large dollar amounts to an investment strategy.

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 securities 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 custodian 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 invested in the CTF, upon request, to make additional investment purchases up to predetermined amounts. As of June 30, 2024, the pension trust funds had total unfunded commitments of \$32.79 billion in the following asset classes: \$18.36 billion in private equity, \$9.17 billion in real estate, \$4.39 billion in tangible assets, and \$878.5 million 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, 2024, was approximately \$571.5 million. The pension trust funds report securities on loan in their respective categories in the Statement of Net Position. At June 30, 2024, cash collateral received totaling \$408.2 million is reported as securities lending obligation, and the fair value of the reinvested cash collateral totaling \$408.2 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 cash and securities received as collateral at June 30, 2024, was \$600.2 million.

During the fiscal year, equity securities were loaned and collateralized by the pension trust funds' agent with cash and U.S. government or U.S. agency securities. 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, 2024 (in millions):

Cash equivalents and other	\$	274.9
U.S. treasuries		192.0
Commercial paper		76.7
Yankee CD		56.6
Total Collateral Held	\$	600.2

During fiscal year 2024, securities lending transactions could be terminated on demand by either the pension trust funds or the borrower. As of June 30, 2024, the cash collateral held had an average duration of 15 days and an average weighted final maturity of 61 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. 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 2024, 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 2024 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 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, 2024, 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, 2024. 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.

State of Washington

Pension Trust Funds

Schedule of Maturities and Effective Duration

June 30, 2024

(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	
Internally managed fixed income						
Corporate bonds	\$ 14,316,824	\$ 197,604	\$ 4,238,441	\$ 6,257,302	\$ 3,623,477	7.0
U.S. government and agency securities	7,192,534	2,262,296	2,680,173	779,906	1,470,159	4.7
Foreign government and agency securities	1,809,143	18,610	410,116	852,758	527,659	7.7
Mortgage and other asset-backed securities	1,363,710	10,566	930,309	385,509	37,326	4.5
Total internally managed fixed income	24,682,211	2,489,076	8,259,039	8,275,475	5,658,621	6.2
Externally managed fixed income						
Mortgage-backed to be announced forwards	574,652	574,652	—	—	—	—
U.S. government and agency securities	39,941	39,941	—	—	—	—
Total externally managed fixed income	614,593	\$ 614,593	\$ —	\$ —	\$ —	—
Total Investments Categorized	25,296,804	\$ 3,103,669	\$ 8,259,039	\$ 8,275,475	\$ 5,658,621	6.1
Investments Not Required to be Categorized:						
Alternative investments	95,826,879					
Equity securities	44,651,708					
Cash and cash equivalents	3,012,425					
Total investments not categorized	143,491,012					
Total Investments	\$168,787,816					

* 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, 2024

(expressed in thousands)

Moody's Equivalent Credit Rating	Investment Type			Total Fair Value
	Mortgage and Other Asset-Backed Securities	Corporate Bonds	Foreign Government and Agency Securities	
Aaa	\$ 632,389	\$ 129,484	\$ —	\$ 761,873
Aa1	1,305,794	119,764	138,684	1,564,242
Aa2	—	49,230	82,369	131,599
Aa3	—	755,386	50,592	805,978
A1	—	958,344	175,729	1,134,073
A2	179	1,548,503	68,675	1,617,357
A3	—	2,657,258	—	2,657,258
Baa1	—	2,176,109	72,972	2,249,081
Baa2	—	2,030,707	421,874	2,452,581
Baa3	—	1,603,652	144,297	1,747,949
Ba1 or lower	—	2,288,387	653,951	2,942,338
Total	\$ 1,938,362	\$ 14,316,824	\$ 1,809,143	\$ 18,064,329

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. The total fair value of below investment grade securities in the fixed income portfolio may not exceed 5 percent. 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, 2024, were rated by Moody's and/or an equivalent national rating organization. There were no below investment grade securities exceeding policy limitations as of June 30, 2024.

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 cost shall exceed 3 percent of the funds' fair value at the time of purchase and 6 percent of fair value at any time. In addition, exposure to any corporate issuer may not exceed 3 percent of the fixed income portfolio's fair value at any time. There was no concentration of credit risk exceeding these policy guidelines as of June 30, 2024.

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 and securities 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 a maximum additional foreign currency exposure at June 30, 2024, of \$808.5 million invested in an emerging market commingled equity investment trust fund.

Pension Trust Funds

Foreign Currency Exposure by Country

June 30, 2024

(expressed in thousands)

	Investment Type in U.S. Dollar Equivalent											
Foreign Currency Denomination	Cash and Cash Equivalents		Debt Securities		Equity Securities		Alternative Assets	Open Foreign Exchange Contracts-Net	Total			
Australia-Dollar	\$	3,300	\$	—	\$	574,796	\$	565,869	\$	4,865	\$	1,148,830
Brazil-Real		4,350		—		297,723		—		1,633		303,706
Canada-Dollar		4,056		—		1,008,466		—		(725)		1,011,797
China-Yuan Renminbi		3,876		12,240		556,089		—		(255)		571,950
Denmark-Krone		576		—		617,690		—		184		618,450
E.M.U.-Euro		8,002		—		3,773,276		4,775,346		10,247		8,566,871
Hong Kong-Dollar		6,691		—		712,119		—		75		718,885
India-Rupee		1,545		—		740,201		—		97		741,843
Indonesia-Rupiah		1,076		—		79,250		—		(1,984)		78,342
Japan-Yen		23,918		—		2,309,087		—		(62,291)		2,270,714
Mexico-Peso		1,290		—		84,592		—		(19,499)		66,383
New Taiwan-Dollar		433		—		618,582		—		(706)		618,309
Norway-Krone		3,834		—		112,808		—		(660)		115,982
Singapore-Dollar		2,596		—		121,641		—		(128)		124,109
South Africa-Rand		261		—		39,711		32,442		20		72,434
South Korea-Won		1,644		—		350,572		—		(7,456)		344,760
Sweden-Krona		3,115		—		366,820		—		521		370,456
Switzerland-Franc		3,502		—		812,999		—		2,805		819,306
Turkey-Lira		956		—		74,197		—		(2,769)		72,384
United Kingdom-Pound		18,334		—		1,753,706		—		9,693		1,781,733
Other		6,908		66,542		331,894		—		(2,792)		402,552
Total	\$	100,263	\$	78,782	\$	15,336,219	\$	5,373,657	\$	(69,125)	\$	20,819,796

8. Derivative Instruments

Pension trust funds are authorized to utilize various derivative 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, 2024, 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, 2024, the pension trust funds counterparty risk was approximately \$262.6 million. The majority of the counterparties (78.9 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, 2024, the pension trust funds had outstanding forward currency contracts with a net unrealized loss of \$69.1 million. The aggregate forward currency exchange contracts receivable and payable were \$13.04 billion and \$13.11 billion, respectively. The contracts have varying maturity dates ranging from September 18, 2024, to March 18, 2026.

At June 30, 2024, the pension trust funds' fixed income portfolio held derivative instrument securities consisting of collateralized mortgage obligations with a fair value of \$45.1 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, 2024 <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	\$ (33,437)	\$ 10,633	\$ 1,730,600
Equity index futures	61,645	121	638
Total	\$ 28,208	\$ 10,754	\$ 1,731,238
Forward Currency Contracts	\$ 57,332	\$ (69,114)	\$ 13,293,903

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 is administered by the Department of Labor and Industries. The fund consists mainly of the investment of insurance premiums collected

from employers in Washington state. 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.
- Global 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 value at the time of purchase, nor shall its fair value exceed 6 percent of the fund's fair value at any time.
- Total fair value of below investment grade credit bonds (as defined by Bloomberg U.S. Global Family of Fixed Income Indices) shall not exceed 5 percent of the total fair 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 may continue to be held provided their total fair value shall not exceed 5 percent of the total fair value of the funds.
- 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 are the Morgan Stanley Capital International (MSCI) All Country World Investable Market Index with U.S. Gross. The global equity portfolio is 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. Although market conditions may cause differences from the targets, those differences should not be material over an extended period of time.

Long term sector allocation targets 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%

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 majority of the return will be generated by current income, and the portfolio will be intentionally constructed to focus on maximizing yield rather than total return.
- The portfolio will be diversified through a combination of factors including capital structure, geography, property type, and number of properties.
- 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

State of Washington

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, 2024:

Workers' Compensation Fund

Investments Measured at Fair Value

June 30, 2024

(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				
Corporate bonds	\$ 11,456,776	\$ —	\$ 11,456,776	\$ —
U.S. government and agency securities	2,737,287	—	2,737,287	—
Foreign government and agency securities	1,197,723	—	1,197,723	—
Mortgage and other asset-backed securities	568,236	—	568,236	—
Total Investments by Fair Value Level	15,960,022	\$ —	\$ 15,960,022	\$ —
Investments Measured at Net Asset Value (NAV)				
Collective investment equity trusts	3,617,526			
Real estate	198,944			
Total investments measured at the NAV	3,816,470			
Total Investments Measured at Fair Value	\$ 19,776,492			

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 have fair values derived from proprietary models using market-based measurements representing 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 equity trust funds and real estate.

Collective Investment Equity Trust Funds. The Workers' Compensation Fund invests in a single collective investment trust fund (fund). The fund is passively managed to track the investment return of a broad, global equity index, the MSCI All Country World Investable Market Index 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 underlying holdings within each fund are publicly traded equity securities.

The fund allows contributions and withdrawals on any business day. The fund manager may choose to delay or suspend the right to make contributions and withdrawals from the fund if it is determined necessary to prevent a material adverse impact on the fund or other investors. At their discretion, they may also require withdrawals to be made partially or wholly in kind.

Real Estate. 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 the equity of each investment fund. 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, and changes in values of foreign currency exchange rates.

The limited partnerships' annual financial statements are audited by independent auditors. These investments are valued at approximately \$198.9 million as of June 30, 2024. 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, 2024, reported net asset value.

The Workers' Compensation Fund currently invests in four limited real estate partnerships. Targeted investment structures within the real estate portfolio include limited liability companies, limited partnerships, joint ventures, commingled funds, and co-investments. Real estate investment managers provide quarterly valuations based on the most recent capital account balance. Individual properties are valued by the investment manager 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 on the investment. Annual audits of most partnerships include a review of compliance with the partnership's valuation policies.

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.

3. 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, 2024, 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, 2024. 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, 2024

(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	
Corporate bonds	\$ 11,456,776	\$ 821,560	\$ 3,588,417	\$ 3,331,418	\$ 3,715,381	7.2
U.S. government and agency securities	2,737,287	547,823	815,319	125,595	1,248,550	8.2
Foreign government and agencies	1,197,723	4,956	687,955	314,163	190,649	5.9
Mortgage and other asset-backed securities	568,236	20,836	492,631	54,769	—	3.5
Total Investments Categorized	15,960,022	\$ 1,395,175	\$ 5,584,322	\$ 3,825,945	\$ 5,154,580	7.1

Investments Not Required to be Categorized:

Collective investment equity trusts	3,617,526
Real estate	198,944
Cash and cash equivalents	100,428
Total investments not categorized	3,916,898
Total Investments	\$ 19,876,920

* Excludes cash and cash equivalents

State of Washington

Investments with multiple credit ratings are presented using the Moody's rating scale as follows:

Workers' Compensation Fund

Investment Credit Ratings

June 30, 2024

(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	\$ 208,579	\$ 320,240	\$ 67,956	\$ 596,775
Aa1	359,657	196,711	192,655	749,023
Aa2	—	133,734	223,132	356,866
Aa3	—	852,134	91,957	944,091
A1	—	1,409,921	313,633	1,723,554
A2	—	2,078,941	74,305	2,153,246
A3	—	2,363,195	—	2,363,195
Baa1	—	2,084,092	—	2,084,092
Baa2	—	1,429,005	148,365	1,577,370
Baa3	—	362,956	23,622	386,578
Ba1 or lower	—	225,847	62,098	287,945
Total	\$ 568,236	\$ 11,456,776	\$ 1,197,723	\$ 13,222,735

4. 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. The total fair value of below investment grade credit bonds shall not exceed 5 percent of the fair value of the funds. 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, 2024, 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. In addition, no more than 15 percent of the long term target allocation for real estate will be invested in the equity position of a single property at the time of acquisition. There was no concentration of credit risk as of June 30, 2024.

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 securities held as securities lending collateral) registered and held in the name of the WSIB for the benefit of the Workers' Compensation Fund.

5. 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, 2024, the only securities held by the Workers' Compensation Fund with foreign currency exposure were \$1.23 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, 2024

(expressed in thousands)

Foreign Currency Denomination	Equity Securities
Australia-Dollar	\$ 64,565
Brazil-Real	16,302
Canada-Dollar	96,903
China-Yuan Renminbi	12,552
Denmark-Krone	31,493
E.M.U.-Euro	261,017
Hong Kong-Dollar	81,548
Japan-Yen	203,901
New Taiwan-Dollar	76,569
Saudi Arabia-Riyal	14,923
Singapore-Dollar	10,636
South Africa-Rand	11,288
South Korea-Won	48,171
Sweden-Krona	30,657
Switzerland-Franc	75,067
United Kingdom-Pound	124,796
Other	66,112
Total	\$ 1,226,500

6. Derivative Instruments

To manage its exposure to fluctuations in interest and currency exchange 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, 2024, the only derivative instrument securities held directly by the Workers' Compensation Fund were collateralized mortgage obligations of \$187.4 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: [LGIP Annual Comprehensive Financial Reports](#), 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 is liquid to enable the State Treasurer to meet all cash requirements that might reasonably be anticipated.

The LGIP is 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 fair 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 2024, the LGIP lent U.S. treasury securities while other securities were received as collateral. At June 30, 2024, the fair value of securities on loan was \$1.91 billion and the fair value of securities received for collateral was \$1.95 billion.

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 2024, 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, 2024, the LGIP had a weighted average maturity of 17 days and a weighted average life of 104 days.

The following schedule presents the LGIP investments and related maturities as of June 30, 2024:

Local Government Investment Pool (LGIP)				
Schedule of Maturities				
June 30, 2024				
(expressed in thousands)				
Investment Type	Amortized Cost	Maturity		
		Less than 1 Year	1-5 Years	
U.S. treasury securities	\$ 9,046,153	\$ 8,473,123	\$ 573,030	
Repurchase agreements	8,400,000	8,400,000	—	
U.S. agency securities	4,569,186	1,431,117	3,138,069	
Interest bearing bank accounts	4,413,690	4,413,690	—	
Supranational securities	297,848	297,848	—	
Certificates of deposit	132,000	132,000	—	
Total Investments	\$ 26,858,877	\$ 23,147,778	\$ 3,711,099	

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.

As of June 30, 2024, U.S. treasury securities comprised 33.7 percent of the total portfolio. U.S. agency securities comprised 17.0 percent of the total portfolio, including Federal Farm Credit Bank (11.5 percent), Federal Home Loan Bank (5.3 percent), and Federal National Mortgage Association (0.2 percent). Supranational securities comprised 1.1 percent of the total portfolio, including Inter-American Development Bank (0.4 percent) and International Bank for Reconstruction and Development (0.7 percent).

Repurchase agreements comprised 31.3 percent of the total portfolio as of June 30, 2024. 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.

6. Repurchase Agreements

The fair value plus accrued income of securities utilized in repurchase agreements must be 102 percent of the value of the repurchase agreement plus accrued interest per policy.

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, 2024, repurchase agreements totaled \$8.40 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 79 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, 2024, the Short-term and Intermediate-term Invested Funds Pools totaled \$2.69 billion. The Invested Funds Long-term Pool owns units in the Consolidated Endowment Fund valued at \$1.20 billion on June 30, 2024. In addition, the Long-term Pool owns a passive global equity index valued at \$242.0 million as of June 30, 2024.

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

2024. University Advancement received 3.0 percent of the average balances in endowment operating and gift accounts in fiscal year 2024. 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.

Under the CEF spending policy approved by the Board of Regents, 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 fair value. Additionally, the policy allows for an administrative fee of 0.9 percent 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 fair value in the Restricted Nonexpendable Net Position category. Of the endowments recorded at current fair value at June 30, 2024, the net deficiency from the original gift value was \$987 thousand.

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 \$167.2 million in fiscal year 2024 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, 2024, was \$449.5 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.

State of Washington

The following schedule presents the fair value of the University's investments by type at June 30, 2024:

University of Washington					
Investments Measured at Fair Value					
June 30, 2024					
(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 securities	\$ 1,527,890	\$ 10,476	\$ 1,517,414	\$	—
U.S. government agency	354,432	10,062	344,370		—
Mortgage-backed	235,872	—	235,872		—
Asset-backed	604,043	—	604,043		—
Corporate and other	423,568	17,595	405,973		—
Total Fixed Income Securities	3,145,805	38,133	3,107,672		—
Equity Securities					
Global equity investments	1,354,473	635,869	718,604		—
Real estate	19,168	16,029	—		3,139
Other	6,340	—	—		6,340
Total Equity Securities	1,379,981	651,898	718,604		9,479
Externally Managed Trusts	144,647	—	—		144,647
Total Investments by Fair Value Level	4,670,433	\$ 690,031	\$ 3,826,276	\$	154,126
Investments Measured at Net Asset Value (NAV)					
Global equity investments	2,172,328				
Absolute return strategy funds	918,068				
Private equity and venture capital funds	974,162				
Real asset funds	227,209				
Other	50,286				
Total Investments Measured at the NAV	4,342,053				
Total Investments Measured at Fair Value	9,012,486				
Cash equivalents at amortized cost	223,191				
Total Investments	\$ 9,235,677				

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 assets, 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.

State of Washington

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, 2024

(expressed in thousands)

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Global equity investments	\$ 2,172,328	\$ 31,707	Monthly to annually	15-180 days
Absolute return strategy funds	918,068	—	Quarterly to annually	30-90 days
Private equity and venture capital funds	974,162	551,307	n/a	—
Real asset funds	227,209	55,706	n/a	—
Other	50,286	23,939	Quarterly to annually	30-95 days
Total Investments Measured at the NAV	\$ 4,342,053			

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, 2024, approximately 78 percent of the value of the investments in this category can be redeemed within 90 days, and approximately 95 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, 2024, approximately 94 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, 2024, approximately 32 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 contains 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, 2024, the University had outstanding commitments to fund alternative investments in the amount of \$662.7 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 2.13 years at June 30, 2024.

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 investment grade and to hold at least 25 percent of their portfolios in obligations of the U.S. government and its agencies. 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 measures presented below represent 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, 2024. The schedule excludes \$50.3 million of fixed income securities held by blended component units. These amounts make up 1.6 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, 2024
(expressed in thousands)

Investment Type	U.S. Government	Investment Grade*	Non- Investment Grade	Not Rated	Total	Effective Duration (in years)
U.S. treasury securities	\$ 1,504,846	\$ —	\$ —	\$ —	\$ 1,504,846	2.21
U.S. government agency	343,976	—	—	—	343,976	4.49
Mortgage-backed	—	62,512	71,601	101,758	235,871	1.52
Asset-backed	4,482	490,732	19,243	89,586	604,043	1.16
Corporate and other	—	341,206	—	65,527	406,733	1.68
Total	\$ 1,853,304	\$ 894,450	\$ 90,844	\$ 256,871	\$ 3,095,469	2.13

* 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, 2024, of \$1.79 billion.

The following schedule, stated in U.S. dollars, details the fair value of foreign denominated securities by currency type:

University of Washington
Consolidated Endowment Fund
Foreign Currency Risk
June 30, 2024
(expressed in thousands)

Foreign Currency	Amount
Australia-Dollar	\$ 44,966
Brazil-Real	53,147
Britain-Pound	263,997
Canada-Dollar	61,815
China-Renminbi	189,279
Denmark-Krone	16,353
E.M.U.-Euro	303,809
Hong Kong-Dollar	43,082
India-Rupee	160,728
Indonesia-Rupiah	11,443
Japan-Yen	162,583
Mexico-Peso	12,138
Norway-Krone	23,107
Singapore-Dollar	22,016
South Africa-Rand	19,404
South Korea-Won	55,431
Sweden-Krona	48,819
Switzerland-Franc	39,133
Taiwan-Dollar	35,245
Other	224,575
Total	\$ 1,791,070

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, 2024, the University had outstanding futures contracts with notional amounts totaling \$133.8 million and accumulated unrealized gains on these contracts totaled \$454 thousand. These accumulated unrealized gains 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, 2024. The University had no hedging derivative instruments or derivative instruments for investment purposes as of June 30, 2024.

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 2024, 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 at the time of investment are rated within one of the three highest credit rating categories 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.
- Purchase of securities which are obligations of governments, government sponsored enterprises or entities either controlled by or domiciled in nations under an authoritarian regime are not allowed.

Additionally, investments in non-government securities, excluding collateral of repurchase agreements, must fall within prescribed limits.

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, 2024:

Office of the State Treasurer

Cash Management Account

Investments Measured at Fair Value

June 30, 2024

(expressed in thousands)

Investments by Fair Value Level	Fair Value Measurements Using			
	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Debt securities				
U.S. government securities	\$ 6,931,874	\$ —	\$ 6,931,874	\$ —
U.S. agency securities	4,680,811	—	4,680,811	—
Supranational securities	1,987,466	—	1,987,466	—
Corporate notes	777,991	—	777,991	—
Total Investments Measured at Fair Value	\$ 14,378,142	\$ —	\$ 14,378,142	\$ —

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, corporate notes, 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 securities held as collateral and the securities underlying the cash collateral are held by the custodian. During fiscal year 2024, 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, 2024, the fair value of securities on loan totaled \$1.17 billion.

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 2024, 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 to mitigate the effect of interest rate risk. 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, 2024:

Office of the State Treasurer

Cash Management Account

Schedule of Maturities

June 30, 2024

(expressed in thousands)

Investment Type	Total Fair Value	Maturity		
		Less than 1 Year	1-5 Years	6-10 Years
U.S. government securities	\$ 7,228,758	\$ 1,463,323	\$ 5,765,435	\$ —
U.S. agency securities	4,730,811	1,937,411	2,793,400	—
Investments with LGIP	3,852,950	3,852,950	—	—
Supranational securities	2,083,466	614,777	1,414,687	54,002
Corporate notes	777,991	123,768	654,223	—
Interest bearing bank accounts	446,606	446,606	—	—
Certificates of deposit	65,581	65,581	—	—
Total Investments	\$ 19,186,163	\$ 8,504,416	\$ 10,627,745	\$ 54,002

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, 2024

(expressed in thousands)

S&P Credit Rating	Investment Type		Total Fair Value
	Corporate Notes	Supranationals	
AAA	\$ 46,047	\$ 1,860,749	\$ 1,906,796
AA+	112,470	222,717	335,187
AA	168,647	—	168,647
AA-	59,307	—	59,307
A+	241,307	—	241,307
A	150,213	—	150,213
Total	\$ 777,991	\$ 2,083,466	\$ 2,861,457

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 fair 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 2024. There were no repurchase agreements as of June 30, 2024.

Note 4

Receivables and Unearned/Unavailable Revenues

A. GOVERNMENTAL FUNDS

Taxes Receivable

Taxes receivable at June 30, 2024, consisted of the following (expressed in thousands):

Taxes Receivable	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds
Property	\$ 2,296,160	\$ —	\$ —
Sales	1,761,774	—	—
Business and occupation	1,172,340	61,398	—
Estate	—	45,625	—
Fuel	—	—	—
Beer and wine	—	—	—
Cannabis	—	—	—
Real estate excise	62,172	9,460	—
Insurance premium	889	—	—
Public utilities	49,629	2	—
Hazardous substance	—	—	—
Other	884,116	3,624	—
Subtotal	6,227,080	120,109	—
Less: Allowance for uncollectible receivables	570,917	405	—
Total Taxes Receivable	\$ 5,656,163	\$ 119,704	\$ —

Receivables

Receivables at June 30, 2024, consisted of the following (expressed in thousands):

Receivables	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds
Public assistance ⁽¹⁾	\$ 412,474	\$ —	\$ —
Accounts receivable	1,356,342	843,487	58,479
Interest	75,032	29,326	3,971
Investment trades pending	61,978	(15,668)	(17,685)
Loans ⁽²⁾	2,519	68,075	—
Long-term contracts ⁽³⁾	2,366	—	13,750
Leases receivable	2,036	345,434	—
Miscellaneous	1,979	1,647	—
Subtotal	1,914,726	1,272,301	58,515
Less: Allowance for uncollectible receivables	488,178	24,467	11
Total Receivables	\$ 1,426,548	\$ 1,247,834	\$ 58,504

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; these 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 \$46.4 million in the Higher Education Special Revenue Fund for student loans and \$859.7 million in Nonmajor Governmental Funds for low income housing, public works, and economic development/revitalization loans.

⁽³⁾ Long-term contracts are for timber sales contracts.

State of Washington

Wildlife and Natural Resources		Nonmajor Governmental Funds		Total	
\$	—	\$	—	\$	2,296,160
	—		10,137		1,771,911
	475		80		1,234,293
	—		—		45,625
	—		142,390		142,390
	—		5,058		5,058
	—		41,087		41,087
	—		12,938		84,570
	—		—		889
	—		2,340		51,971
	31,893		—		31,893
	27		59,174		946,941
	32,395		273,204		6,652,788
	101		6,661		578,084
\$	32,294	\$	266,543	\$	6,074,704

Wildlife and Natural Resources		Nonmajor Governmental Funds		Total	
\$	—	\$	—	\$	412,474
	247,313		834,255		3,339,876
	3,536		31,595		143,460
	2,788		25,551		56,964
	4,816		894,966		970,376
	37,860		39,766		93,742
	9,866		10,549		367,885
	121		891		4,638
	306,300		1,837,573		5,389,415
	12,675		209,150		734,481
\$	293,625	\$	1,628,423	\$	4,654,934

State of Washington

Unearned Revenue

Unearned revenue at June 30, 2024, consisted of the following (expressed in thousands):

Unearned Revenue	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds
Other taxes	\$ 2,134	\$ —	\$ —
Charges for services	138,601	275,502	—
Donable goods	—	—	—
Grants and donations ⁽¹⁾	579,420	10,080	—
Tolls	—	—	—
Transportation	—	—	—
Miscellaneous	436	9,299	—
Total Unearned Revenue	\$ 720,591	\$ 294,881	\$ —

Notes:

⁽¹⁾ Unearned revenue from grants and donations includes \$474.2 million 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, 2024, consisted of the following (expressed in thousands):

Unavailable Revenue	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds
Property taxes	\$ 2,250,618	\$ —	\$ —
Other taxes	1,659,754	54,627	—
Timber sales	2,366	—	13,750
Transportation	—	—	—
Charges for services	3,000	—	—
Miscellaneous	—	—	—
Total Unavailable Revenue	\$ 3,915,738	\$ 54,627	\$ 13,750

State of Washington

Wildlife and Natural Resources		Nonmajor Governmental Funds		Total
\$	—	\$	353	\$ 2,487
	21,858		44,103	480,064
	—		5,891	5,891
	—		59,105	648,605
	—		26,412	26,412
	—		14,206	14,206
	—		16,948	26,683
\$	21,858	\$	167,018	\$ 1,204,348

Wildlife and Natural Resources		Nonmajor Governmental Funds		Total
\$	—	\$	—	\$ 2,250,618
	3,029		25,891	1,743,301
	37,860		39,766	93,742
	—		1,657	1,657
	9,174		123	12,297
	—		13,019	13,019
\$	50,063	\$	80,456	\$ 4,114,634

B. PROPRIETARY FUNDS

Receivables

Receivables at June 30, 2024, consisted of the following (expressed in thousands):

Receivables	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
Accounts receivable	\$ 1,233,871	\$ 1,884,182	\$ 760,693
Interest	156,624	—	1,413
Investment trades pending	722	—	551
Loans	—	—	152
Leases receivable	—	—	5,419
Miscellaneous	90	—	749
Subtotal	1,391,307	1,884,182	768,977
Less: Allowance for uncollectible receivables	286,425	664,302	149,581
Total Receivables	\$ 1,104,882	\$ 1,219,880	\$ 619,396

Unearned Revenue

Unearned revenue at June 30, 2024, 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	\$ —	\$ —	\$ 93,968
Premiums and assessments	2,794	—	—
Miscellaneous	3,211	10,623	181
Total Unearned Revenue	\$ 6,005	\$ 10,623	\$ 94,149

Taxes Receivables

Taxes receivables at June 30, 2024, consisted of \$3.8 million for petroleum products, net of allowance.

C. FIDUCIARY FUNDS

Other Receivables

Receivables at June 30, 2024, consisted of \$90.0 million for interest and other miscellaneous amounts.

Unearned Revenue

Unearned revenue at June 30, 2024, consisted of \$744 thousand for service credit restorations reported in Pension and Other Employee Benefit Plans.

State of Washington

			Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$ 67,062	\$ 923,782	\$ 4,869,590	\$ 103,203	
2,861	15,305	176,203	69	
2,364	1,402	5,039	—	
—	—	152	229	
—	—	5,419	—	
—	2	841	128	
72,287	940,491	5,057,244	103,629	
(183)	2,604	1,102,729	3,554	
\$ 72,470	\$ 937,887	\$ 3,954,515	\$ 100,075	

			Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$ 2,030	\$ 816	\$ 96,814	\$ 6,959	
—	92,863	95,657	—	
—	2	14,017	1,097	
\$ 2,030	\$ 93,681	\$ 206,488	\$ 8,056	

Note 5

Interfund Balances and Transfers

A. INTERFUND BALANCES

Interfund balances as reported in the financial statements at June 30, 2024, consisted of the following (expressed in thousands):

Due To	Due From					
	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Wildlife and Natural Resources	Nonmajor Governmental Funds	Workers' Compensation
General	\$ —	\$ 460,328	\$ —	\$ 27,671	\$ 843,705	\$ 195
Higher Education Special Revenue	105,982	—	737,650	4,091	8,285	1,358
Higher Education Endowment and Other Permanent Funds	—	—	—	170	—	—
Wildlife and Natural Resources	50,452	54	—	—	7,622	5
Nonmajor Governmental Funds	72,625	35,381	2,553	9,512	309,610	23
Workers' Compensation	611	505	—	—	1	—
Unemployment Compensation	1,823	2,197	—	155	759	91
Higher Education Student Services	179	26,738	—	1	11	26
Health Insurance	1	—	—	—	7	—
Nonmajor Enterprise Funds	26,902	8	—	284	3,001	4
Internal Service Funds	76,233	91,630	—	6,225	42,163	6,971
Totals	\$ 334,808	\$ 616,841	\$ 740,203	\$ 48,109	\$ 1,215,164	\$ 8,673

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) \$128.6 million on a revolving loan from the Higher Education Special Revenue Fund to the Higher Education Student Services Fund and (2) \$6.1 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 eight years.

In addition to the interfund balances noted in the schedule above, there are interfund balances of \$45.5 million within the state's Pension Trust Funds.

State of Washington

Due From

Unemployment Compensation	Higher Education Student Services	Health Insurance	Nonmajor Enterprise Funds	Internal Service Funds	Local Government Investment Pool	Totals
\$ 13	\$ 3	\$ 7	\$ 15,881	\$ 217,659	\$ —	\$ 1,565,462
—	158,332	73	282	13,164	—	1,029,217
—	—	—	—	—	—	170
—	—	—	—	860	—	58,993
258	8	20	796	8,028	94	438,908
—	—	—	—	—	—	1,117
—	—	—	15	106	—	5,146
—	—	—	—	—	—	26,955
—	—	—	—	—	—	8
2	15	—	104,160	167	22	134,565
—	111	305	1,426	7,887	—	232,951
\$ 273	\$ 158,469	\$ 405	\$ 122,560	\$ 247,871	\$ 116	\$ 3,493,492

B. INTERFUND TRANSFERS

Interfund transfers as reported in the financial statements for the year ended June 30, 2024, consisted of the following (expressed in thousands):

Transferred From	Transferred To				
	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Wildlife and Natural Resources	Nonmajor Governmental Funds
General	\$ —	\$ 41,106	\$ 300	\$ 18,652	\$ 1,805,115
Higher Education Special Revenue	223,870	—	104	—	44,766
Higher Education Endowment and Other Permanent Funds	—	1,064	—	—	32,036
Wildlife and Natural Resources	554	—	1,514	—	225,943
Nonmajor Governmental Funds	429,136	32,848	—	6,432	1,369,783
Workers' Compensation	—	—	—	—	—
Unemployment Compensation	—	—	—	—	—
Higher Education Student Services	—	12,575	—	—	7,693
Health Insurance	—	—	—	—	1,382
Nonmajor Enterprise Funds	254,753	—	—	—	798
Internal Service Funds	—	278	—	—	1,713
Totals	\$ 908,313	\$ 87,871	\$ 1,918	\$ 25,084	\$ 3,489,229

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, 2024, \$313.7 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 \$76.1 million within the state's Pension Trust Funds.

State of Washington

Transferred To													
Workers' Compensation		Unemployment Compensation		Higher Education Student Services		Health Insurance		Nonmajor Enterprise Funds		Internal Service Funds	Totals		
\$	—	\$	—	\$	—	\$	—	\$	10,000	\$	25,720	\$	1,900,893
	—		—		30,808		—		—		7,712		307,260
	—		—		—		—		—		—		33,100
	—		—		—		—		—		3,000		231,011
	—		—		53		—		—		171		1,838,423
	—		—		—		—		—		—		—
	—		—		—		—		—		—		—
	—		—		—		—		—		692		20,960
	—		—		—		—		—		—		1,382
	—		—		—		—		—		—		255,551
	—		—		886		—		—		—		2,877
\$	—	\$	—	\$	31,747	\$	—	\$	10,000	\$	37,295	\$	4,591,457

Note 6

Capital Assets

Capital assets at June 30, 2024, 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, 2024 (expressed in thousands):

Capital Assets	Balances July 1, 2023*	Additions	Deletions/ Adjustments	Balances June 30, 2024
Capital Assets, Not Being Depreciated:				
Land	\$ 3,084,831	\$ 144,556	\$ (30,425)	\$ 3,198,962
Transportation infrastructure	27,821,864	1,171,670	—	28,993,534
Intangible assets - indefinite lives	35,701	2	—	35,703
Art collections, library reserves, and museum and historical collections	161,646	3,188	(31)	164,803
Construction in progress	2,154,595	834,042	(741,103)	2,247,534
Total Capital Assets, Not Being Depreciated	33,258,637			34,640,536
Capital Assets, Being Depreciated:				
Buildings	17,801,252	632,188	(61,549)	18,371,891
Accumulated depreciation	(8,434,678)	(511,580)	47,754	(8,898,504)
Net buildings	9,366,574			9,473,387
Other improvements	1,767,820	45,467	(7,979)	1,805,308
Accumulated depreciation	(1,080,476)	(38,201)	5,175	(1,113,502)
Net other improvements	687,344			691,806
Furnishings, equipment, and intangible assets	6,492,135	517,131	(169,500)	6,839,766
Accumulated depreciation	(4,379,606)	(304,418)	147,676	(4,536,348)
Net furnishings, equipment, and intangible assets	2,112,529			2,303,418
Infrastructure	1,488,792	70,047	(15,598)	1,543,241
Accumulated depreciation	(860,092)	(43,817)	11,803	(892,106)
Net infrastructure	628,700			651,135
Total Capital Assets, Being Depreciated, Net	12,795,147			13,119,746
Lease and Subscription Assets, Net (see Note 10)	1,559,760	(83,450)	(3,158)	1,473,152
Governmental Activities Capital Assets, Net	\$ 47,613,544			\$ 49,233,434

*Corrections of errors in previously issued financial statements resulted in a decrease in capital assets of \$30.7 million and a decrease in accumulated amortization/depreciation of \$127.3 million. See Note 2 Accounting Changes and Error Corrections for details.

B. BUSINESS-TYPE CAPITAL ASSETS

The following is a summary of business-type capital asset activity for the year ended June 30, 2024 (expressed in thousands):

Capital Assets	Balances July 1, 2023*	Additions	Deletions/ Adjustments	Balances June 30, 2024
Capital Assets, Not Being Depreciated:				
Land	\$ 75,070	\$ 1,563	\$ (2)	\$ 76,631
Art collections	167	—	—	167
Construction in progress	229,326	24,697	(32,222)	221,801
Total Capital Assets, Not Being Depreciated	304,563			298,599
Capital Assets, Being Depreciated:				
Buildings	4,423,736	281,570	(10)	4,705,296
Accumulated depreciation	(1,968,944)	(90,301)	(192)	(2,059,437)
Net buildings	2,454,792			2,645,859
Other improvements	167,036	2,201	(1,789)	167,448
Accumulated depreciation	(90,044)	(5,489)	88	(95,445)
Net other improvements	76,992			72,003
Furnishings, equipment, and intangible assets	1,358,665	60,319	(11,520)	1,407,464
Accumulated depreciation	(1,004,689)	(63,868)	11,172	(1,057,385)
Net furnishings, equipment, and intangible assets	353,976			350,079
Infrastructure	45,337	332	—	45,669
Accumulated depreciation	(27,230)	(1,936)	—	(29,166)
Net infrastructure	18,107			16,503
Total Capital Assets, Being Depreciated, Net	2,903,867			3,084,444
Lease and Subscription Assets, Net (see Note 10)	311,622	(7,532)	(15,024)	289,066
Business-Type Activities Capital Assets, Net	\$ 3,520,052			\$ 3,672,109

*Corrections of errors in previously issued financial statements resulted in a decrease in capital assets of \$131.8 million and a decrease in accumulated amortization/depreciation of \$43.2 million. See Note 2 Accounting Changes and Error Corrections for details.

C. DEPRECIATION AND AMORTIZATION

Depreciation/amortization expense for the year ended June 30, 2024, was charged by the primary government as follows (expressed in thousands):

	Lease Assets	Subscription Assets	Remaining Capital Assets, being depreciated
Governmental Activities:			
General government	\$ 44,572	\$ 46,066	\$ 97,179
Education - elementary and secondary (K-12)	164	315	3,899
Education - higher education	49,235	37,047	479,251
Human services	80,372	17,951	90,219
Adult corrections	8,454	4,922	46,986
Natural resources and recreation	5,464	2,433	61,664
Transportation	12,054	4,498	118,818
Total Depreciation/Amortization Expense - Governmental Activities *	\$ 200,315	\$ 113,232	\$ 898,016
Business-Type Activities:			
Workers' compensation	\$ 7,456	\$ 1,790	\$ 1,180
Unemployment compensation	—	—	—
Higher education student services	42,917	14,143	151,779
Health Insurance	795	—	40
Other	1,260	1,574	8,596
Total Depreciation/Amortization Expense - Business-Type Activities	\$ 52,428	\$ 17,507	\$ 161,595

*Includes internal service fund depreciation/amortization expense that was allocated to governmental activities as a component of net internal service fund activity in the amounts of \$16.4 million for lease assets, \$37.6 million for subscription assets, and \$108.2 million for other capital assets, being depreciated/amortized.

D. CONSTRUCTION IN PROGRESS

Major construction commitments of the state at June 30, 2024, are as follows (expressed in thousands):

		Continued
Agency / Project Commitments	Construction in Progress June 30, 2024	Remaining Project Commitments
Office of Financial Management:		
One Washington	\$ 117,353	\$ 102,000
Department of Retirement Systems:		
CORE: Pension Administration Modernization	11,360	54,640
Department of Enterprise Services:		
Legislative campus modernization and other projects	125,478	136,904
Liquor and Cannabis Board:		
Systems modernization project	24,396	—
Washington State Patrol:		
Crime labs and other projects	818	18,769
Department of Labor and Industries:		
Division of Occupational Safety and Health Lab and Training Facility	50,465	1,925
Military Department:		
Thurston County and Anacortes Readiness Centers, and other projects	28,390	4,586
Department of Social and Health Services:		
Residential, rehabilitation, and other facilities	63,053	57,858
State hospitals / treatment centers	260,363	727,578
Department of Children, Youth, and Families:		
Green Hill School, Echo Glen, and other projects	43,586	19,618
Department of Corrections:		
Correctional center units security and safety improvements	20,106	6,704
Other projects	2,953	20,260
Center for Deaf and Hard of Hearing Youth:		
Academic and physical education facility	46,187	7,943
Department of Transportation:		
Olympic and Dayton Ave Regional Headquarter building projects	74,077	1
State ferry vessels and terminals	534,689	9,254
Transportation infrastructure	—	1,170,021
Other projects	3,373	6,470
State Parks and Recreation Commission:		
Schafer State Park and Mount Spokane facility relocations, and other projects	11,128	12,357
Department of Fish and Wildlife:		
Deschutes Watershed and Wooten Wildlife Area projects	16,433	33,651
Naselle, Wallace River, and Washougal hatcheries, and other hatchery projects	31,458	47,091
Other projects	27,218	48,306

State of Washington

		Concluded
Agency / Project Commitments	Construction in Progress June 30, 2024	Remaining Project Commitments
Department of Natural Resources:		
Abernathy site and other projects	\$ 7,606	\$ 21,341
Employment Security Department:		
Internal Accounting Financial System, WorkSource Integrated Technology, Long-Term Services and Support System, and other projects	13,651	36,859
University of Washington:		
Husky Stadium team meal kitchen	32,016	1,951
Magnuson Health Sciences Center renovation	206,564	142,710
UW Medical Center expansion, upgrades, and renovation projects	75,110	55,163
Other projects	19,242	18,998
Washington State University:		
Rogers and Orton renovations and other housing and dining projects	1,075	759
Taylor Sports Complex, Champions Center, and other athletics projects	17,470	14,571
Voiland College of Engineering and Architecture New Student Success Building, Eastlick-Abelson Renovation, and other facility projects	28,444	140,715
Other projects	11,709	24,142
Eastern Washington University:		
Science Building renovation, Rozell boiler, and other projects	78,189	76,681
Central Washington University:		
Health Education building and other projects	106,838	—
The Evergreen State College:		
Seminar Building renovation and other projects	12,480	29,915
Western Washington University:		
Electrical Engineering and Computer Science Building and other projects	66,285	87,839
Community and Technical Colleges:		
Bates Technical College Fire Services Building	1,713	38,754
Bellevue Center for Transdisciplinary Learning and other projects	3,949	36,989
Clark College Boschma Farms	44,147	—
Pierce College buildings and other projects	57,887	20,594
Seattle Library renovation and other projects	48,196	1,625
Spokane various capital projects	37,040	9,827
Tacoma Center for Innovative Learning and Engagement and other projects	22,175	24,622
Other community college projects	56,055	38,411
Other Agency Projects:	28,610	7,561
Total Construction in Progress	<u>\$ 2,469,335</u>	<u>\$ 3,315,963</u>

Note 7

Long-Term Liabilities

A. BONDS AND NOTES PAYABLE

Bonds payable at June 30, 2024, 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 2024 is \$2.15 billion.

This computation excludes specific bond issues and types that are not secured by general state revenues. Of the \$21.66 billion general obligation bond debt principal outstanding at June 30, 2024, \$14.16 billion is subject to the limitation.

Based on the debt limitation calculation, the debt service requirements as of June 30, 2024, 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: [Report on the State of Washington's Debt Limitation](#) or to Schedule 11 in the Statistical Section of this report.

Authorized But Unissued

The state had a total of \$14.35 billion in general obligation bonds authorized but unissued as of June 30, 2024, for the purpose of capital construction, transportation, and various other projects throughout the state.

Interest Rates

Interest rates on fixed rate general obligation bonds range from 0.47 to 5.70 percent. Interest rates on revenue bonds range from 0.19 to 10.00 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: [Annual Reports](#).

State of Washington

Total debt service requirements to maturity for general obligation bonds as of June 30, 2024, are as follows (expressed in thousands):

General Obligation Bonds	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2025	\$ 1,175,750	\$ 1,076,737	\$ —	\$ —	\$ 1,175,750	\$ 1,076,737
2026	1,180,076	1,031,294	—	—	1,180,076	1,031,294
2027	1,183,254	977,583	—	—	1,183,254	977,583
2028	1,179,231	925,679	—	—	1,179,231	925,679
2029	1,198,147	872,107	—	—	1,198,147	872,107
2030-2034	5,726,966	3,274,766	—	—	5,726,966	3,274,766
2035-2039	4,772,870	1,941,786	—	—	4,772,870	1,941,786
2040-2044	3,653,815	854,769	—	—	3,653,815	854,769
2045-2049	1,586,634	173,475	—	—	1,586,634	173,475
Total Debt Service Requirements	\$ 21,656,743	\$ 11,128,196	\$ —	\$ —	\$ 21,656,743	\$ 11,128,196

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, 2024, include \$959.9 million in governmental activities and \$1.83 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, 2024, are as follows (expressed in thousands):

Revenue Bonds	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2025	\$ 112,965	\$ 62,065	\$ 163,090	\$ 93,274	\$ 276,055	\$ 155,339
2026	55,296	58,605	94,915	89,352	150,211	147,957
2027	58,425	56,161	96,700	85,189	155,125	141,350
2028	66,105	53,523	110,916	80,844	177,021	134,367
2029	64,652	50,733	104,711	75,931	169,363	126,664
2030-2034	330,004	211,521	528,293	312,754	858,297	524,275
2035-2039	362,088	131,607	517,646	192,739	879,734	324,346
2040-2044	249,954	63,104	357,425	83,443	607,379	146,547
2045-2049	155,583	29,132	176,296	23,005	331,879	52,137
2050-2054	45,608	4,218	5,483	315	51,091	4,533
Total Debt Service Requirements	\$ 1,500,680	\$ 720,669	\$ 2,155,475	\$ 1,036,846	\$ 3,656,155	\$ 1,757,515

Governmental activities include revenue bonds 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. During fiscal year 2024, TSA paid off all bonds and transferred all remaining funds to the General Fund. For the current year, pledged revenue was \$13.3 million and debt service was \$35.1 million.

Governmental activities include grant anticipation revenue bonds outstanding at June 30, 2024, of \$57.3 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 \$58.7 million, payable through 2024. For the current year, both pledged revenue and debt service were \$98.5 million.

Governmental activities include the Transportation Infrastructure Finance and Innovation Act Bond (TIFIA Bond) outstanding at June 30, 2024, of \$275.2 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 \$451.2 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, 2024, of \$21.3 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 \$23.7 million, payable through 2029. For the current year, both pledged revenue and debt service were \$4.5 million.

Governmental activities include revenue bonds outstanding at June 30, 2024, of \$186.9 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 \$269.7 million, payable through 2039. For the current year, both pledged revenue and debt service were \$18.1 million.

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.

State of Washington

Total pledged specific revenues for the state's colleges and universities to repay the principal and interest of revenue bonds as of June 30, 2024, 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	\$ 35,153	\$ 12,440	\$ —
Current year debt service	20,250	7,231	202
Total future revenues pledged *	345,919	107,822	2,023
Description of debt	Housing and dining bonds issued in 2010-2022	Student facilities bonds issued in 2013-2022	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
Ending year of commitment	2026-2049	2034-2047	2034
Percentage of debt service to pledged revenues (current year)	57.60 %	58.13 %	— %

* Total future principal and interest payments.

Other Notes Payable

Total debt service requirements for other notes payable to maturity as of June 30, 2024, are as follows (expressed in thousands):

Notes Payable	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2025	\$ 994	\$ —	\$ —	\$ —	\$ 994	\$ —
2026	50	—	—	—	50	—
Total	\$ 1,044	\$ —	\$ —	\$ —	\$ 1,044	\$ —

B. CERTIFICATES OF PARTICIPATION

Certificates of participation at June 30, 2024, 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.

State of Washington

Total debt service requirements for certificates of participation to maturity as of June 30, 2024, are as follows (expressed in thousands):

Certificates of Participation	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2025	\$ 132,861	\$ 46,221	\$ 6,760	\$ 2,352	\$ 139,621	\$ 48,573
2026	63,830	21,115	19,396	6,416	83,226	27,531
2027	59,079	17,960	17,953	5,458	77,032	23,418
2028	50,900	15,309	15,467	4,652	66,367	19,961
2029	39,617	13,111	12,039	3,984	51,656	17,095
2030-2034	126,060	43,082	38,307	13,091	164,367	56,173
2035-2039	86,132	18,493	26,173	5,619	112,305	24,112
2040-2044	29,915	4,269	9,090	1,297	39,005	5,566
2045-2049	1,507	75	459	23	1,966	98
Total Debt Service Requirements	\$ 589,901	\$ 179,635	\$ 145,644	\$ 42,892	\$ 735,545	\$ 222,527

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 September 6, 2023, Washington State University issued \$19.5 million in general revenue refunding bonds with an average interest rate of 5.00 percent to refund \$20.0 million of general revenue bonds to fund various capital projects with an average interest rate of 5.00 percent. The refunding resulted in \$1.2 million gross debt service savings over the next 10 years and an economic gain of \$1.6 million.

On November 21, 2023, the state issued \$289.7 million in various purpose general obligation refunding bonds with an average interest rate of 5.00 percent to refund \$311.5 million of various purpose general obligation bonds with an average interest rate of 5.00 percent. The refunding

resulted in \$38.7 million gross debt service savings over the next 15 years and an economic gain of \$29.4 million.

Also on November 21, 2023, the state issued \$181.8 million in motor vehicle fuel tax general obligation refunding bonds with an average interest rate of 5.00 percent to refund \$196.0 million of motor vehicle fuel tax general obligation bonds with an average interest rate of 5.00 percent. The refunding resulted in \$20.6 million gross debt service savings over the next 15 years and an economic gain of \$18.0 million.

On April 1, 2024, the state issued \$1.09 billion in motor vehicle fuel tax general obligation refunding bonds with an average interest rate of 5.00 percent to refund \$1.22 billion of motor vehicle fuel tax general obligation bonds with an average interest rate of 5.24 percent. The refunding resulted in \$22.7 million gross debt service savings over the next 17 years and an economic gain of \$18.8 million.

On June 18, 2024, Washington State University issued \$12.6 million in general revenue refunding bonds with an average interest rate of 5.00 percent to refund \$13.4 million of general revenue bonds to fund the construction of a clean technology laboratory building with an average interest rate of 5.00 percent. The refunding resulted in \$770 thousand gross debt service savings over the next 15 years and an economic gain of \$1.0 million.

Business-Type Activities

On September 6, 2023, Washington State University issued \$731 thousand in general revenue refunding bonds with an average interest rate of 5.00 percent to refund \$1.9 million of general revenue bonds to fund various housing and dining projects with an average interest rate of 5.00 percent. The refunding resulted in \$1.1 million

gross debt service savings over the next two years and an economic gain of \$639 thousand.

On February 15, 2024, the University of Washington issued \$168.1 million in general revenue refunding bonds with an average interest rate of 5.00 percent to refund \$221.9 million of general revenue bonds to fund various capital projects with an average interest rate of 2.64 percent. The refunding resulted in \$29.0 million gross debt service savings over the next 18 years and an economic gain of \$19.4 million.

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.

Revenue Bond Debt

On June 30, 2024, \$31.2 million of revenue bond debt outstanding is considered defeased.

Changes in the balances of workers' compensation claims liabilities during fiscal years 2023 and 2024 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
2023	\$ 38,702,756	3,768,468	(2,799,764)	\$ 39,671,460
2024	\$ 39,671,460	6,904,840	(2,923,050)	\$ 43,653,250

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.

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

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, 2024, \$59.78 billion of unpaid claims and claim adjustment expenses are presented at their net present and settlement value of \$43.65 billion. These claims are discounted at assumed interest rates of 1.5 percent for non-pension and cost of living adjustments, 5.5 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 \$43.65 billion as of June 30, 2024, include \$27.18 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.

The remaining claims liabilities of \$16.48 billion are fully funded by long-term investments, net of obligations under securities lending agreements.

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.

As of June 30, 2024, 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 \$2.49 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.

State of Washington

Changes in the balances of risk management claims liabilities during fiscal years 2023 and 2024 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
2023	\$ 1,556,098	178,467	(183,706)	(32,697)	\$ 1,518,162
2024	\$ 1,518,162	2,256,317	(1,252,032)	(31,904)	\$ 2,490,543

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, 2024, health insurance claims liabilities totaling \$208.4 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 2023 and 2024 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
2023	\$ 241,234	2,590,412	(2,652,661)	\$ 178,985
2024	\$ 178,985	3,073,551	(3,044,094)	\$ 208,442

E. POLLUTION REMEDIATION

The liability report for pollution remediation obligations 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 45 projects in progress for which the state has recorded a liability of \$164.6 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, 2024, the state has recorded a liability of \$140.0 million for remaining project commitments.

Overall, the state has recorded a pollution remediation liability of \$304.6 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 liability reported for asset retirement obligations 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 0-15 years.

The state has recorded an asset retirement obligation of \$31.8 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 assets. 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, 2024, is reported by the state of Washington within governmental activities and business-type activities, as applicable.

State of Washington

Long-term liability activity for governmental activities for fiscal year 2024 is as follows (expressed in thousands):

Governmental Activities:	Beginning Balance July 1, 2023*	Additions	Reductions	Ending Balance June 30, 2024	Amounts Due Within One Year
Long-Term Debt:					
GO Bonds Payable:					
General obligation (GO) bonds	\$ 20,773,790	\$ 3,608,205	\$ 2,862,250	\$ 21,519,745	\$ 1,149,910
GO - zero coupon bonds (principal)	164,228	—	27,230	136,998	25,840
Subtotal - GO bonds payable	20,938,018	3,608,205	2,889,480	21,656,743	1,175,750
Accreted interest - GO - zero coupon bonds	292,260	—	26,520	265,740	52,295
Revenue bonds payable	1,577,628	32,149	109,097	1,500,680	112,965
Plus: Unamortized premiums on bonds sold	3,151,570	479,451	266,425	3,364,596	—
Less: Deferred issuance discounts	(58)	—	—	(58)	—
Total Bonds Payable	25,959,418	4,119,805	3,291,522	26,787,701	1,341,010
Other Liabilities:					
Certificates of participation	579,205	96,232	85,536	589,901	132,861
Plus: Unamortized premiums on COPs sold	17,825	5,858	4,314	19,369	—
Claims and judgments payable	2,060,494	1,223,009	344,633	2,938,870	539,018
Installment contracts	768	—	137	631	137
Right-to-use lease liabilities	1,390,027	93,562	174,641	1,308,948	162,983
Subscription liabilities	203,742	127,100	131,078	199,764	87,670
Notes payable	1,205	390	551	1,044	994
Compensated absences	906,703	650,061	552,810	1,003,954	193,041
Net pension liability	1,322,852	884,509	1,145,369	1,061,992	—
Total OPEB liability	3,612,506	3,087,189	2,966,202	3,733,493	94,080
Pollution remediation obligations	298,946	20,198	14,559	304,585	—
Unclaimed property refunds	149,318	41,235	2,997	187,556	1,424
Asset retirement obligations	31,171	629	—	31,800	—
Other	449,776	140,115	152,904	436,987	62,401
Total Other Liabilities	11,024,538	6,370,087	5,575,731	11,818,894	1,274,609
Total Long-Term Debt	\$ 36,983,956	\$ 10,489,892	\$ 8,867,253	\$ 38,606,595	\$ 2,615,619

*Corrections of errors in previously issued financial statements resulted in a decrease in right-to-use lease liabilities of \$3.6 million and a decrease in subscription liabilities of \$69.6 million. Refer to Note 2 Accounting Changes and Error Corrections for more details.

For governmental activities, certificates of participation are being repaid approximately 58.11 percent from the Higher Education Special Revenue Fund, 19.90 percent from the Higher Education Capital Projects Fund (a nonmajor governmental fund), and the balance from various other governmental funds. The claims and judgments payable will be liquidated approximately 84.74 percent by the Risk Management Fund, 8.98 percent by the Higher Education Revolving Fund (both are internal service funds), and the balance by various other governmental funds. The right-to-use lease liabilities will be liquidated approximately 71.43 percent by the General Fund, 6.07 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The subscription liabilities will be liquidated approximately 47.04 percent by the General Fund, 31.12 percent by the Human Services Special Revenue Fund (a nonmajor governmental fund), and the balance by various other governmental funds. The compensated absences liability will be liquidated

approximately 47.18 percent by the General Fund, 31.49 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The net pension liability will be liquidated approximately 50.14 percent by the General Fund, 32.87 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The total OPEB liability will be liquidated approximately 46.70 percent by the General Fund, 33.19 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The pollution remediation liability will be liquidated approximately 72.81 percent by the Wildlife and Natural Resources Special Revenue Fund, and the balance by various other governmental funds. The unclaimed property refunds will be liquidated against the 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.

State of Washington

Long-term liability activity for business-type activities for fiscal year 2024 is as follows (expressed in thousands):

Business-Type Activities	Beginning Balance July 1, 2023*	Additions	Reductions	Ending Balance June 30, 2024	Amounts Due Within One Year
Long-Term Debt:					
Revenue bonds payable	\$ 2,225,985	\$ 387,176	\$ 457,686	\$ 2,155,475	\$ 163,090
Plus: Unamortized premiums on bonds sold	155,390	51,684	29,571	177,503	—
Total Bonds Payable	2,381,375	438,860	487,257	2,332,978	163,090
Other Liabilities:					
Certificates of participation	151,403	74	5,833	145,644	6,760
Plus: Unamortized premiums on COPs sold	23,558	—	959	22,599	—
Claims and judgments payable	40,254,964	6,187,686	2,026,811	44,415,839	3,177,237
Installment contracts	1,458	—	723	735	735
Lottery prize annuities payable	100,606	7,817	14,711	93,712	11,370
Tuition benefits payable	1,142,000	72,098	73,098	1,141,000	110,000
Right-to-use lease liabilities	284,845	54,609	94,016	245,438	43,864
Subscription liabilities	36,318	31,529	12,400	55,447	14,838
Compensated absences	133,462	83,956	81,504	135,914	113,203
Net pension liability	195,540	110,608	141,861	164,287	—
Total OPEB liability	632,899	535,743	530,878	637,764	16,071
Other	158,617	6,286	19,997	144,906	1,562
Total Other Liabilities	43,115,670	7,090,406	3,002,791	47,203,285	3,495,640
Total Long-Term Debt	\$ 45,497,045	\$ 7,529,266	\$ 3,490,048	\$ 49,536,263	\$ 3,658,730

*Corrections of errors in previously issued financial statements resulted in a decrease in right-to-use lease liabilities of \$5.7 million, an increase in subscription liabilities of \$49 thousand, and an increase in claims and judgments payable of \$11.1 million. Refer to Note 2 Accounting Changes and Error Corrections for more details.

Note 8

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 or 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, 2024, balances for the “No Commitment” debt of the state’s financing authorities (expressed in thousands):

Financing Authorities	Principal Balance
Washington State Housing Finance Commission	\$ 7,837,420
Washington Health Care Facilities Authority	5,134,061
Washington Higher Education Facilities Authority	720,713
Washington Economic Development Finance Authority	838,584
Total No Commitment Debt	\$ 14,530,778

Note 9 Conduit Debt

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 a 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, 2024, outstanding COP notes totaled \$136.5 million for 133 local governments participating in the LOCAL program. The state estimates that the LOCAL program liability, if any, would be immaterial to its overall financial condition.

Note 10 Leases and Subscription-Based Information Technology Arrangements

A. LESSEE AND SBITA ACTIVITY

The state leases land, facilities, office equipment, and other assets under a variety of long-term, noncancellable lease agreements. The state also has noncancellable subscription-based information technology arrangements (SBITAs) for the right to use information technology hardware and software.

Lease and subscription assets at June 30, 2024, are reported by the state of Washington within governmental activities and business-type activities, as applicable.

Lease and Subscription Assets

The following is a summary of governmental right-to-use lease and subscription asset activity for the year ended June 30, 2024 (expressed in thousands):

Governmental Activities	Balances July 1, 2023*	Additions	Deletions/ Adjustments	Balances June 30, 2024
Land lease assets	\$ 416,760	\$ —	\$ (200)	\$ 416,560
Accumulated amortization	(30,633)	(10,587)	201	(41,019)
Net land lease assets	<u>386,127</u>			<u>375,541</u>
Building lease assets	1,264,415	108,150	(57,161)	1,315,404
Accumulated amortization	(347,990)	(181,265)	55,789	(473,466)
Net building lease assets	<u>916,425</u>			<u>841,938</u>
Equipment and other lease assets	34,951	403	(3,100)	32,254
Accumulated amortization	(16,843)	(8,463)	3,100	(22,206)
Net equipment and other lease assets	<u>18,108</u>			<u>10,048</u>
Subscription assets	342,206	121,544	(52,176)	411,574
Accumulated amortization	(103,106)	(113,232)	50,389	(165,949)
Net subscription assets	<u>239,100</u>			<u>245,625</u>
Governmental Activities Lease and Subscription Assets, Net	<u>\$ 1,559,760</u>			<u>\$ 1,473,152</u>

*Corrections of errors in previously issued financial statements resulted in a decrease in capital assets of \$302.3 million and a decrease in accumulated amortization of \$269.2 million. Refer to Note 2 Accounting Changes and Error Corrections for more details.

The following is a summary of business-type right-to-use lease and subscription asset activity for the year ended June 30, 2024 (expressed in thousands):

Business-Type Activities	Balances July 1, 2023*	Additions	Deletions/ Adjustments	Balances June 30, 2024
Building lease assets	\$ 281,700	\$ 17,480	\$ (28,840)	\$ 270,340
Accumulated amortization	(73,496)	(31,620)	16,548	(88,568)
Net building lease assets	<u>208,204</u>			<u>181,772</u>
Equipment and other lease assets	114,870	6,374	(17,913)	103,331
Accumulated amortization	(49,584)	(20,808)	16,531	(53,861)
Net equipment and other lease assets	<u>65,286</u>			<u>49,470</u>
Subscription assets	61,253	38,548	(7,453)	92,348
Accumulated amortization	(23,121)	(17,507)	6,104	(34,524)
Net subscription assets	<u>38,132</u>			<u>57,824</u>
Business-Type Activities Lease and Subscription Assets, Net	<u>\$ 311,622</u>			<u>\$ 289,066</u>

*Corrections of errors in previously issued financial statements resulted in a decrease in capital assets of \$24.8 million and a decrease in accumulated amortization of \$26.2 million. Refer to Note 2 Accounting Changes and Error Corrections for more details.

State of Washington

Lease and Subscription Liabilities

The following schedule presents future annual lease payments for governmental and business-type activities as of June 30, 2024 (expressed in thousands):

Right-to-Use Lease Agreements	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2025	\$ 162,983	\$ 31,014	\$ 43,864	\$ 6,253	\$ 206,847	\$ 37,267
2026	129,513	29,253	30,469	5,480	159,982	34,733
2027	104,374	26,942	28,654	4,782	133,028	31,724
2028	80,158	25,187	26,930	4,114	107,088	29,301
2029	59,230	23,837	16,159	3,553	75,389	27,390
2030-2034	168,962	115,594	50,701	12,485	219,663	128,079
2035-2039	100,503	112,962	33,328	5,720	133,831	118,682
2040-2044	68,275	107,310	9,781	2,059	78,056	109,369
2045-2049	60,158	78,967	1,489	1,218	61,647	80,185
2050-2054	93,494	62,318	1,963	789	95,457	63,107
2055-2059	139,456	40,722	2,100	232	141,556	40,954
Thereafter	141,842	11,258	—	—	141,842	11,258
Total	\$ 1,308,948	\$ 665,364	\$ 245,438	\$ 46,685	\$ 1,554,386	\$ 712,049

The following schedule presents future annual SBITA payments for governmental and business-type activities as of June 30, 2024 (expressed in thousands):

Subscription-Based IT Arrangements (SBITAs)	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2025	\$ 87,670	\$ 4,637	\$ 14,838	\$ 2,050	\$ 102,508	\$ 6,687
2026	41,560	3,201	11,640	1,655	53,200	4,856
2027	23,595	2,302	6,840	1,203	30,435	3,505
2028	13,866	1,728	9,905	579	23,771	2,307
2029	11,954	1,250	6,033	516	17,987	1,766
2030-2034	21,119	1,758	6,191	319	27,310	2,077
Total	\$ 199,764	\$ 14,876	\$ 55,447	\$ 6,322	\$ 255,211	\$ 21,198

Variable 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 and subscription liabilities. During the fiscal year ending June 30, 2024, the state of Washington, recognized \$74.2 million for variable and other lease payments not included in the measurement of the lease liability and \$7.4 million for variable and other SBITA payments not included in the measurement of the subscription liability.

As of June 30, 2024, the state of Washington has nine leases that have not yet commenced with lease payments due on an undiscounted basis of \$148.1

million. These leases will commence in fiscal year 2025, with lease terms ranging between 5 and 40 years.

As of June 30, 2024, the state of Washington has two SBITAs that have not yet commenced with payments due on an undiscounted basis of \$1.1 million. These SBITAs will commence in fiscal year 2025, with subscription terms ranging between three and five 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, 2024, the amount recognized as lease revenue and lease interest was \$64.8 million.

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, 2024, the state of Washington, recognized revenue of \$34.5 million for variable lease and other payments not included in the measurement of the lease receivable.

Note 11

Public-Private and Public-Public Partnerships

On January 9, 2017, the State Parks and Recreation Commission entered into an agreement with Daniels Real Estate, to design and construct improvements to the existing facility and operate and maintain the St. Edward's lodge for 62 years, setting and retaining lodge fees. In addition, Daniels Real Estate transferred land to the state in 2017, increasing the size of the lodge grounds. The construction was completed in 2018. The state has recognized capital assets for the land and building improvements and a deferred inflow of resources equal to the initial value of the capital assets. As of June 30, 2024, the land is valued at its historical cost of \$1.5 million, the carrying value of the building improvements is \$46.2 million, and the related deferred inflow of resources is \$47.8 million.

On November 14, 2016, the Washington State Department of Transportation (WSDOT) entered into an agreement with King County to design, construct, operate, and maintain a passenger-only ferry terminal for 75 years at the Seattle Multimodal Terminal on the state's tidelands. The terminal's construction was completed in 2019. King County will set and retain fares and advertising revenue. The state has recognized a receivable for future payments from King County for the tidelands lease discounted by an interest rate of 1.51 percent and a related deferred inflow of resources. As of June 30, 2024, the receivable is \$346 thousand and the deferred inflow of resources is \$342 thousand. The ownership of the building will transfer to WSDOT at the end of the agreement, at which time the building is not expected to have any remaining value.

On July 1, 2021, Washington State University (WSU) entered into a 1,055-month agreement with CP Sagamore University Crossing, LLC to construct and manage student-oriented apartment complexes on the

Pullman campus, known as University Crossing. The operator will set and retain fees. Construction was completed in 2023. As of June 30, 2024, the value of the receivable is \$2.8 million for the future annual fixed payments the operator is required to make, discounted by an interest rate of 3.50 percent. The value of the related deferred inflow of resources as of June 30, 2024, is \$2.4 million. The ownership of the building will transfer to WSU at the end of the agreement, at which time the building is not expected to have any remaining value.

On June 1, 2023, WSU entered into a 713-month agreement with Vineyard Apartments, LLC to build and manage student housing complexes on the Tri-Cities campus. The operator will set and retain fees. Construction was completed in 2018. As of June 30, 2024, the value of the receivable is \$1.9 million for the future monthly fixed payments made by the operator, discounted by an interest rate of 4.44 percent. The value of the deferred inflow of resources as of June 30, 2024, is \$1.8 million. The ownership of the building will transfer to WSU at the end of the agreement, at which time the building is not expected to have any remaining value.

On September 30, 2021, the University of Washington entered into an agreement with Capstone-HS Bothell, LLC to construct and operate a development containing student housing and related amenities at the University of Washington-Bothell campus, known as Husky Village. The agreement includes a grounds lease for 50 years, with an option to extend for an additional 20 years. Construction was completed in July 2023, and the state has recognized capital assets for the building improvements and a deferred inflow of resources equal to the initial value of the the capital assets. As of June 30, 2024, the carrying value of the building improvements is \$17.6 million, and the related deferred inflow of resources is \$17.6 million.

Note 12

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, 2024, consisted of the following (expressed in thousands):

	Primary Government			Discrete Component Units
	Governmental Activities	Business-type Activities	Total	
Deferred Outflows of Resources:				
Refundings of debt	\$ 2,090	\$ 24,555	\$ 26,645	\$ 10,690
Pensions	2,916,071	381,159	3,297,230	7,419
Other postemployment benefits	531,111	198,160	729,271	1,357
Asset retirement obligations	10,384	—	10,384	—
Total Deferred Outflows of Resources	\$ 3,459,656	\$ 603,874	\$ 4,063,530	\$ 19,466
Deferred Inflows of Resources:				
Refundings of debt	\$ 53	\$ 31,852	\$ 31,905	\$ —
Pensions	1,947,461	230,525	2,177,986	4,267
Other postemployment benefits	2,578,755	438,719	3,017,474	3,594
Irrevocable split interest agreements	20,289	—	20,289	—
Right-to-use lease agreements	337,583	245,638	583,221	23,112
Public-private and public-public partnerships	70,034	—	70,034	—
Hedging derivatives	111	—	111	5,611
Other purposes	—	—	—	23,349
Total Deferred Inflows of Resources	\$ 4,954,286	\$ 946,734	\$ 5,901,020	\$ 59,933

Of the \$2.92 billion of deferred outflows of resources related to pensions reported in governmental activities, \$106.6 million is reported in the internal service funds.

Of the remaining \$543.6 million of deferred outflows of resources reported in governmental activities, \$32.0 million is reported in the internal service funds. This amount is comprised of \$29.9 million related to other postemployment benefits and \$2.1 million related to debt refunding.

Of the \$1.95 billion of deferred inflows of resources related to pensions reported in governmental activities, \$69.3 million is reported in the internal service funds.

Of the remaining \$3.01 billion of deferred inflows of resources reported in governmental activities, \$106.3 million is reported in the internal service funds. This amount is comprised of \$106.2 million related to other postemployment benefits and \$53 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 15 and Note 16, respectively.

Under the modified accrual basis of accounting, governmental funds reported \$4.11 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 13

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, 2024, is as follows (expressed in thousands):

Fund Balances	General	Higher Education Special Revenue	Higher Education Endowment and Other Permanent Funds	Wildlife and Natural Resources	Nonmajor Governmental Funds	Total
Nonspendable:						
Permanent funds	\$ —	\$ —	\$ 3,302,986	\$ —	\$ 236,603	\$ 3,539,589
Consumable inventories and prepaids	19,061	54,749	—	2,471	70,375	146,656
Other receivables – long-term	41,868	—	—	—	—	41,868
Total Nonspendable Fund Balance	\$ 60,929	\$ 54,749	\$ 3,302,986	\$ 2,471	\$ 306,978	\$ 3,728,113
Restricted for: *						
Higher education	\$ —	\$ 71,224	\$ 2,673,409	\$ —	\$ —	\$ 2,744,633
Education	—	—	36,701	—	79,635	116,336
Transportation	—	—	—	—	1,794,910	1,794,910
Other purposes	30	—	—	—	3,847	3,877
Human services	293	—	—	—	808,319	808,612
Wildlife and natural resources	4,584	—	1	1,431,874	—	1,436,459
Local grants and loans	23,606	—	—	—	22	23,628
School construction	791	—	—	—	388,585	389,376
Budget stabilization	970,615	—	—	—	—	970,615
Pollution remediation	—	—	—	47,929	—	47,929
Operations and maintenance	—	—	—	—	11,856	11,856
Repair and replacement	—	—	—	—	57,226	57,226
Revenue stabilization	—	—	—	—	49,563	49,563
Deferred sales tax	—	—	—	—	9,000	9,000
Self-Insurance	—	—	—	—	10,000	10,000
Third tier debt service	—	—	—	—	3,182	3,182
Fourth tier debt service	—	—	—	—	2,002	2,002
Total Restricted Fund Balance	\$ 999,919	\$ 71,224	\$ 2,710,111	\$ 1,479,803	\$ 3,218,147	\$ 8,479,204
Committed for:						
Higher education	\$ 296,472	\$ 5,544,110	\$ —	\$ —	\$ 46,170	\$ 5,886,752
Education	1,107	—	—	—	9,524	10,631
Transportation	—	—	—	—	1,035,029	1,035,029
Other purposes	178,974	—	—	334	683,570	862,878
Human services	1,129,296	—	—	—	1,774,255	2,903,551
Wildlife and natural resources	65,477	—	—	2,589,957	34,711	2,690,145
Local grants and loans	231,010	—	—	—	914,807	1,145,817
State facilities	—	—	—	—	30,110	30,110
Debt service	—	—	—	—	405,721	405,721
Total Committed Fund Balance	\$ 1,902,336	\$ 5,544,110	\$ —	\$ 2,590,291	\$ 4,933,897	\$14,970,634
Assigned for:						
Working capital	\$ 2,032,952	\$ 109,939	\$ —	\$ —	\$ —	\$ 2,142,891
Total Assigned Fund Balance	\$ 2,032,952	\$ 109,939	\$ —	\$ —	\$ —	\$ 2,142,891

*Net position restricted as a result of enabling legislation totaled \$10.4 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, 2024, the Budget Stabilization Account had restricted fund balance of \$970.6 million.

Note 14 Deficit Net Position

Risk Management Fund

The Risk Management Fund, an internal service fund, had a deficit net position of \$2.70 billion at June 30, 2024. 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, 2024 (expressed in thousands):

Risk Management Fund	Net Position
Net Position - Beginning, as restated	\$ (1,564,797)
Change in Net Position	(1,130,901)
Net Position - Ending	<u>\$ (2,695,698)</u>

Lottery Fund

The Lottery Fund, an enterprise fund, had a deficit net position of \$27.6 million at June 30, 2024. 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, 2024 (expressed in thousands):

Lottery Fund	Net Position
Net Position - Beginning, as restated	\$ (26,742)
Change in Net Position	(863)
Net Position - Ending	<u>\$ (27,605)</u>

Note 15 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.

The state has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities for all pension plans except for the Higher Education Supplemental Plans.

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.

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 plans, fiduciary net positions 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 2024 (expressed in thousands):

Aggregate Pension Amounts - All Plans	
Pension liabilities	\$ 1,226,279
Pension assets	\$ (5,776,519)
Deferred outflows of resources on pensions	\$ 3,297,230
Deferred inflows of resources on pensions	\$ 2,177,986
Pension expense/expenditures	\$ (567,909)

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 Firefighters' 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 0.20 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. 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: [DRS Annual Financial Reports](#).

State Board for Volunteer Firefighters' and Reserve Officers. As established in chapter 41.24 RCW, the State Board for Volunteer Firefighters' and Reserve Officers administers the Volunteer Firefighters' Relief and Pension Fund and the Reserve Officers' Relief and Pension Fund. Both plans are defined benefit plans. Administration for each plan 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 each higher education institution until the plans are fully funded, at which time the plans will be administered by the DRS.

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 15.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 15.E for a description of the defined contribution component of TRS Plan 3.

Law Enforcement Officers' and Firefighters'. The Law Enforcement Officers' and Firefighters' 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, firefighters, 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, 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 15.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 this plan.

For membership information refer to the table presented in Note 15.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 15.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.

Active WSPRS members do not have to meet a vesting requirement. 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 WSPRS members are vested after the completion of five years of eligible service. 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 2024 are presented in the table in Note 15.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 2024, the state contributed \$96.4 million to LEOFF Plan 2.

Required contribution rates for fiscal year 2024 are presented in the table in Note 15.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 15.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 2024, the state contributed \$300 thousand for JRF and \$6.3 million for JRS.

Actuarial Assumptions

PERS, TRS, LEOFF, PSERS, and WSPRS: The total pension liability (TPL) for each of the plans was determined using the most recent actuarial valuation completed in 2023 with a valuation date of June 30, 2022, rolled forward to the measurement date of June 30, 2023, using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.75 %
Salary increases	3.25 %
Investment rate of return	7.00 %

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, 2022, valuation were based on the results of the 2013-2018 Demographic Experience Study Report and the 2021 Economic Experience Study. Additional assumptions for subsequent events and law changes are current as of the 2022 Actuarial Valuation Report.

The OSA selected a 7.00 percent long-term expected rate of return on pension plan investments. 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 WSIB.

The WSIB uses the CMAs and their target allocation to simulate future investment returns over various time horizons. WSIB's CMAs contain 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.

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 %	1.5 %
Tangible assets	7 %	4.7 %
Real estate	18 %	5.4 %
Global equity	32 %	5.9 %
Private equity	23 %	8.9 %
Total	100 %	

The inflation component used to create the above table is 2.20 percent, and represents the WSIB's long-term estimate of broad economic inflation consistent with their 2021 CMAs.

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.

Assumptions for JRS and JRF mirror those of PERS (primarily mortality), except for the COLA. Members of JRF do not receive a COLA and the JRS COLA is based on a national, instead of local, CPI measure. With consideration to duration of liabilities, a 2.75 percent annual inflation is assumed for JRS.

Discount rate

PERS, TRS, LEOFF, PSERS, and WSPRS: The discount rate used to measure the total pension liability was 7.00 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 described in OSA's Actuarial 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 7.00 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 unfunded actuarial accrued liability. TRS Plan 2/3 rates include a component for TRS Plan 1 unfunded actuarial accrued 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 3.65 percent for the June 30, 2023, measurement date.

Refer to the table in Note 15.B.3 for the change in net pension liability.

Pension Expense

The state recognized the following pension expense for the year ended June 30, 2024 (expressed in thousands):

Pension Expense	
Plans	
PERS Plan 1	\$ 7,400
PERS Plan 2/3	(238,761)
TRS Plan 1	(649)
TRS Plan 2/3	4,725
LEOFF Plan 2	(1,160)
PSERS Plan 2	18,387
WSPRS	(2,053)
JRS	867
JRF	116

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, 2024 (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)	\$ 973,940	\$ (2,095,022)	\$ 18,297	\$ (1,748)	\$ (17,374)	\$ (69,916)
State's proportion	42.67%	51.11%	1.44%	1.42%	0.72%	65.93%
Increase/(decrease)	0.49%	0.12%	0.13%	0.11%	-0.03%	0.38%

Net Pension Liability/(Asset)

WSPRS, JRS, and JRF: The following presents the state's net pension liability/(asset) as of June 30, 2024 (expressed in thousands):

	WSPRS	JRS	JRF
Proportionate share of the collective net pension liability/(asset)	\$ (71,660)	\$ 45,395	\$ (277)

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 7.00 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 (6.00 percent) or 1 percentage point higher (8.00 percent) than the current rate (expressed in thousands):

Net Pension Liability/(Asset)				
Plans	1% Decrease	Current Discount Rate	1% Increase	
PERS Plan 1	\$ 1,360,667	\$ 973,940	\$ 636,417	
PERS Plan 2/3	2,278,588	(2,095,022)	(5,688,220)	
TRS Plan 1	27,850	18,297	9,945	
TRS Plan 2/3	56,455	(1,748)	(49,067)	
LEOFF Plan 2	2,877	(17,374)	(33,947)	
PSERS Plan 2	108,410	(69,916)	(210,654)	
WSPRS	177,773	(71,660)	(273,570)	

JRS and JRF: The following presents the net pension liability/(asset) of the state as an employer, calculated using the discount rate of 3.65 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 (2.65 percent) or 1 percentage point higher (4.65 percent) than the current rate (expressed in thousands):

Net Pension Liability/(Asset)				
Plans	1% Decrease	Current Discount Rate	1% Increase	
JRS	\$ 49,375	\$ 45,395	\$ 41,885	
JRF	(243)	(277)	(309)	

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, 2024, 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	\$ 426,754	\$ 23,408
Changes of assumptions	—	—	Changes of assumptions	879,563	191,710
Net difference between projected and actual earnings on pension plan investments	—	109,865	Net difference between projected and actual earnings on pension plan investments	—	789,530
Change in proportion	—	—	Change in proportion	13,653	3,464
State contributions subsequent to the measurement date	260,256	—	State contributions subsequent to the measurement date	518,349	—
Total	\$ 260,256	\$ 109,865	Total	\$ 1,838,319	\$ 1,008,112

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	\$ 15,226	\$ 246
Changes of assumptions	—	—	Changes of assumptions	13,890	1,377
Net difference between projected and actual earnings on pension plan investments	—	2,649	Net difference between projected and actual earnings on pension plan investments	—	8,386
Change in proportion	—	—	Change in proportion	1,565	1,229
State contributions subsequent to the measurement date	3,114	—	State contributions subsequent to the measurement date	10,251	—
Total	\$ 3,114	\$ 2,649	Total	\$ 40,932	\$ 11,238

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	\$ 7,097	\$ 143	Difference between expected and actual experience	\$ 21,877	\$ 17,991
Changes of assumptions	4,438	1,427	Changes of assumptions	31,280	12,166
Net difference between projected and actual earnings on pension plan investments	—	3,676	Net difference between projected and actual earnings on pension plan investments	—	18,814
Change in proportion	295	93	Change in proportion	1,561	513
State contributions subsequent to the measurement date	1,815	—	State contributions subsequent to the measurement date	43,586	—
Total	\$ 13,645	\$ 5,339	Total	\$ 98,304	\$ 49,484

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	\$ 21,796	\$ 9,914	Difference between expected and actual experience	\$ —	\$ —
Changes of assumptions	63,186	—	Changes of assumptions	—	—
Net difference between projected and actual earnings on pension plan investments	—	47,122	Net difference between projected and actual earnings on pension plan investments	225	—
Change in proportion	—	—	Change in proportion	—	—
State contributions subsequent to the measurement date	22,701	—	State contributions subsequent to the measurement date	6,300	—
Total	\$ 107,683	\$ 57,036	Total	\$ 6,525	\$ —

State of Washington

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	37	—
Change in proportion	—	—
State contributions subsequent to the measurement date	300	—
Total	\$ 337	\$ —

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, 2025.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense in the fiscal years ended June 30 (expressed in thousands):

PERS Plan 1			PERS Plan 2/3			TRS Plan 1			TRS Plan 2/3		
2025	\$	(74,747)	2025	\$	(368,907)	2025	\$	(1,851)	2025	\$	(1,738)
2026	\$	(94,004)	2026	\$	(453,209)	2026	\$	(2,340)	2026	\$	(3,049)
2027	\$	57,961	2027	\$	655,178	2027	\$	1,495	2027	\$	8,766
2028	\$	925	2028	\$	237,755	2028	\$	47	2028	\$	3,811
2029	\$	—	2029	\$	232,187	2029	\$	—	2029	\$	3,607
Thereafter	\$	—	Thereafter	\$	8,854	Thereafter	\$	—	Thereafter	\$	8,046

LEOFF Plan 2			PSERS Plan 2			WSPRS Plan 1/2			JRS		
2025	\$	(1,417)	2025	\$	(11,222)	2025	\$	(9,974)	2025	\$	95
2026	\$	(2,011)	2026	\$	(14,020)	2026	\$	(19,206)	2026	\$	67
2027	\$	3,220	2027	\$	14,159	2027	\$	45,291	2027	\$	45
2028	\$	1,188	2028	\$	2,345	2028	\$	11,835	2028	\$	18
2029	\$	1,283	2029	\$	2,519	2029	\$	—	2029	\$	—
Thereafter	\$	4,228	Thereafter	\$	11,453	Thereafter	\$	—	Thereafter	\$	—

JRF		
2025	\$	15
2026	\$	11
2027	\$	8
2028	\$	3
2029	\$	—
Thereafter	\$	—

2. DRS Plans - Nonemployer Contributing Entity Disclosures

For fiscal year 2024, 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 15.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, 2023, 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 2023, 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, 2023, 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 4 percent of payroll. For fiscal year 2023, the nonemployer contributing entity's proportionate share of the net pension asset was considered substantial at 38.97 percent based on total plan contributions received in fiscal year 2023.

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, 2024 (expressed in thousands).

	LEOFF Plan 1	LEOFF Plan 2
Proportionate share of the collective net pension liability/(asset)	\$ (2,585,743)	\$ (934,779)
State's proportion	87.12%	38.97%
Increase/(decrease)	—%	-0.34%

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 2023 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 7.00 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 (6.00 percent) or 1 percentage point higher (8.00 percent) than the current rate (expressed in thousands):

LEOFF Plan 1 Nonemployer Contributing Entity Proportionate Share of Net Pension Liability/(Asset)	
1% decrease	\$ (2,292,792)
Current discount rate	\$ (2,585,743)
1% increase	\$ (2,839,776)

LEOFF Plan 2 Nonemployer Contributing Entity Proportionate Share of Net Pension Liability/(Asset)	
1% decrease	\$ 154,774
Current discount rate	\$ (934,779)
1% increase	\$ (1,826,486)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2024, the state as a nonemployer contributing entity recognized \$(227.2) million pension expense for LEOFF Plan 1 and \$(61.1) million pension expense for LEOFF Plan 2.

At June 30, 2024, 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	—	171,459
Change in proportion	—	—
State contributions subsequent to the measurement date	—	—
Total	\$ —	\$ 171,459

State of Washington

LEOFF Plan 2	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 381,831	\$ 7,691
Changes of assumptions	238,786	76,785
Net difference between projected and actual earnings on pension plan investments	—	197,797
Change in proportion and difference between state contributions and proportionate share of contributions	15,865	4,979
State contributions subsequent to the measurement date	97,656	—
Total	\$ 734,138	\$ 287,252

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, 2025.

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		
2025	\$	(117,558)
2026	\$	(147,520)
2027	\$	91,512
2028	\$	2,107
2029	\$	—
Thereafter	\$	—

LEOFF Plan 2		
2025	\$	(76,260)
2026	\$	(108,201)
2027	\$	173,262
2028	\$	63,894
2029	\$	69,040
Thereafter	\$	227,495

3. Tables for Plans Administered by the Department of Retirement Systems

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, 2023, the date of the latest actuarial valuation for all plans:

Number of Participating Members				
Plans	Inactive Members (or Beneficiaries) Currently Receiving Benefits	Inactive Members Entitled to But Not Yet Receiving Benefits	Active Members	Total Members
WSPRS 1	1,321	68	209	1,598
WSPRS 2	9	105	508	622
JRS	71	—	—	71
JRF	7	—	—	7
Total	1,408	173	717	2,298

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, 2023, the date of the latest actuarial valuation for all plans (expressed in thousands):

Change in Net Pension Liability/(Asset)	WSPRS		JRS		JRF	
TOTAL PENSION LIABILITY						
Service cost	\$	23,889	\$	—	\$	—
Interest		116,102		2,007		40
Changes of benefit terms		3,100		—		—
Differences between expected and actual experience		(11,163)		(505)		113
Changes of assumptions		—		(444)		(6)
Benefit payments, including refunds of member contributions		(85,322)		(6,622)		(229)
Net Change in Total Pension Liability		46,606		(5,564)		(82)
Total Pension Liability--Beginning		1,676,648		59,969		1,248
Total Pension Liability--Ending	\$	1,723,254	\$	54,405	\$	1,166
PLAN FIDUCIARY NET POSITION						
Contributions--employer	\$	20,862	\$	6,700	\$	300
Contributions--employee		11,160		—		—
Net investment income		118,180		220		32
Benefit payments, including refunds of member contributions		(85,322)		(6,622)		(229)
Administrative expense		(30)		—		—
Other		479		—		—
Net Change in Plan Fiduciary Net Position		65,329		298		103
Plan Fiduciary Net Position--Beginning		1,729,585		8,712		1,340
Plan Fiduciary Net Position--Ending	\$	1,794,914	\$	9,010	\$	1,443
Plan's Net Pension Liability/(Asset)--Beginning	\$	(52,937)	\$	51,257	\$	(92)
Plan's Net Pension Liability/(Asset)--Ending	\$	(71,660)	\$	45,395	\$	(277)

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 2024 were as follows:

Required Contribution Rates	Employer			Employee		
	Plan 1	Plan 2	Plan 3 ¹	Plan 1	Plan 2	Plan 3
<u>PERS</u>						
Members Not Participating in JBM						
State Agencies, Local Government Units	6.36 %	6.36 %	6.36 %	6.00 %	6.36 %	varies ²
Administrative Fee	0.20 %	0.20 %	0.20 %			
PERS Plan 1 UAAL ³	2.97 %	2.97 %	2.97 %			
Total	9.53 %	9.53 %	9.53 %			
State Government Elected Officials	9.54 %	6.36 %	6.36 %	7.50 %	6.36 %	varies ²
Administrative Fee	0.20 %	0.20 %	0.20 %			
PERS Plan 1 UAAL ³	4.46 %	2.97 %	2.97 %			
Total	14.20 %	9.53 %	9.53 %			
Members Participating in JBM						
State Agencies	8.86 %	8.86 %	8.86 %	9.76 %	13.40 %	7.50% ⁴
Administrative Fee	0.20 %	0.20 %	0.20 %			
PERS Plan 1 UAAL ³	2.97 %	2.97 %	2.97 %			
Total	12.03 %	12.03 %	12.03 %			
Local governmental units	6.36 %	6.36 %	6.36 %	12.26 %	15.90 %	7.50% ⁴
Administrative Fee	0.20 %	0.20 %	0.20 %			
PERS Plan 1 UAAL ³	2.97 %	2.97 %	2.97 %			
Total	9.53 %	9.53 %	9.53 %			
<u>TRS</u>						
Members Not Participating in JBM						
State Agencies, Local Government Units	8.06 %	8.06 %	8.06 %	6.00 %	8.06 %	varies ²
Administrative Fee	0.20 %	0.20 %	0.20 %			
TRS Plan 1 UAAL ⁵	1.44 %	1.44 %	1.44 %			
Total	9.70 %	9.70 %	9.70 %			
State Government Elected Officials	8.06 %	8.06 %	8.06 %	7.50 %	8.06 %	varies ²
Administrative Fee	0.20 %	0.20 %	0.20 %			
TRS Plan 1 UAAL ⁵	1.44 %	1.44 %	1.44 %			
Total	9.70 %	9.70 %	9.70 %			
Members Participating in JBM						
State Agencies, Local Government Units	8.06 %	N/A	N/A	9.76 %	N/A	N/A
Administrative Fee	0.20 %	N/A	N/A			
TRS Plan 1 UAAL ⁵	1.44 %	N/A	N/A			
Total	9.70 %					
<u>LEOFF</u>						
Ports and universities	N/A	8.53 %	N/A	N/A	8.53 %	N/A
Administrative fee	0.20 %	0.20 %	N/A			
Total	0.20 %	8.73 %				
Local governmental units	N/A	5.12 %	N/A	N/A	8.53 %	N/A
Administrative Fee	0.20 %	0.20 %	N/A			
Total	0.20 %	5.32 %				
State of Washington	N/A	3.41 %	N/A	N/A	N/A	N/A
<u>WSPRS</u>						
State agency	17.79 %	17.79 %	N/A	8.74 %	8.74 %	N/A
Administrative Fee	0.20 %	0.20 %	N/A			
Total	17.99 %	17.99 %				
<u>PSERS</u>						
State agencies, local governmental units	N/A	6.73 %	N/A	N/A	6.73 %	N/A
Administrative fee	N/A	0.20 %	N/A			
PSERS Plan 1 UAAL ³	N/A	2.97 %	N/A			
Total		9.90 %				

1. Plan 3 defined benefit portion only

2. Variable from 5% to 15% based on rate selected by the member

3. Portion of the employer contribution rates of PERS and PSERS plans to fund the Unfunded Actuarial Accrued Liability (UAAL) of PERS plan 1

4. Minimum rate

5. Portion of the employer contribution rate of TRS plans to fund the UAAL of TRS plan 1

N/A indicates data not applicable.

C. PLANS ADMINISTERED BY THE STATE BOARD FOR VOLUNTEER FIREFIGHTERS AND RESERVE OFFICERS

Volunteer Firefighters' Relief and Pension Fund and Reserve Officers' Relief and Pension Fund

Plan Description. The Volunteer Firefighters' Relief Act was created by the Legislature in 1935, and the pension portion of the act was added in 1945.

Effective July 23 2023, House Bill 1336 split the Volunteer Firefighters' and Reserve Officers' Relief and Pension Fund into two plans; the Volunteer Firefighters' Relief and Pension Fund (VFFRPF) and the Reserve Officers' Relief and Pension Fund (RORPF).

As established in chapter 41.24 RCW, VFFRPF and RORPF are cost-sharing, multiple-employer defined benefit plans that are administered by the State Board for Volunteer Firefighters 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 funds are funded through legislative appropriation.

Plan Members. Membership in the VFFRPF requires volunteer firefighter service with a fire department of an electing municipality of Washington state or emergency work as an emergency medical technician with an emergency medical service district.

Membership in the RORPF requires work as a commissioned reserve law enforcement officer.

At June 30, 2022, plan membership consisted of the following:

Plan Membership	VFFRPF	RORPF
Inactive plan members or beneficiaries currently receiving benefits	4,779	55
Inactive plan members entitled to but not yet receiving benefits	6,000	95
Active plan members*	7,929	63
Total membership	18,708	213

*Does not include 1,661 active plan members who have chosen not to join the pension plan.

Benefits Provided. VFFRPF and RORPF provide 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. As of June 30, 2024, there were approximately 362 municipalities contributing to the plans.

Normal retirement is available at the age of 65 with at least twenty-five years of membership service. The monthly plan benefit formula is \$100 plus \$10 for each month for each year the member made pension contributions. The maximum monthly pension benefit is \$350. Reduced pensions are available for members beginning at the age of 65 with less than twenty-five years of service and for members at the age of 60 with at least twenty-five years of service.

Members are vested after 10 years of service. 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.

At any time prior to retirement or at the time of retirement, a member of either plan 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 or RORPF benefit provisions for the fiscal year ended June 30, 2024.

Contributions. Retirement benefits for both plans 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 2024, the fire insurance premium tax contribution was \$14.8 million.

The contributions and earnings will be split between the two funds proportionate to the membership of each group.

The municipality rate for emergency medical service districts (EMSD) and law enforcement agencies is set each year by the State Board for Volunteer Firefighters 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 2024 were the following:

	Firefighters	EMSD	Reserve Officers
Member fee	\$ 30	\$ 30	\$ 30
Municipality fee	30	110	110
Total fee	\$ 60	\$ 140	\$ 140

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.

The Volunteer Firefighters' and Reserve Officers' (VFFRO) Funds include two separate pension plans: the Volunteer Firefighters' Relief and Pension Principal Fund and the Reserve Officers' Relief and Pension Principal Fund. The investment objectives and policies detailed in this section apply equally to both funds.

The VFFRO invests in Collective Investment Trust Funds (CITs) where investors pool resources into a mutual fund type structure. Individual securities are held within the CIT and investors own shares of each fund. In addition, the VFFRO funds invest in the Daily Valued Bond Fund managed by the WSIB.

Further information about the VFFRO funds investment balances is included in the plan specific sections of the WSIB financial statements and can be found at: [Annual Reports](#).

The Office of the State Treasurer (OST) manages a small portion of the assets for the VFFRO funds. 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, 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, 2024, the annual money-weighted rate of return on the VFFRO funds investments, net of pension plan investment expense, was 14.9 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 municipalities at June 30, 2024, were as follows (dollars expressed in thousands):

Pension Liability	VFFRPF	RORPF
Total pension liability	\$ 257,539	\$ 2,671
Plan fiduciary net position	268,869	3,892
Participating municipality net pension liability/(asset)	\$ (11,330)	\$ (1,221)
Plan fiduciary net position as a percentage of the total pension liability	104.40%	145.71%

Actuarial Assumptions. The VFFRO funds have a long-term expected rate of return of 6.00 percent. For further details, see the *2022 VFF Economic Experience Study*.

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, 2022, 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.

In fiscal year 2022, WSIB established a new set of CMAs as well as a new target asset allocation for the

VFFRO funds. Collectively, this represents the expected asset performance and their weighting.

Best estimates of arithmetic real rates of return for each asset class included in the pension plans' target asset allocation as of June 30, 2024, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global/Public equity	70%	8.1%
Fixed income	30%	3.5%
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 2022 Economic Experience Study located on the OSA website.

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 Actuarial 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)	
	VFFRPF	RORPF
1% decrease	\$ 19,694	\$ (898)
Current discount rate	\$ (11,330)	\$ (1,221)
1% increase	\$ (36,748)	\$ (1,484)

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. RCW 41.50.075, effective fiscal year 2021, created separate Supplemental Retirement Plan (SRP) funds by institution that met the definition of a trust or equivalent arrangements.

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 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 15.E.

Benefits Provided. The Higher Education Supplemental Retirement Plans (SRP) provide retirement, disability, and death benefits to eligible members.

As of July 1, 2011, all Higher Education SRPs 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. For the total pension liability (TPL), we relied on a valuation date of January 1, 2023, and projected the TPL to the measurement date of June 30, 2024.

The total salary growth, based on the August 2021 Higher Education SRP Experience Study, ranged from 3.50 to 4.00 percent.

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 January 1, 2023, valuation were based on the results of the August 2021 Higher Education SRP Experience Study. Additional assumptions related to salary growth were based on feedback from financial administrators of the Higher Education SRPs.

Material assumption changes. Changes in methods and assumptions that occurred between the measurement of the June 30, 2022, TPL and the June 30, 2023, TPL:

- The valuation date was changed from June 30 to January 1. This corresponds with the new data file being provided with participant information as of January 1, 2023.
- Annuity conversion assumptions were updated for the Teachers Insurance and Annuity Association (TIAA) investments based on input from TIAA

and OSA's professional judgment. TIAA contributions and investment earnings annuity conversion changed from contributions made pre-2002/post-2001 converted at 6.00 percent/3.25 percent to contributions pre-2006/post-2005 converted at 7.00 percent/4.00 percent.

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 7.00 percent for the June 30, 2024, 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, 2024, the Higher Education SRPs reported the following for pension expense (expressed in thousands):

Pension Expense		
Plans		
University of Washington (UW)	\$	(52,337)
Washington State University (WSU)		(6,971)
Eastern Washington University (EWU)		(854)
Central Washington University (CWU)		(403)
The Evergreen State College (TESC)		(699)
Western Washington University (WWU)		(1,472)
State Board for Community and Technical Colleges (SBCTC)		(5,729)
Total	\$	(68,465)

State of Washington

Plan Membership. Membership of the Higher Education SRPs consisted of the following at June 30, 2023, the date of the actuarial valuation for all plans rolled forward to the June 30, 2024, measurement date:

Number of Participating Members				
Plans	Inactive Members (or Beneficiaries) Currently Receiving Benefits	Inactive Members Entitled to But Not Yet Receiving Benefits	Active Members	Total Members
University of Washington (UW)	1,289	341	4,117	5,747
Washington State University (WSU)	479	166	1,073	1,718
Eastern Washington University (EWU)	70	33	217	320
Central Washington University (CWU)	70	14	63	147
The Evergreen State College (TESC)	33	15	113	161
Western Washington University (WWU)	84	50	402	536
State Board for Community and Technical Colleges (SBCTC)	407	393	4,071	4,871
Total	2,432	1,012	10,056	13,500

Change in Net Pension Liability/(Asset). The following table presents the change in net pension liability/(asset) of Higher Education SRPs at June 30, 2024 (expressed in thousands):

Change in Net Pension Liability/(Asset)	UW	WSU	EWU	CWU	TESC	WWU	SBCTC
TOTAL PENSION LIABILITY							
Service cost	\$ 4,198	\$ 577	\$ 152	\$ 12	\$ 58	\$ 239	\$ 1,857
Interest	19,094	3,662	698	333	261	1,147	6,364
Changes of benefit terms	—	—	—	—	—	—	—
Differences between expected and actual experience	(41,669)	(6,154)	(1,454)	(265)	(609)	(2,798)	(18,090)
Changes of assumptions	—	—	—	—	—	—	—
Benefit payments	(11,666)	(3,253)	(409)	(501)	(154)	(589)	(3,653)
Net Change in Total Pension Liability	(30,043)	(5,168)	(1,014)	(420)	(444)	(2,000)	(13,521)
Total Pension Liability--Beginning	274,309	53,334	10,023	4,995	3,748	16,443	90,859
Total Pension Liability--Ending	\$ 244,266	\$ 48,166	\$ 9,009	\$ 4,575	\$ 3,305	\$ 14,443	\$ 77,337
PLAN FIDUCIARY NET POSITION							
Contributions--employer	\$ 8,423	\$ 1,097	\$ 176	\$ 179	\$ 48	\$ 243	\$ 903
Contributions--member	—	—	—	—	—	—	—
Net Investment income	9,393	1,737	341	344	128	500	2,945
Benefit payments, including refunds of member contributions	—	—	—	—	—	—	—
Administrative expense	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—
Net Change in Plan Fiduciary Net Position	17,816	2,834	518	523	176	743	3,848
Plan Fiduciary Net Position--Beginning	112,536	21,041	4,161	4,200	1,569	6,117	36,368
Plan Fiduciary Net Position--Ending	\$ 130,352	\$ 23,875	\$ 4,679	\$ 4,724	\$ 1,745	\$ 6,860	\$ 40,216
Plan's Net Pension Liability/(Asset)--Ending	\$ 113,914	\$ 24,290	\$ 4,330	\$ (149)	\$ 1,560	\$ 7,582	\$ 37,121

Note: Figures may not total due to rounding.

State of Washington

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 7.00 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 (6.00 percent) or 1 percentage point higher (8.00 percent) than the current rate (expressed in thousands):

Net Pension Liability/(Asset)			
Plans	1% Decrease	Current Discount Rate	1% Increase
University of Washington (UW)	\$ 139,690	\$ 113,914	\$ 91,762
Washington State University (WSU)	28,722	24,290	20,451
Eastern Washington University (EWU)	5,251	4,330	3,540
Central Washington University (CWU)	186	(149)	(444)
The Evergreen State College (TESC)	1,876	1,560	1,286
Western Washington University (WWU)	9,024	7,582	6,340
State Board for Community and Technical Colleges (SBCTC)	45,214	37,121	30,154
Total	\$ 229,963	\$ 188,648	\$ 153,089

State of Washington

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, the Higher Education SRPs 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
Difference between expected and actual experience	\$ 73,415	\$ 222,177
Changes of assumptions	67,896	117,506
Difference between projected and actual	—	1,820
Total	\$ 141,312	\$ 341,503

Washington State University (WSU)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 7,346	\$ 24,165
Changes of assumptions	7,588	15,564
Difference between projected and actual	—	360
Total	\$ 14,935	\$ 40,089

Eastern Washington University (EWU)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,658	\$ 5,917
Changes of assumptions	1,316	3,458
Difference between projected and actual	—	72
Total	\$ 2,974	\$ 9,446

Central Washington University (CWU)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ —	\$ 44
Changes of assumptions	—	—
Difference between projected and actual	—	71
Total	\$ —	\$ 115

The Evergreen State College (TESC)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 528	\$ 2,217
Changes of assumptions	366	1,005
Difference between projected and actual	—	28
Total	\$ 894	\$ 3,250

Western Washington University (WWU)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,446	\$ 10,740
Changes of assumptions	2,162	4,918
Difference between projected and actual	—	105
Total	\$ 5,607	\$ 15,764

State Board for Community and Technical Colleges (SBCTC)	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 15,974	\$ 33,212
Changes of assumptions	12,281	31,527
Difference between projected and actual	—	646
Total	\$ 28,255	\$ 65,385

Note: Figures may not total due to rounding.

State of Washington

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)		
2025	\$	(53,881)	2025	\$	(9,005)	2025	\$	(1,859)	2025	\$	(141)
2026	\$	(44,564)	2026	\$	(9,792)	2026	\$	(2,356)	2026	\$	44
2027	\$	(78,871)	2027	\$	(6,139)	2027	\$	(1,283)	2027	\$	(9)
2028	\$	(15,888)	2028	\$	(218)	2028	\$	(867)	2028	\$	(9)
2029	\$	(6,987)	2029	\$	—	2029	\$	(107)	2029	\$	—
Thereafter	\$	—	Thereafter	\$	—	Thereafter	\$	—	Thereafter	\$	—

The Evergreen State College (TESC)			Western Washington University (WWU)			State Board for Community and Technical Colleges (SBCTC)		
2025	\$	(936)	2025	\$	(2,411)	2025	\$	(8,900)
2026	\$	(945)	2026	\$	(3,497)	2026	\$	(8,288)
2027	\$	(273)	2027	\$	(2,764)	2027	\$	(13,374)
2028	\$	(202)	2028	\$	(964)	2028	\$	(2,233)
2029	\$	—	2029	\$	(521)	2029	\$	(4,335)
Thereafter	\$	—	Thereafter	\$	—	Thereafter	\$	—

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 15.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 15.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, 2024, there were no active members, 65 inactive members, and 14 members 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 2024, there were no contributions made to employee accounts.

The administrator of JRA has entered into 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 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 3.31 percent to 8.97 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 2024, employer and employee contributions were \$280.6 million and \$278.7 million, respectively, for a total of \$559.3 million.

Note 16

Other Postemployment Benefits

General Information

In addition to pension benefits as described in Note 15, 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 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, 2023

Active employees*	128,393
Retirees receiving benefits**	37,135
Retirees not receiving benefits***	N/A
Total active employees and retirees	165,528

*Reflects active employees eligible for PEBB program participation as of June 30, 2023.

**Headcounts exclude spouses of retirees that are participating in a PEBB program as a dependent.

***HCA doesn't have data on this group and OSA doesn't have the methodology to reasonably estimate it. As a result, we are unable to provide an estimate for fiscal year 2024.

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 Firefighters' 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 2023, the average weighted implicit subsidy was valued at \$420 per adult unit per month. In calendar year 2024, the average weighted implicit subsidy is projected to be \$445 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 2024, the explicit subsidy was up to \$183 per member per month, and it will remain \$183 per member per month in calendar year 2025.

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	\$ 1,305
Dental	81
Life	4
Long-term disability	2
Total	\$ 1,392
Employer contribution	\$ 1,204
Employee contribution	188
Total	\$ 1,392

*Per FY2025 PEBB Financial Projection Model version 3.1. Per capita cost based on subscribers, includes non-Medicare risk pool only. Figures based on calendar year 2024 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: [OSA Additional Services](#). 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	6/30/2022
Actuarial measurement date	6/30/2023
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	2.35%
Projected salary changes	3.25% plus service-based salary increases
Health care trend rates	Initial trend rate ranges from 2-11%, reaching an ultimate rate of approximately 3.8% in 2080.
Post-retirement participation percentage	60%
Percentage with spouse coverage	45%

Based on trend assumptions, no change in the explicit subsidy cap of \$183 per month is expected through the end of calendar year 2025. 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 expected to grow with the assumed health care trend.

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 2023 PEBB OPEB Demographic Experience Study. 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 Report on Financial Condition and 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 3.54 percent for the June 30, 2022, measurement date and 3.65 percent for the June 30, 2023, measurement date.

Additional detail on assumptions and methods can be found on OSA's website.

Total OPEB Liability. As of June 30, 2024, the state reported a total OPEB liability of \$4.38 billion.

Changes in Total OPEB Liability

The following table presents the change in the total OPEB liability as of the June 30, 2024, reporting date (expressed in thousands):

Changes in Total OPEB Liability	State	Component Units	Total
Total OPEB Liability - Beginning	\$4,245,678	\$ 4,143	\$4,249,821
Changes for the year:			
Service cost	153,148	236	153,384
Interest	153,838	163	154,001
Difference between expected and actual experience*	—	556	556
Changes in assumptions*	(73,977)	(670)	(74,647)
Changes in proportion	3	—	3
Benefit payments	(107,154)	(117)	(107,271)
Net Changes in Total OPEB Liability	125,858	168	126,026
Total OPEB liability - Ending	\$4,371,536	\$ 4,311	\$4,375,847

*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.

Service costs decreased and interest costs increased. In addition, the discount rate increased from 3.54 percent to 3.65 percent which resulted in a decrease in the changes in assumptions. These factors combined resulted in a net increase in total OPEB liability.

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 3.65 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 (2.65 percent) or 1 percentage point higher (4.65 percent) than the current rate (expressed in thousands):

	State	Component Units	Total
1% decrease	\$ 5,114,995	\$ 5,059	\$ 5,120,054
Current discount rate	\$ 4,371,536	\$ 4,311	\$ 4,375,847
1% increase	\$ 3,773,508	\$ 3,711	\$ 3,777,219

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 approximately 3.80 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 percent) than the current rate (expressed in thousands):

	State	Component Units	Total
1% decrease	\$ 3,673,421	\$ 3,613	\$ 3,677,034
Current health care cost trend rate	\$ 4,371,536	\$ 4,311	\$ 4,375,847
1% increase	\$ 5,270,080	\$ 5,216	\$ 5,275,296

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB. For the year ending June 30, 2024, the state recognized OPEB expense of \$(159.3) million.

On June 30, 2024, 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	\$ 66,527	\$ 130,095
Changes of assumptions	285,099	2,622,277
Transactions subsequent to the measurement date	110,223	—
Changes in proportion	269,022	269,033
Total	\$ 730,871	\$ 3,021,405

Deferred outflows of resources and deferred inflows of resources related to OPEB for component units as of the June 30, 2024, reporting date were as follows (expressed in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 147	\$ 277
Changes of assumptions	1,035	3,102
Transactions subsequent to the measurement date	65	—
Changes in proportion	111	215
Total	\$ 1,358	\$ 3,594

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, 2025.

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	
2025	\$ (466,641)
2026	\$ (466,641)
2027	\$ (366,368)
2028	\$ (234,055)
2029	\$ (276,248)
Thereafter	\$ (590,804)

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	
2025	\$ (356)
2026	\$ (356)
2027	\$ (293)
2028	\$ (212)
2029	\$ (250)
Thereafter	\$ (834)

Note 17

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 costs.

The following table presents the hedging derivative instruments as of June 30, 2024 (expressed in thousands):

	Changes in Fair Value		Fair Value at June 30, 2024		Notional Amount (in Gallons)
	Classification	Amount	Classification	Amount	
Governmental Activities					
Cash flow hedges:					
	Deferred		Accounts		
Commodity swaps	Outflow	\$ (291)	Receivable	\$ 111	6,804

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 fuel cost and increase the likelihood that actual net fuel cost will remain below the budgeted cost.

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 2024 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	3.08	NYMEX ULSD Heating Oil	10/03/2023	11/2023	210,000
Commodity Swap	Cargill	2.48	NYMEX ULSD Heating Oil	4/20/2023	7/2023 - 6/2024	252,000
Commodity Swap	Cargill	2.85	NYMEX ULSD Heating Oil	10/24/2023	1/2024	252,000
Commodity Swap	Cargill	2.85	NYMEX ULSD Heating Oil	10/24/2023	2/2024	210,000
Commodity Swap	Cargill	2.64	NYMEX ULSD Heating Oil	11/07/2023	3/2024 - 5/2024	210,000
Commodity Swap	Cargill	2.62	NYMEX ULSD Heating Oil	11/15/2023	3/2024 - 4/2024	252,000
Commodity Swap	Cargill	2.62	NYMEX ULSD Heating Oil	11/15/2023	5/2024	294,000
Commodity Swap	Cargill	2.51	NYMEX ULSD Heating Oil	12/05/2023	6/2024	504,000
Commodity Swap	Cargill	2.60	NYMEX ULSD Heating Oil	4/17/2024	7/2024 - 9/2024	756,000
Commodity Swap	Cargill	2.49	NYMEX ULSD Heating Oil	5/01/2024	10/2024 - 12/2024	756,000
Commodity Swap	Cargill	2.49	NYMEX ULSD Heating Oil	6/14/2024	1/2025 - 3/2025	756,000
Commodity Swap	Merrill Lynch	2.57	NYMEX ULSD Heating Oil	3/14/2023	7/2023 - 12/2023	252,000
Commodity Swap	Merrill Lynch	2.31	NYMEX ULSD Heating Oil	5/02/2023	7/2023 - 6/2024	252,000
Commodity Swap	Merrill Lynch	3.21	NYMEX ULSD Heating Oil	9/25/2023	10/2023	252,000
Commodity Swap	Merrill Lynch	2.83	NYMEX ULSD Heating Oil	10/04/2023	12/2023 - 2/2024	210,000

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 of resources 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 the price of diesel fuel futures and the price of diesel fuel purchased by WSF from its supplier has been quite stable over the past five years with an R-square statistic of 90 percent. R-square is the square of correlation which is 95 percent. This means that 90 percent of the variance in the price that WSF pays for its diesel fuel is explained by movements of diesel fuel futures market price over the past five years. This makes WSF's practice of hedging using diesel fuel futures prices reliable and effective. 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 fair 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, 2024, 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 18

Tax Abatements

During fiscal year 2024, 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, 82.08.9861, 82.12.986, and 82.12.9861, 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. All previously exempted sales and use tax are immediately due and payable for a qualifying business that does not meet the following requirements.

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. For exemption certificates issued before June 9, 2022, family wage employment positions must receive a wage equivalent to or greater than 150 percent of the per capita personal income of the county in which the project is located. For exemption certificates issued on or after June 9, 2022, family wage employment positions must receive a wage equivalent to or greater than 125 percent of the per capita personal income of the county in which the project is located.

For exemption certificates issued on or after June 9, 2022, within three years after being placed in service, the qualifying business operating a newly constructed data center must certify to the department that it has attained certification under one or more of the approved sustainable design or green building standards.

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.

Multifamily 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. It authorizes 8-year exemptions to encourage the development of multifamily housing, and 12- and 20-year

exemptions to encourage the development of affordable housing. All cities, many towns, and Clark, King, Kitsap, Pierce, and Snohomish counties are eligible to offer a multifamily housing property tax exemption program.

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. 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.

Product Development Expenditures Credit. 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 tax performance report with DOR.

Business Facilities Credit. 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 tax performance report with DOR.

In addition, 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 tax performance report with DOR.

Computer Hardware, Software, and Peripherals Exemption. 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 2024 (expressed in thousands):

Tax Abatement Program	Amount of Taxes Abated
Data center server equipment and power infrastructure exemption	\$ 92,263
High-technology business tax deferral program	28,317
Multifamily housing tax exemption	41,171
Aerospace incentives:	
Product development expenditures credit	59,334
Business facilities credit	38,779
Computer hardware, software, and peripherals exemption	5,004
Total	\$ 264,868

Note 19

Commitments and Contingencies

A. CAPITAL COMMITMENTS

Outstanding commitments related to state infrastructure and facility construction, improvement, and/or renovation totaled \$3.32 billion at June 30, 2024.

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 2024 are expressed in thousands.

General Fund	\$	247,102
Wildlife and Natural Resources Fund	\$	777,156
Nonmajor Governmental Funds	\$	955,286

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.

There is an ongoing federal class action alleging insufficient competency services at state hospitals. The parties have agreed and negotiated a phased-in settlement, which received final approval from the court in 2018. In July 2023, the federal court found the state was in breach of the settlement agreement and in further contempt of the court's orders. The court entered a modified order in August 2023 upholding the original claim and added new contempt fines and ordered payment of \$100.3 million. The state appealed portions of the breach ruling and filed another appeal related to good cause exceptions. The parties have since resolved concerns around good cause exceptions but have not yet resolved concerns with the finding of contempt and subsequently ordered injunctive

relief. The parties also recently concluded Phase 4 negotiations under the settlement agreement.

The state denied a taxpayer's use of tax exemption for goods and retail services, and the determination was upheld by the Board of Tax Appeals. In June 2023, the taxpayer paid the disputed amount of approximately \$21.7 million and filed a Petition for Judicial Review, which is awaiting a scheduled hearing date.

The state is also the defendant in a number of cases regarding improper tax assessments, inadequate provision of education services, and unfair compensation practices for part-time college faculty. 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. Trials for two of these cases are set for early 2025.

The state issued a final order to a fuel distribution company that they must pay taxes of about \$80 million on fuel removed from bulk transfer terminals. The company filed a petition for review and the court stayed the state's final order pending appeal. Both parties sought appellate review of those decisions. Since the final order is currently stayed, the company is not paying fuel taxes.

The state contracts with Medicaid managed care organizations (MCOs) which include risk corridor provisions stemming from federal requirements. Actuaries determined that the MCOs owe the state about \$241 million for the risk corridor program for calendar year 2021. The MCOs do not dispute that they owe about \$215 million of that amount; however, they dispute that they owe about \$26 million of that amount. Note that in terms of threatened litigation, a similar issue regarding the risk corridor could arise for calendar year 2022 which would create an additional dispute in the amount of approximately \$27.8 million. As the deadline to dispute the 2022 amount has not passed, this matter is not active and is only in the threatened status 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 PricewaterhouseCoopers 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 states' 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 2021, the panel determined that Washington was not diligent. The adverse decision largely turned on the 2004 Panel's different treatment of cigarette sales by tribes that have compacts with the state, though the 2004 Panel made other adverse factual findings against the state's NPM enforcement efforts. The state has never treated tribal compact cigarette sales as being within our diligent enforcement obligations. The 2003 Panel ruled the state did not have diligent enforcement obligations regarding those cigarettes, but the 2004 Panel reached the opposite conclusion. In a motion for vacatur, the state was able to get the ruling on tribal sales overturned so that for all cases going forward the state will not have diligent enforcement obligations for compact cigarette sales. However, even with that correction, the court declined to overturn the adverse finding of non-diligence. The tobacco companies appealed the ruling on tribal compact cigarettes and the state has cross-appealed the refusal of the court to send the case back for reconsideration after

correcting the error on tribal compact cigarette sales. The 2004 Panel also ruled that when calculating the adjustment, states that have settled the NPM adjustment will be considered non-diligent. The Panel's ruling lessens the impact of its decision that Washington was not diligent for 2004.

As a results of the Panel's ruling, Washington had a downward NPM adjustment in its 2023 MSA payment of approximately \$25 million. In separate decisions, the Washington State Court of Appeals in 2023 and 2024 has: (1) ruled for the state regarding tribal compact cigarette sales; (2) upheld the 2004 Panel's decision that Washington was non-diligent for the other reasons articulated by the 2004 Panel; and (3) upheld the allocation order that treats the settled states as non-diligent. Participating manufacturers may still seek review of the allocation order decision.

In December 2023, the 2005, 2006, and 2007 Arbitration Panel ruled that Washington did not diligently enforce its qualifying statute against non-participating manufacturers. The 2005-2007 Panel found that Washington did not adequately coordinate enforcement efforts among the three state agencies (Office of the Attorney General, Department of Revenue, and Liquor and Cannabis Board) and that the state did not devote adequate staff and resources to enforce the qualifying statute against non-participating manufacturers. The state appealed that decision to the King County Superior Court who declined to vacate the 2005-2007 Panel decision. The state has now appealed that ruling to the Washington Court of Appeals. If the 2005-2007 Panel decision stands, the anticipated loss of MSA funds to the state is between \$52 million and \$61.5 million.

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, would 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 \$15.37 billion at June 30, 2024. The guarantees extend through the life of the bonds, with a final maturity date of the longest series in 2047.

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. I-5 INTERSTATE BRIDGE REPLACEMENT PROJECT

The Interstate Bridge Replacement (IBR) project is a joint effort between the Washington State Department of Transportation and the Oregon Department of Transportation to replace the aging Interstate 5 (I-5) bridge across the Columbia River and related interchange improvements within the five-mile corridor. This project will be funded from Washington and Oregon state funding, federal funding, and funds from tolling the bridge. This project is in the design phase and construction activity is expected to begin in late 2025.

The Move Ahead Washington Transportation Package awarded \$1 billion for Washington's share of the funds for construction. The 2023 legislative session allocated \$137.5 million for the 2023-25 biennium as the first portion of the Move Ahead Washington funding. As of the fiscal year ended June 30, 2024, the state of Washington has spent \$30.8 million to staff the IBR project office and fund planning and preliminary engineering work. The remaining \$106.7 million was allocated for fiscal year 2025. Additionally, the state of Washington has dedicated \$117.7 million for the Mill Plain Interchange, which is within the IBR project area.

Note 20

Subsequent Events

A. BOND ISSUES

In October 2024, the state issued:

- \$891.4 million in general obligation refunding bonds for the purpose of refunding certain various general obligation bonds of the state.
- \$659.2 million in motor vehicle fuel tax and vehicle related fees general obligation refunding bonds for the purpose of refunding certain motor vehicle fuel tax general obligation bonds of the state.

In October 2024, Fircrest Properties, a blended component unit of the state, issued \$188.9 million in revenue bonds for the purpose of permitting, designing, constructing, equipping, and furnishing a nursing facility and related laundry and parking facilities.

In October 2024, Washington State University entered into a bond purchase agreement and expects to issue \$106.2 million in general revenue refunding bonds in January 2025 to refund and defease all of the University's General Revenue and Refunding Bonds, 2015, and to pay the costs of issuing the bonds.

B. CERTIFICATES OF PARTICIPATION

In October 2024, the state issued \$22.9 million in Certificates of Participation.

RSI
Required Supplementary Information

State of Washington

BUDGETARY COMPARISON SCHEDULES

General Fund

For the Fiscal Year Ended June 30, 2024

(expressed in thousands)

	Original Budget 2023-2025 Biennium	Final Budget 2023-2025 Biennium	Actual 2023-2025 Biennium	Variance with Final Budget
Budgetary Fund Balance, July 1, as restated	\$ 8,116,795	\$ 8,116,795	\$ 8,116,795	\$ —
Resources				
Taxes	61,065,824	61,060,824	30,067,233	(30,993,591)
Licenses, permits, and fees	311,161	310,156	153,089	(157,067)
Other contracts and grants	2,568,878	2,568,768	601,303	(1,967,465)
Timber sales	6,910	6,910	4,426	(2,484)
Federal grants-in-aid	45,440,765	45,825,435	18,539,413	(27,286,022)
Charges for services	129,280	127,854	64,134	(63,720)
Investment income (loss)	655,848	652,229	359,650	(292,579)
Miscellaneous revenue	333,912	594,265	350,466	(243,799)
Unclaimed property	417,429	417,429	222,042	(195,387)
Transfers from other funds	4,916,537	5,916,254	2,853,929	(3,062,325)
Total Resources	123,963,339	125,596,919	61,332,480	(64,264,439)
Charges To Appropriations				
General government	7,979,057	9,106,794	3,475,192	5,631,602
Human services	61,328,891	66,071,938	28,623,865	37,448,073
Natural resources and recreation	1,676,691	1,911,962	847,613	1,064,349
Transportation	199,812	208,093	89,362	118,731
Education	37,409,083	38,471,553	18,508,830	19,962,723
Capital outlays	3,449,020	3,512,757	642,297	2,870,460
Transfers to other funds	3,517,532	4,381,642	2,431,514	1,950,128
Total Charges To Appropriations	115,560,086	123,664,739	54,618,673	69,046,066
Excess Available For Appropriation Over (Under) Charges To Appropriations	8,403,253	1,932,180	6,713,807	4,781,627
Reconciling Items				
Bond sale proceeds	275,708	275,708	112,601	(163,107)
Issuance premiums	—	—	92	92
Assumed reversions	482,716	482,716	—	(482,716)
Working capital adjustment	—	—	(170,000)	(170,000)
Noncash activity (net)	—	—	103,814	103,814
Nonappropriated fund balances	—	—	228,891	228,891
Changes in reserves (net)	—	—	(86,754)	(86,754)
Total Reconciling Items	758,424	758,424	188,644	(569,780)
Budgetary Fund Balance, June 30	\$ 9,161,677	\$ 2,690,604	\$ 6,902,451	\$ 4,211,847

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, 2024

(expressed in thousands)

Sources/Inflows of Resources

Actual amounts (budgetary basis) "Total Resources" from the Budgetary Comparison Schedule	\$ 61,332,480
Differences - budget to GAAP:	
The following items are inflows of budgetary resources but are not revenue for financial reporting purposes:	
Transfers from other funds	(2,853,929)
Budgetary fund balance at the beginning of the biennium, as restated	(8,116,795)
Appropriated loan principal repayment	(164)
The following items are not inflows of budgetary resources but are revenue for financial reporting purposes:	
Noncash commodities and electronic food stamp benefits	2,144,719
Revenues collected for other governments	144,350
Unanticipated receipts	4,719
Noncash and other revenues	191,489
Other	8,068
Biennium total revenues	52,854,937
Nonappropriated activity	196,336
Total Revenues (GAAP Basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 53,051,273

Uses/Outflows of Resources

Actual amounts (budgetary basis) "Total Charges to Appropriations" from the Budgetary Comparison Schedule	\$ 54,618,673
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	(1,941,676)
Other transfers to other funds	(2,431,514)
Appropriated loan disbursements	(191)
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	2,193,397
Distributions to other governments	144,350
Capital asset acquisition by other financing sources	81,824
Expenditures related to unanticipated receipts	4,719
Other	8,068
Biennium total expenditures	52,677,650
Nonappropriated activity	747,139
Total expenditures (GAAP basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	\$ 53,424,789

State of Washington

BUDGETARY COMPARISON SCHEDULES

Higher Education Special Revenue Fund

For the Fiscal Year Ended June 30, 2024

(expressed in thousands)

	Original Budget 2023-2025 Biennium	Final Budget 2023-2025 Biennium	Actual 2023-2025 Biennium	Variance with Final Budget
Budgetary Fund Balance, July 1, as restated	\$ 1,242,297	\$ 1,242,297	\$ 1,242,297	\$ —
Resources				
Taxes	2,878,172	2,985,011	1,401,752	(1,583,259)
Other contracts and grants	123	123	—	(123)
Charges for services	22,592	22,592	7	(22,585)
Investment income (loss)	5,325	5,325	210,237	204,912
Miscellaneous revenue	514	514	13,309	12,795
Transfers from other funds	27,906	27,906	264,645	236,739
Total Resources	4,176,929	4,283,768	3,132,247	(1,151,521)
Charges To Appropriations				
General government	4,356	4,456	4,278	178
Human services	438,015	445,316	180,565	264,751
Education	2,779,432	3,125,841	1,505,992	1,619,849
Transfers to other funds	23,147	23,147	279,657	(256,510)
Total Charges To Appropriations	3,244,950	3,598,760	1,970,492	1,628,268
Excess Available For Appropriation Over (Under) Charges To Appropriations	931,979	685,008	1,161,755	476,747
Reconciling Items				
Noncash activity (net)	—	—	34,686	34,686
Nonappropriated fund balances	—	—	4,454,375	4,454,375
Changes in reserves (net)	—	—	(35,482)	(35,482)
Total Reconciling Items	—	—	4,453,579	4,453,579
Budgetary Fund Balance, June 30	\$ 931,979	\$ 685,008	\$ 5,615,334	\$ 4,930,326

Required Supplementary Information

BUDGETARY COMPARISON SCHEDULES

Higher Education Special Revenue Fund - Budget to GAAP Reconciliation

For the Fiscal Year Ended June 30, 2024

(expressed in thousands)

Sources/Inflows of Resources

Actual amounts (budgetary basis) "Total Resources" from the Budgetary Comparison Schedule	\$ 3,132,247
Differences - budget to GAAP:	
The following items are inflows of budgetary resources but are not revenue for financial reporting purposes:	
Transfers from other funds	(264,645)
Budgetary fund balance at the beginning of the biennium, as restated	(1,242,297)
The following items are not inflows of budgetary resources but are revenue for financial reporting purposes:	
Noncash revenues	33,545
Other	189,244
Biennium total revenues	<u>1,848,094</u>
Nonappropriated activity	<u>7,073,441</u>
Total Revenues (GAAP Basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u><u>\$ 8,921,535</u></u>

Uses/Outflows of Resources

Actual amounts (budgetary basis) "Total Charges to Appropriations" from the Budgetary Comparison Schedule	\$ 1,970,492
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	(170,358)
Other transfers to other funds	(279,657)
Capital asset acquisition by other financing sources	2,417
Biennium total expenditures	<u>1,712,053</u>
Nonappropriated activity	<u>7,081,070</u>
Total expenditures (GAAP basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	<u><u>\$ 8,793,123</u></u>

BUDGETARY COMPARISON SCHEDULES

Wildlife and Natural Resources Special Revenue Fund

For the Fiscal Year Ended June 30, 2024

(expressed in thousands)

	Original Budget 2023-2025 Biennium	Final Budget 2023-2025 Biennium	Actual 2023-2025 Biennium	Variance with Final Budget
Budgetary Fund Balance, July 1, as restated	\$ 3,026,296	\$ 3,026,296	\$ 3,026,296	\$ —
Resources				
Taxes	696,777	743,141	326,844	(416,297)
Licenses, permits, and fees	401,889	1,134,051	1,419,869	285,818
Other contracts and grants	11,336	11,344	2,764	(8,580)
Timber sales	184,378	148,918	54,458	(94,460)
Federal grants-in-aid	231,383	224,315	50,682	(173,633)
Charges for services	29,160	38,500	19,171	(19,329)
Investment income (loss)	33,478	16,291	17,473	1,182
Miscellaneous revenue	2,729,316	2,844,590	202,614	(2,641,976)
Transfers from other funds	99,167	135,883	746,338	610,455
Total Resources	7,443,180	8,323,329	5,866,509	(2,456,820)
Charges To Appropriations				
General government	159,554	3,407,006	43,182	3,363,824
Human services	63,698	105,996	8,046	97,950
Natural resources and recreation	1,620,429	1,693,125	508,727	1,184,398
Transportation	161,248	263,351	16,271	247,080
Education	18,261	19,498	6,907	12,591
Capital outlays	3,232,747	3,919,398	586,760	3,332,638
Transfers to other funds	68,007	74,403	966,892	(892,489)
Total Charges To Appropriations	5,323,944	9,482,777	2,136,785	7,345,992
Excess Available For Appropriation Over (Under) Charges To Appropriations	2,119,236	(1,159,448)	3,729,724	4,889,172
Reconciling Items				
Noncash activity (net)	—	—	8,307	8,307
Nonappropriated fund balances	—	—	126,057	126,057
Changes in reserves (net)	—	—	206,006	206,006
Total Reconciling Items	—	—	340,370	340,370
Budgetary Fund Balance, June 30	\$ 2,119,236	\$ (1,159,448)	\$ 4,070,094	\$ 5,229,542

BUDGETARY COMPARISON SCHEDULES

Wildlife and Natural Resources Special Revenue Fund - Budget to GAAP Reconciliation

For the Fiscal Year Ended June 30, 2024

(expressed in thousands)

Sources/Inflows of Resources

Actual amounts (budgetary basis) "Total Resources" from the Budgetary Comparison Schedule	\$ 5,866,509
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Differences - budget to GAAP:

The following items are inflows of budgetary resources but are not revenue for financial reporting purposes:

Transfers from other funds	(746,338)
----------------------------	-----------

Budgetary fund balance at the beginning of the biennium, as restated	(3,026,296)
--	-------------

Appropriated loan principal repayment	(61,477)
---------------------------------------	----------

The following items are not inflows of budgetary resources but are revenue for financial reporting purposes:

Revenues collected for other governments	76
--	----

Noncash revenues	8,307
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Biennium total revenues	<u>2,040,781</u>
--------------------------------	------------------

Nonappropriated activity	<u>143,332</u>
--------------------------	----------------

Total Revenues (GAAP Basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u><u>\$ 2,184,113</u></u>
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Uses/Outflows of Resources

Actual amounts (budgetary basis) "Total Charges to Appropriations" from the Budgetary Comparison Schedule	\$ 2,136,785
--	--------------

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	(3,000)
---------------------------------------	---------

Other transfers to other funds	(966,892)
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Distributions to other governments	76
------------------------------------	----

Appropriated loan disbursements	(269,876)
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Capital asset acquisition by other financing sources	2,284
--	-------

Biennium total expenditures	<u>899,377</u>
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Nonappropriated activity	<u>154,709</u>
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Total expenditures (GAAP basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	<u><u>\$ 1,054,086</u></u>
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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 2023-2025 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 online at Washington State Budget to Actual Detail Report.

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 Ten Measurement Years

(expressed in thousands)

	2023	2022	2021
Total Pension Liability			
Service cost	\$ 23,889	\$ 23,826	\$ 23,462
Interest	116,102	109,690	105,943
Changes of benefit terms	3,100	—	—
Differences between expected and actual experience	(11,163)	27,795	(2,368)
Changes of assumptions	—	98,031	—
Benefit payments, including refunds of member contributions	(85,322)	(80,893)	(72,786)
Net Change in Total Pension Liability	46,606	178,449	54,251
Total Pension Liability--Beginning	1,676,648	1,498,199	1,443,948
Total Pension Liability--Ending	\$ 1,723,254	\$ 1,676,648	\$ 1,498,199
Plan Fiduciary Net Position			
Contributions--employer	\$ 20,862	\$ 19,284	\$ 20,882
Contributions--employee	11,160	11,872	12,189
Net Investment Income	118,180	3,811	429,171
Benefit payments, including refunds of member contributions	(85,322)	(80,893)	(72,786)
Administrative expense	(30)	(49)	(123)
Other	479	696	491
Net Change in Plan Fiduciary Net Position	65,329	(45,279)	389,824
Plan Fiduciary Net Position--Beginning	1,729,585	1,774,864	1,385,040
Plan Fiduciary Net Position--Ending	\$ 1,794,914	\$ 1,729,585	\$ 1,774,864
State's Net Pension Liability/(Asset)--Ending	\$ (71,660)	\$ (52,937)	\$ (276,665)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	104.16 %	103.16 %	118.47 %
Covered Payroll	\$ 118,057	\$ 109,751	\$ 118,448
State's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	-60.70 %	-48.23 %	-233.58 %

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary.

State of Washington

	2020		2019		2018		2017		2016		2015		2014
\$	23,091	\$	22,671	\$	21,083	\$	18,474	\$	16,534	\$	16,633	\$	18,041
	100,877		96,629		94,569		90,560		83,373		80,037		75,249
	2,400		—		—		4,830		1,947		2,258		—
	11,919		4,254		13,974		23,702		(10,431)		8,883		—
	581		—		(24,367)		20,921		2		17		—
	(68,838)		(64,370)		(59,634)		(56,821)		(54,159)		(50,075)		(47,510)
	70,030		59,184		45,625		101,666		37,266		57,753		45,780
	1,373,918		1,314,734		1,269,109		1,167,443		1,130,177		1,072,424		1,026,644
\$	1,443,948	\$	1,373,918	\$	1,314,734	\$	1,269,109	\$	1,167,443	\$	1,130,177	\$	1,072,424
\$	19,897	\$	14,700	\$	14,203	\$	7,587	\$	7,044	\$	6,679	\$	6,587
	10,630		10,744		9,922		10,454		8,895		6,323		6,555
	60,358		111,123		113,597		151,021		25,352		49,046		176,856
	(68,838)		(64,370)		(59,634)		(56,821)		(54,159)		(50,075)		(47,510)
	(96)		(131)		(131)		(53)		(60)		(67)		(84)
	808		769		650		524		429		293		509
	22,759		72,835		78,607		112,712		(12,499)		12,199		142,913
	1,362,281		1,289,446		1,210,839		1,098,127		1,110,626		1,098,427		955,514
\$	1,385,040	\$	1,362,281	\$	1,289,446	\$	1,210,839	\$	1,098,127	\$	1,110,626	\$	1,098,427
\$	58,908	\$	11,637	\$	25,288	\$	58,270	\$	69,316	\$	19,551	\$	(26,003)
	95.92 %		99.15 %		98.08 %		95.41 %		94.06 %		98.27 %		102.42 %
\$	113,704	\$	111,612	\$	109,243	\$	93,053	\$	86,660	\$	84,388	\$	85,046
	51.81 %		10.43 %		23.15 %		62.62 %		79.99 %		23.17 %		-30.58 %

PENSION PLAN INFORMATION

Single Employer Plans

Schedule of Changes in Net Pension Liability and Related Ratios

Judicial Retirement System

Last Ten Measurement Years

(expressed in thousands)

	2023	2022	2021
Total Pension Liability			
Service cost	\$ —	\$ —	\$ —
Interest	2,007	1,447	1,621
Changes of benefit terms	—	—	—
Differences between expected and actual experience	(505)	1,942	1,237
Changes in assumptions	(444)	(6,860)	(1,931)
Benefit payments, including refunds of employee contributions	(6,622)	(7,053)	(7,553)
Net Change in Total Pension Liability	(5,564)	(10,524)	(6,626)
Total Pension Liability--Beginning	59,969	70,493	77,119
Total Pension Liability--Ending	\$ 54,405	\$ 59,969	\$ 70,493
Plan Fiduciary Net Position			
Contributions--employer	\$ 6,700	\$ 7,100	\$ 7,600
Contributions--employee	—	—	—
Net investment income	220	49	79
Benefit payments, including refunds of employee contributions	(6,622)	(7,053)	(7,553)
Administrative expense	—	(4)	—
Net Change in Plan Fiduciary Net Position	298	92	126
Plan Fiduciary Net Position--Beginning	8,712	8,620	8,494
Plan Fiduciary Net Position--Ending	\$ 9,010	\$ 8,712	\$ 8,620
State's Net Pension Liability/(Asset)--Ending	\$ 45,395	\$ 51,257	\$ 61,873
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	16.56 %	14.53 %	12.23 %
Covered Payroll ⁽¹⁾	N/A	N/A	N/A
State's Net Pension Liability/(Asset) as a Percentage of Covered Payroll ⁽¹⁾	N/A	N/A	N/A

1. Covered payroll is not applicable because there are no active plan employees.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

State of Washington

2020		2019		2018		2017		2016		2015		2014	
\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
	2,634		3,078		3,200		2,874		3,704		4,382		4,319
	—		—		—		—		—		—		—
	(447)		(1,793)		(2,844)		1,047		20		1,590		—
	3,675		2,372		(2,063)		(6,329)		8,737		4,335		—
	(7,921)		(7,958)		(8,325)		(8,723)		(9,131)		(9,336)		(9,480)
	(2,059)		(4,301)		(10,032)		(11,131)		3,330		971		(5,161)
	79,178		83,479		93,511		104,642		101,312		100,341		105,502
\$	77,119	\$	79,178	\$	83,479	\$	93,511	\$	104,642	\$	101,312	\$	100,341
\$	7,800	\$	8,400	\$	8,700	\$	9,300	\$	9,500	\$	10,600	\$	10,600
	—		—		—		—		—		—		—
	155		166		80		45		74		38		25
	(7,921)		(7,958)		(8,325)		(8,723)		(9,131)		(9,336)		(9,480)
	—		—		—		—		(1)		—		—
	34		608		455		622		442		1,302		1,145
	8,460		7,852		7,397		6,775		6,333		5,031		3,886
\$	8,494	\$	8,460	\$	7,852	\$	7,397	\$	6,775	\$	6,333	\$	5,031
\$	68,625	\$	70,718	\$	75,627	\$	86,114	\$	97,867	\$	94,979	\$	95,310
	11.01 %		10.68 %		9.41 %		7.91 %		6.47 %		6.25 %		5.01 %
	N/A		N/A		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 Changes in Net Pension Liability and Related Ratios

Judges' Retirement Fund

Last Ten Measurement Years

(expressed in thousands)

	2023	2022	2021
Total Pension Liability			
Service cost	\$ —	\$ —	\$ —
Interest	40	28	40
Changes of benefit terms	—	—	—
Differences between expected and actual experience	113	156	(322)
Changes of assumptions	(6)	(93)	4
Benefit payments, including refunds of member contributions	(229)	(247)	(257)
Net Change in Total Pension Liability	(82)	(156)	(535)
Total Pension Liability--Beginning	1,248	1,404	1,939
Total Pension Liability--Ending	\$ 1,166	\$ 1,248	\$ 1,404
Plan Fiduciary Net Position			
Contributions--state	\$ 300	\$ 300	\$ 400
Contributions--member	—	—	—
Net investment income	32	6	11
Benefit payments, including refunds of member contributions	(229)	(247)	(257)
Administrative expense	—	—	—
Net Change in Plan Fiduciary Net Position	103	59	154
Plan Fiduciary Net Position--Beginning	1,340	1,281	1,127
Plan Fiduciary Net Position--Ending	\$ 1,443	\$ 1,340	\$ 1,281
Plan's Net Pension Liability/(Asset)--Ending	\$ (277)	\$ (92)	\$ 123
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	123.76 %	107.37 %	91.24 %
Covered Payroll ⁽¹⁾	N/A	N/A	N/A
State's Net Pension Liability/(Asset) as a Percentage of Covered Payroll ⁽¹⁾	N/A	N/A	N/A

1. Covered payroll is not applicable because there are no active plan employees.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

State of Washington

2020		2019		2018		2017		2016		2015		2014	
\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
	80		89		95		88		116		138		137
	—		—		—		—		—		—		—
	(315)		161		(39)		194		123		182		—
	12		50		(43)		(129)		181		95		—
	(265)		(338)		(396)		(402)		(440)		(444)		(444)
	(488)		(38)		(383)		(249)		(20)		(29)		(307)
	2,427		2,465		2,848		3,097		3,117		3,146		3,453
\$	1,939	\$	2,427	\$	2,465	\$	2,848	\$	3,097	\$	3,117	\$	3,146
\$	400	\$	500	\$	500	\$	499	\$	501	\$	—	\$	—
	—		—		—		—		—		—		—
	18		17		8		4		6		4		7
	(265)		(338)		(396)		(402)		(440)		(444)		(444)
	—		—		—		—		—		—		—
	153		179		112		101		67		(440)		(437)
	974		795		683		582		515		955		1,392
\$	1,127	\$	974	\$	795	\$	683	\$	582	\$	515	\$	955
\$	812	\$	1,453	\$	1,670	\$	2,165	\$	2,515	\$	2,602	\$	2,191
	58.12 %		40.13 %		32.25 %		23.98 %		18.79 %		16.52 %		30.36 %
	N/A		N/A		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
2024	\$	30,912	\$ 22,701	\$ 8,211	\$	127,580	17.79 %
2023		21,918	20,862	1,056		118,057	17.67 %
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 %

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
2024	\$	6,279	\$ 6,300	\$ (21)	\$	—	N/A
2023		6,457	6,700	(243)		—	N/A
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

N/A indicates data not applicable. 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
2024	\$ 221	\$ 300	\$ (79)	—	N/A
2023	246	300	(54)	—	N/A
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

N/A indicates data not applicable. There are no active members.

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 Ten Measurement Years

(expressed in thousands)

	2023	2022	2021
State PERS Plan 1 employers' proportion of the net pension liability/(asset)	42.67 %	42.18 %	43.35 %
State PERS Plan 1 employers' proportionate share of the net pension liability/(asset)	\$ 973,940	\$ 1,174,475	\$ 529,443
Covered payroll of employees participating in PERS Plan 1	\$ 21,793	\$ 26,772	\$ 35,118
Covered payroll of employees participating in PERS Plan 2/3	7,031,759	6,359,603	6,151,714
Covered payroll of employees participating in PSERS Plan 2	512,586	443,145	450,362
Covered Payroll	\$ 7,566,138	\$ 6,829,520	\$ 6,637,194
State PERS Plan 1 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	12.87 %	17.20 %	7.98 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	80.16 %	76.56 %	88.74 %

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 Ten Measurement Years

(expressed in thousands)

	2023	2022	2021
State PERS Plan 2/3 employers' proportion of the net pension liability/(asset)	51.11 %	50.99 %	51.25 %
State PERS Plan 2/3 employers' proportionate share of the net pension liability/(asset)	\$ (2,095,022)	\$ (1,891,211)	\$ (5,105,303)
State PERS Plan 2/3 employers' covered payroll	\$ 7,031,759	\$ 6,359,603	\$ 6,151,714
State PERS Plan 2/3 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-29.79 %	-29.74 %	-82.99 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	107.02%	106.73%	120.29 %

State of Washington

2020	2019	2018	2017	2016	2015	2014
42.07 %	41.80 %	41.97 %	41.88 %	41.99 %	41.57 %	42.37 %
\$ 1,485,148	\$ 1,607,475	\$ 1,874,226	\$ 1,987,268	\$ 2,255,244	\$ 2,174,623	\$ 2,134,189
\$ 43,909	\$ 54,779	\$ 69,330	\$ 85,341	\$ 103,235	\$ 120,686	\$ 143,836
5,902,886	5,469,217	5,237,495	4,928,806	4,648,843	4,363,171	4,215,934
384,394	321,991	198,511	175,395	155,768	140,977	130,172
\$ 6,331,190	\$ 5,845,987	\$ 5,505,336	\$ 5,189,542	\$ 4,907,846	\$ 4,624,834	\$ 4,489,942
23.46 %	27.50 %	34.04 %	38.29 %	45.95 %	47.02 %	47.53 %
68.64 %	67.12 %	63.22 %	61.24 %	57.03 %	59.10 %	61.19 %

2020	2019	2018	2017	2016	2015	2014
50.58 %	50.50 %	50.41 %	50.20 %	49.72 %	49.10 %	49.27 %
\$ 646,953	\$ 490,544	\$ 860,776	\$ 1,744,067	\$ 2,503,313	\$ 1,754,418	\$ 995,856
\$ 5,902,886	\$ 5,469,217	\$ 5,237,495	\$ 4,928,806	\$ 4,648,843	\$ 4,363,171	\$ 4,215,934
10.96 %	8.97 %	16.43 %	35.39 %	53.85 %	40.21 %	23.62 %
97.22 %	97.77 %	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 Ten Measurement Years

(expressed in thousands)

	2023	2022	2021
State TRS Plan 1 employers' proportion of the net pension liability/(asset)	1.44 %	1.31 %	1.31 %
State TRS Plan 1 employers' proportionate share of the net pension liability/(asset)	\$ 18,297	\$ 24,942	\$ 8,798
Covered payroll of employees participating in TRS Plan 1	\$ 691	\$ 713	\$ 1,330
Covered payroll of employees participating in TRS Plan 2/3	111,662	101,014	95,486
Covered Payroll	\$ 112,353	\$ 101,728	\$ 96,817
State TRS Plan 1 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	16.28 %	24.52 %	9.09 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	85.09 %	78.24 %	91.42 %

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 Ten Measurement Years

(expressed in thousands)

	2023	2022	2021
State TRS Plan 2/3 employers' proportion of the net pension liability/(asset)	1.42 %	1.31 %	1.28 %
State TRS Plan 2/3 employers' proportionate share of the net pension liability/(asset)	\$ (1,748)	\$ (2,577)	\$ (35,165)
State TRS Plan 2/3 employers' covered payroll	\$ 111,662	\$ 101,014	\$ 95,486
State PERS Plan 2/3 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-1.57 %	-2.55 %	-36.83 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	100.49 %	100.86 %	113.72 %

State of Washington

	2020		2019		2018		2017		2016		2015		2014
	1.18 %		1.09 %		1.10 %		1.03 %		0.97 %		0.86 %		0.78 %
\$	28,507	\$	27,102	\$	32,177	\$	31,172	\$	33,026	\$	27,186	\$	22,924
\$	1,431	\$	1,557	\$	1,893	\$	2,475	\$	5,735	\$	3,913	\$	4,611
	83,176		43,082		61,292		52,534		41,803		33,705		25,673
\$	84,606	\$	44,639	\$	63,185	\$	55,009	\$	47,538	\$	37,618	\$	30,284
	33.69 %		60.71 %		50.93 %		56.67 %		69.47 %		72.27 %		75.70 %
	70.55 %		70.37 %		66.52 %		65.58 %		62.07 %		65.70 %		68.77 %

	2020		2019		2018		2017		2016		2015		2014
	1.16 %		1.06 %		1.06 %		0.96 %		0.87 %		0.72 %		0.59 %
\$	17,767	\$	6,389	\$	4,757	\$	8,873	\$	11,896	\$	6,107	\$	1,913
\$	83,176	\$	43,082	\$	61,292	\$	52,534	\$	41,803	\$	33,705	\$	25,673
	21.36 %		14.83 %		7.76 %		16.89 %		28.46 %		18.12 %		7.45 %
	91.72 %		96.36 %		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 Ten Measurement Years

(expressed in thousands)

	2023	2022	2021
State PSERS Plan 2 employers' proportion of the net pension liability/(asset)	65.93 %	65.55 %	66.58 %
State PSERS Plan 2 employers' proportionate share of the net pension liability / (asset)	\$ (69,916)	\$ (46,868)	\$ (152,955)
State PSERS Plan 2 employers' covered payroll	\$ 512,586	\$ 443,145	\$ 450,362
State PSERS Plan 2 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-13.64 %	-10.58 %	-33.96 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	107.90 %	105.96 %	123.67 %

Schedule of the State's Proportionate Share of the Net Pension Liability

Law Enforcement Officers' and Firefighters' Retirement System (LEOFF) Plan 1

Last Ten Measurement Years

(expressed in thousands)

	2023	2022	2021
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)	\$ (2,585,743)	\$ (2,499,136)	\$ (2,984,350)
Plan fiduciary net position as a percentage of the total pension liability/(asset)	175.99 %	169.62 %	187.45 %

State of Washington

2020	2019	2018	2017	2016	2015	2014
62.26 %	54.61 %	50.48 %	49.14 %	47.97 %	47.93 %	48.26 %
\$ (8,567)	\$ (7,101)	\$ 625	\$ 9,628	\$ 20,386	\$ 8,748	\$ (6,988)
\$ 384,394	\$ 321,991	\$ 198,511	\$ 175,395	\$ 155,768	\$ 140,977	\$ 130,172
-2.23 %	-2.21 %	0.32 %	5.49 %	13.09 %	6.21 %	-5.37 %
101.68 %	101.85 %	99.79 %	96.26 %	90.41 %	95.08 %	105.01 %

2020	2019	2018	2017	2016	2015	2014
87.12 %	87.12 %	87.12 %	87.12 %	87.12 %	87.12 %	87.12 %
\$ (1,645,269)	\$ (1,722,024)	\$ (1,581,665)	\$ (1,321,802)	\$ (897,585)	\$ (1,049,988)	\$ (1,056,583)
146.88 %	148.78 %	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 Firefighters' Retirement System (LEOFF) Plan 2**

Last Ten Measurement Years

(expressed in thousands)

	2023	2022	2021
State LEOFF Plan 2 employers' proportion of the net pension liability/(asset)	0.72 %	0.75 %	0.80 %
State as nonemployer contributing entity proportion of the net pension liability/(asset)	38.97 %	39.31 %	39.21 %
State LEOFF Plan 2 employers' proportionate share of the net pension liability/(asset)	\$ (17,374)	\$ (20,285)	\$ (46,684)
State as nonemployer contributing entity total proportionate share of the net pension liability/(asset)	(934,779)	(1,068,387)	(2,277,698)
Total	\$ (952,153)	\$ (1,088,673)	\$ (2,324,381)
State LEOFF Plan 2 employers' covered payroll	\$ 25,723	\$ 23,244	\$ 22,917
State LEOFF Plan 2 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-67.54 %	-87.27 %	-203.70 %
Plan fiduciary net position as a percentage of the total pension liability/(asset)	113.17 %	116.09 %	142.00 %

Note: Figures may not total due to rounding.

State of Washington

2020	2019	2018	2017	2016	2015	2014
0.88 %	0.90 %	0.87 %	0.85 %	0.88 %	0.83 %	0.84 %
39.00 %	39.57 %	39.30 %	39.35 %	39.46 %	39.80 %	39.52 %
\$ (17,948)	\$ (20,782)	\$ (17,707)	\$ (11,823)	\$ (5,113)	\$ (8,580)	\$ (11,164)
(795,604)	(916,765)	(797,902)	(545,988)	(229,538)	(409,091)	(524,419)
\$ (813,552)	\$ (937,547)	\$ (815,609)	\$ (557,811)	\$ (234,651)	\$ (417,671)	\$ (535,583)
\$ 25,410	\$ 23,388	\$ 21,892	\$ 20,396	\$ 19,828	\$ 18,744	\$ 18,259
-70.63 %	-88.86 %	-80.88 %	-57.97 %	-25.79 %	-45.77 %	-61.14 %
115.83 %	119.43 %	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)

	2024	2023	2022
Contractually required contributions	\$ 260,642	\$ 290,737	\$ 258,512
Employer contributions related to covered payroll of employees participating in PERS Plan 1	\$ 1,612	\$ 2,197	\$ 2,779
Employer UAAL contributions related to covered payroll of employees participating in PERS Plan 2/3 and PSERS Plan 2	259,030	288,540	255,733
Contributions in relation to the actuarially determined contributions	260,642	290,737	258,512
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered payroll of employees participating in PERS Plan 1	\$ 17,225	\$ 21,793	\$ 26,772
Covered payroll of employees participating in PERS Plan 2/3	7,778,418	7,031,759	6,359,603
Covered payroll of employees participating in PSERS Plan 2	632,896	512,586	443,145
Covered Payroll	\$ 8,428,539	\$ 7,566,138	\$ 6,829,520
Contributions as a percentage of covered payroll	3.09 %	3.84 %	3.79 %

Note: Covered payroll data for prior years may be revised due to reporting lags.

Schedule of Contributions

Public Employees' Retirement System (PERS) Plan 2/3

Fiscal Year Ended June 30

(dollars in thousands)

	2024	2023	2022
Contractually required contributions	\$ 512,515	\$ 449,410	\$ 409,661
Contributions in relation to the contractually required contributions	512,515	449,410	409,661
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered Payroll	\$ 7,778,418	\$ 7,031,759	\$ 6,359,603
Contributions as a percentage of covered payroll	6.59 %	6.39 %	6.44 %

Note: Covered payroll data for prior years may be revised due to reporting lags.

State of Washington

	2021		2020		2019		2018		2017		2016		2015
\$	322,931	\$	304,870	\$	299,745	\$	280,513	\$	251,924	\$	238,158	\$	191,618
\$	4,562	\$	5,665	\$	7,092	\$	8,769	\$	9,537	\$	11,385	\$	11,072
	318,369		299,205		292,653		271,744		242,387		226,773		180,546
	322,931		304,870		299,745		280,513		251,924		238,158		191,618
\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
\$	35,118	\$	43,909	\$	54,779	\$	69,330	\$	85,341	\$	103,235	\$	120,686
	6,151,714		5,902,886		5,469,217		5,237,495		4,928,806		4,648,843		4,363,171
	450,362		384,394		321,991		198,511		175,395		155,768		140,977
\$	6,637,194	\$	6,331,189	\$	5,845,987	\$	5,505,336	\$	5,189,542	\$	4,907,846	\$	4,624,834
	4.87 %		4.82 %		5.13 %		5.10 %		4.85 %		4.85 %		4.14 %

	2021		2020		2019		2018		2017		2016		2015
\$	485,475	\$	466,005	\$	412,466	\$	389,001	\$	306,591	\$	287,049	\$	219,395
	485,475		466,005		412,466		389,001		306,591		287,049		219,395
\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
\$	6,151,714	\$	5,902,886	\$	5,469,217	\$	5,237,495	\$	4,928,806	\$	4,648,843	\$	4,363,171
	7.89 %		7.89 %		7.54 %		7.43 %		6.22 %		6.17 %		5.03 %

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedule of Contributions

Teachers' Retirement System (TRS) Plan 1

Fiscal Year Ended June 30

(dollars in thousands)

	2024	2023	2022
Contractually required contributions	\$ 3,187	\$ 7,797	\$ 6,730
Employer contributions related to covered payroll of employees participating in TRS Plan 1	\$ 62	\$ 110	\$ 104
Employer UAAL contributions related to covered payroll of employees participating in TRS Plan 2/3	3,125	7,687	6,626
Contributions in relation to the actuarially determined contributions	3,187	7,797	6,730
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered payroll of employees participating in TRS Plan 1	\$ 538	\$ 691	\$ 713
Covered payroll of employees participating in TRS Plan 2/3	128,169	111,662	101,014
Covered Payroll	\$ 128,707	\$ 112,353	\$ 101,727
Contributions as a percentage of covered payroll	2.48 %	6.94 %	6.62 %

Note: Covered payroll data for prior years may be revised due to reporting lags.

Schedule of Contributions

Teachers' Retirement System (TRS) Plan 2/3

Fiscal Year Ended June 30

(dollars in thousands)

	2024	2023	2022
Contractually required contributions	\$ 11,600	\$ 9,633	\$ 8,377
Contributions in relation to the contractually required contributions	11,600	9,633	8,377
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered Payroll	\$ 128,169	\$ 111,662	\$ 101,014
Contributions as a percentage of covered payroll	9.05 %	8.63 %	8.29 %

Note: Covered payroll data for prior years may be revised due to reporting lags.

State of Washington

	2021		2020		2019		2018		2017		2016		2015
\$	7,182	\$	6,215	\$	5,436	\$	4,582	\$	3,608	\$	2,940	\$	1,920
\$	176	\$	225	\$	241	\$	272	\$	326	\$	369	\$	388
	7,006		5,990		5,195		4,310		3,282		2,571		1,532
	7,182		6,215		5,436		4,582		3,608		2,940		1,920
\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
\$	1,330	\$	1,431	\$	1,557	\$	1,893	\$	2,475	\$	5,735	\$	3,913
	95,486		83,176		43,082		61,292		52,534		41,803		33,705
\$	96,816	\$	84,607	\$	44,639	\$	63,185	\$	55,009	\$	47,538	\$	37,618
	7.42 %		7.35 %		12.18 %		7.25 %		6.56 %		6.18 %		5.10 %

	2021		2020		2019		2018		2017		2016		2015
\$	7,742	\$	6,730	\$	5,542	\$	4,699	\$	3,542	\$	2,827	\$	1,924
	7,742		6,730		5,542		4,699		3,542		2,827		1,924
\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
\$	95,486	\$	83,176	\$	43,082	\$	61,292	\$	52,534	\$	41,803	\$	33,705
	8.11 %		8.09 %		12.86 %		7.67 %		6.74 %		6.76 %		5.71 %

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)

	2024	2023	2022
Contractually required contributions	\$ 42,767	\$ 33,198	\$ 29,000
Contributions in relation to the contractually required contributions	42,767	33,198	29,000
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered Payroll	\$ 632,896	\$ 512,586	\$ 443,145
Contributions as a percentage of covered payroll	6.76 %	6.48 %	6.54 %

Note: Covered payroll data for prior years may be revised due to reporting lags.

Schedule of Contributions

Law Enforcement Officers' and Firefighters' Retirement System (LEOFF) Plan 2

Fiscal Year Ended June 30

(dollars in thousands)

	2024	2023	2022
Contractually required contributions	\$ 1,850	\$ 1,635	\$ 1,545
Contributions in relation to the contractually required contributions	1,850	1,635	1,545
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered Payroll	\$ 29,034	\$ 25,723	\$ 23,244
Contributions as a percentage of covered payroll	6.37 %	6.36 %	6.65 %

Note: Covered payroll data for prior years may be revised due to reporting lags.

State of Washington

2021		2020		2019		2018		2017		2016		2015	
\$	32,495	\$	27,498	\$	17,602	\$	13,330	\$	11,465	\$	10,233	\$	8,932
	32,495		27,498		17,602		13,330		11,465		10,233		8,932
\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
\$	450,362	\$	384,394	\$	321,991	\$	198,511	\$	175,395	\$	155,768	\$	140,977
	7.22 %		7.15 %		5.47 %		6.72 %		6.54 %		6.57 %		6.34 %

2021		2020		2019		2018		2017		2016		2015	
\$	1,602	\$	1,721	\$	1,654	\$	1,512	\$	1,346	\$	1,345	\$	1,224
	1,602		1,721		1,654		1,512		1,346		1,345		1,224
\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
\$	22,917	\$	25,410	\$	23,388	\$	21,892	\$	20,396	\$	19,828	\$	18,744
	6.99 %		6.77 %		7.07%		6.91%		6.60%		6.78%		6.53%

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, 2021, valuation date, completed in the fall of 2022, plus any supplemental contribution rates from the preceding legislative sessions, determines the ADC for the period beginning July 1, 2023, and ending June 30, 2025.

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 funds are 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.

The Department of Retirement Systems prepares a stand-alone financial report that is compliant with GAAP reporting. 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: [DRS Annual Financial Reports](#).

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PENSION PLAN INFORMATION

Plans Administered by the State Board for Volunteer Firefighters and Reserve Officers

Schedule of Contributions

Volunteer Firefighters' Relief and Pension Fund

Last Ten Fiscal Years

(expressed in thousands)

Year		Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions		Contribution Deficiency (Excess)
2024	\$	973	\$	15,465	\$ (14,492)
2023		969		4,758	(3,789)
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)

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 Firefighters' adoption cycle and the actuarial funding methods selected.

Effective July 2023, House Bill 1336 split the Volunteer Firefighters' and Reserve Officers' Relief and Pension Fund into two plans. 2024 is the first year contribution amounts were determined separately for each plan.

Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Schedule of Contributions

Reserve Officers' Relief and Pension Fund

Fiscal Year Ended*

(expressed in thousands)

Year		Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions		Contribution Deficiency (Excess)
2024	\$	8	\$	8	\$ —

Notes:

Neither covered payroll nor contributions as a percentage of covered payroll are applicable. This is a volunteer organization.

Effective July 2023, House Bill 1336 split the Volunteer Firefighters' and Reserve Officers' Relief and Pension Fund into two plans. 2024 is the first year contribution amounts were determined separately for each plan.

*This schedule is to be built prospectively until it contains ten years of data.

Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Plans Administered by the State Board for Volunteer Firefighters and Reserve Officers

Schedule of Investment Returns

Volunteer Firefighters' and Reserve Officers' Fund (VFFRO)

Last Ten Fiscal Years

Year	Annual money-weighted rate of return, net of investment expense
2024	14.90 %
2023	12.10 %
2022	-16.02 %
2021	3.11 %
2020	4.40 %
2019	8.23 %
2018	8.84 %
2017	13.26 %
2016	2.19 %
2015	4.05 %

Note: The VFFRO Fund includes two separate pension plans: the Volunteer Firefighters' Relief and Pension Principal Fund and the Reserve Officers' Relief and Pension Principal Fund.

PENSION PLAN INFORMATION

Plans Administered by the State Board for Volunteer Firefighters and Reserve Officers

**Schedule of Changes in Net Pension Liability
Volunteer Firefighters' Relief and Pension Fund**

Last Ten Fiscal Years
(expressed in thousands)

	2024	2023	2022
Total Pension Liability			
Service cost	\$ 893	\$ 891	\$ 928
Interest	14,948	14,620	14,456
Changes of benefit terms	(2,609)	—	—
Differences between expected and actual experience	—	5,343	—
Changes in assumptions	—	—	—
Benefit payments, including refunds of member contributions	(12,915)	(12,647)	(12,574)
Net Change in Total Pension Liability	317	8,207	2,810
Total Pension Liability--Beginning	257,222	249,015	246,205
Total Pension Liability--Ending	<u>\$ 257,539</u>	<u>\$ 257,222</u>	<u>\$ 249,015</u>
Plan Fiduciary Net Position			
Contributions--municipalities	\$ 682	\$ 705	\$ 726
Contributions--member	47	37	53
Contributions--state as nonemployer contributing entity	14,783	4,053	6,724
Net investment income	33,746	25,469	(41,127)
Benefit payments, including refunds of member contributions	(12,915)	(12,646)	(12,566)
Administrative expense	(1,201)	(1,069)	(1,269)
Other	(3,564)	(9)	—
Net Change in Plan Fiduciary Net Position	31,578	16,540	(47,459)
Plan Fiduciary Net Position--Beginning	237,291	220,751	268,210
Plan Fiduciary Net Position--Ending	<u>\$ 268,869</u>	<u>\$ 237,291</u>	<u>\$ 220,751</u>
Plan's Net Pension Liability/(Asset)--Ending	<u>\$ (11,330)</u>	<u>\$ 19,931</u>	<u>\$ 28,264</u>

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

State of Washington

2021		2020		2019		2018		2017		2016		2015	
\$	819	\$	820	\$	828	\$	853	\$	869	\$	893	\$	919
	15,728		13,120		13,119		13,151		12,946		12,887		12,656
	—		34,626		—		—		—		—		—
	(4,495)		1,134		(1,857)		(2,707)		(1,998)		(176)		(2,948)
	16,726		—		—		16		463		101		1,931
	(12,673)		(12,217)		(11,913)		(11,573)		(11,074)		(10,795)		(10,501)
	16,105		37,483		177		(260)		1,206		2,910		2,057
	230,100		192,617		192,440		192,700		191,494		188,584		186,527
\$	246,205	\$	230,100	\$	192,617	\$	192,440	\$	192,700	\$	191,494	\$	188,584
\$	803	\$	771	\$	797	\$	823	\$	848	\$	918	\$	913
	58		40		54		65		69		67		76
	7,667		8,196		7,639		7,227		6,646		7,235		5,903
	7,778		11,059		20,101		19,860		26,114		4,588		8,289
	(12,673)		(12,217)		(11,913)		(11,573)		(11,074)		(10,795)		(10,501)
	(762)		(3,120)		(1,352)		(918)		(1,466)		(1,205)		(1,020)
	—		—		—		—		—		—		—
	2,871		4,729		15,326		15,484		21,137		808		3,660
	265,339		260,610		245,284		229,800		208,663		207,855		204,195
\$	268,210	\$	265,339	\$	260,610	\$	245,284	\$	229,800	\$	208,663	\$	207,855
\$	(22,005)	\$	(35,239)	\$	(67,993)	\$	(52,844)	\$	(37,100)	\$	(17,169)	\$	(19,271)

PENSION PLAN INFORMATION

Plans Administered by the State Board for Volunteer Firefighters and Reserve Officers

Schedule of Changes in Net Pension Liability

Reserve Officers' Relief and Pension Fund

Fiscal Year Ended*

(expressed in thousands)

	2024
Total Pension Liability	
Service cost	\$ 8
Interest	154
Changes of benefit terms	2,609
Differences between expected and actual experience	—
Changes in assumptions	—
Benefit payments, including refunds of member contributions	(100)
Net Change in Total Pension Liability	2,671
Total Pension Liability--Beginning	—
Total Pension Liability--Ending	\$ 2,671
Plan Fiduciary Net Position	
Contributions--municipalities	\$ 25
Contributions--member	—
Contributions--state as nonemployer contributing entity	—
Net investment income	404
Benefit payments, including refunds of member contributions	(100)
Administrative expense	—
Other	3,563
Net Change in Plan Fiduciary Net Position	3,892
Plan Fiduciary Net Position--Beginning	—
Plan Fiduciary Net Position--Ending	\$ 3,892
Plan's Net Pension Liability/(Asset)--Ending	\$ (1,221)

Note: Figures may not total due to rounding.

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

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PENSION PLAN INFORMATION

Plans Administered by the State Board for Volunteer Firefighters and Reserve Officers

Schedule of Net Pension Liability

Volunteer Firefighters' Relief and Pension Fund

Last Ten Fiscal Years

(expressed in thousands)

	2024	2023	2022
Total Pension Liability/(Asset)--Ending	\$ 257,539	\$ 257,222	\$ 249,015
Plan Fiduciary Net Position--Ending	268,869	237,291	220,751
Plan's Net Pension Liability/(Asset)--Ending	\$ (11,330)	\$ 19,931	\$ 28,264
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	104.40 %	92.25 %	88.65 %
Covered Payroll	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 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

Schedule of Net Pension Liability

Reserve Officers' Relief and Pension Fund

Fiscal Year Ended*

(expressed in thousands)

	2024
Total Pension Liability/(Asset)--Ending	\$ 2,671
Plan Fiduciary Net Position--Ending	3,892
Plan's Net Pension Liability/(Asset)--Ending	\$ (1,221)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	145.71 %
Covered Payroll	N/A
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	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.

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

	2021		2020		2019		2018		2017		2016		2015
\$	246,205	\$	230,100	\$	192,617	\$	192,440	\$	192,700	\$	191,494	\$	188,584
	268,210		265,339		260,610		245,284		229,800		208,663		207,855
\$	(22,005)	\$	(35,239)	\$	(67,993)	\$	(52,844)	\$	(37,100)	\$	(17,169)	\$	(19,271)
	108.94 %		115.31 %		135.30 %		127.46 %		119.25 %		108.97 %		110.22 %
	N/A		N/A		N/A		N/A		N/A		N/A		N/A
	N/A		N/A		N/A		N/A		N/A		N/A		N/A

Plans Administered by the State Board for Volunteer Firefighters and Reserve Officers

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 policies adopted by the State Board for Volunteer Firefighters 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, 2022, valuation date, completed in the fall of 2023, determines the ADC for the period ending June 30, 2024.

Effective July 23, 2023, House Bill 1336 was passed splitting the Volunteer Firefighters' and Reserve Officers' Relief and Pension System into two separate plans, one for volunteer firefighters and one for reserve officers. Both plans are established with the same benefits structure as the original Firefighters' and Reserve Officers' Relief and Pension Plan. The contributions and earnings will be split between the two funds proportionate to the membership of each group.

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Contributions

University of Washington (UW)

Last Four 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
2024	\$ 8,423	\$ 8,423	\$ —	\$ 2,216,600	0.38 %
2023	8,358	8,358	—	2,199,526	0.38 %
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 Four 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
2024	\$ 1,097	\$ 1,097	\$ —	\$ 365,601	0.30 %
2023	1,040	1,040	—	346,733	0.30 %
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 Four 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
2024	\$ 176	\$ 176	\$ —	\$ 62,975	0.28 %
2023	172	172	—	61,516	0.28 %
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 Four 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
2024	\$ —	\$ 179	\$ (179)	\$ 63,859	0.28 %
2023	—	178	(178)	63,515	0.28 %
2022	—	187	(187)	66,747	0.28 %
2021	—	173	(173)	38,710	0.45 %

Note: Statute requires Central Washington University to contribute at a rate similar to other institutions of higher education even though the Actuarially Determined Contributions equal 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 Four 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
2024	\$ 48	\$ 48	\$ —	\$ 21,082	0.23 %
2023	46	46	—	20,197	0.23 %
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 Four 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
2024	\$ 243	\$ 243	\$ —	\$ 115,430	0.21 %
2023	235	234	1	111,703	0.21 %
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 Four 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
2024	\$ 903	\$ 903	\$ —	\$ 692,085	0.13 %
2023	858	862	(4)	660,066	0.13 %
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 Four Fiscal Years*

Institution Name	UW	WSU	EWU	CWU	TESC	WWU	SBCTC
Annual money-weighted rate of return, net of investment expense							
2024	8.12 %	8.08 %	8.07 %	8.06 %	8.04 %	8.06 %	8.03 %
2023	7.16 %	7.13 %	7.11 %	7.11 %	7.08 %	7.09 %	7.07 %
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

State of Washington

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)

	2024		2023		2022
Total Pension Liability					
Service cost	\$	4,198	\$	5,068	\$ 3,699
Interest		19,094		22,106	15,933
Changes of benefit terms		—		—	—
Differences between expected and actual experience		(41,669)		(31,360)	67,986
Changes in assumptions		—		(26,643)	22,150
Benefit payments		(11,666)		(10,989)	(10,313)
Net Change in Total Pension Liability		(30,043)		(41,818)	99,455
Total Pension Liability--Beginning		274,309		316,127	216,672
Total Pension Liability--Ending	\$	244,266	\$	274,309	\$ 316,127
Plan Fiduciary Net Position **					
Contributions--employer	\$	8,423	\$	8,358	\$ 6,548
Contributions--member		—		—	—
Net Investment income		9,393		7,189	101
Benefit payments, including refunds of member contributions		—		—	—
Administrative expense		—		—	—
Net Change in Plan Fiduciary Net Position		17,816		15,547	6,648
Plan Fiduciary Net Position--Beginning		112,536		96,989	90,341
Plan Fiduciary Net Position--Ending	\$	130,352	\$	112,536	\$ 96,989
Plan's Net Position Liability/(Asset)--Ending	\$	113,914	\$	161,773	\$ 219,138

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 No. 67 and 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

State of Washington

2021		2020		2019		2018		2017	
\$	22,877	\$	16,699	\$	11,823	\$	14,788	\$	19,891
	17,677		21,232		16,277		16,128		15,097
	—		—		—		—		—
	(372,651)		31,425		102,713		(33,953)		(74,918)
	(223,327)		126,749		58,228		(17,105)		(28,553)
	(9,733)		(8,316)		(7,482)		(6,130)		(5,136)
	(565,158)		187,789		181,559		(26,272)		(73,619)
	781,829		594,040		412,481		438,753		512,372
\$	216,672	\$	781,829	\$	594,040	\$	412,481	\$	438,753
\$	7,105		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	22,275		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	29,380		N/A		N/A		N/A		N/A
	60,961		N/A		N/A		N/A		N/A
\$	90,341		N/A		N/A		N/A		N/A
\$	126,331		N/A		N/A		N/A		N/A

State of Washington

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)

	2024		2023		2022
Total Pension Liability					
Service cost	\$	577	\$	857	\$ 604
Interest		3,662		3,916	2,968
Changes of benefit terms		—		—	—
Differences between expected and actual experience		(6,154)		(669)	11,481
Changes in assumptions		—		(4,222)	3,771
Benefit payments		(3,253)		(3,228)	(3,248)
Net Change in Total Pension Liability		(5,168)		(3,345)	15,577
Total Pension Liability--Beginning		53,334		56,679	41,102
Total Pension Liability--Ending	\$	48,166	\$	53,334	\$ 56,679
Plan Fiduciary Net Position**					
Contributions--employer	\$	1,097	\$	1,040	\$ 975
Contributions--member		—		—	—
Net Investment income		1,737		1,358	22
Benefit payments, including refunds of member contributions		—		—	—
Administrative expense		—		—	—
Net Change in Plan Fiduciary Net Position		2,834		2,398	998
Plan Fiduciary Net Position--Beginning		21,041		18,643	17,646
Plan Fiduciary Net Position--Ending	\$	23,875	\$	21,041	\$ 18,643
Plan's Net Pension Liability/(Asset)--Ending	\$	24,290	\$	32,292	\$ 38,036

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 No. 67 and 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

State of Washington

2021		2020		2019		2018		2017	
\$	3,114	\$	2,282	\$	2,112	\$	2,763	\$	3,803
	2,666		3,282		3,241		3,261		3,140
	—		—		—		—		—
	(47,565)		5,496		(1,022)		(7,171)		(16,389)
	(33,228)		17,655		7,997		(3,255)		(6,574)
	(2,827)		(2,493)		(2,439)		(2,181)		(1,890)
	(77,840)		26,222		9,889		(6,583)		(17,910)
	118,942		92,720		82,831		89,414		107,324
\$	41,102	\$	118,942	\$	92,720	\$	82,831	\$	89,414
\$	919		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	4,422		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	5,341		N/A		N/A		N/A		N/A
	12,305		N/A		N/A		N/A		N/A
\$	17,646		N/A		N/A		N/A		N/A
\$	23,456		N/A		N/A		N/A		N/A

State of Washington

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)

	2024		2023		2022
Total Pension Liability					
Service cost	\$	152	\$	210	\$ 157
Interest		698		920	671
Changes of benefit terms		—		—	—
Differences between expected and actual experience		(1,454)		(2,820)	2,661
Changes in assumptions		—		(1,040)	867
Benefit payments		(409)		(366)	(277)
Net Change in Total Pension Liability		(1,014)		(3,096)	4,080
Total Pension Liability--Beginning		10,023		13,119	9,040
Total Pension Liability--Ending	\$	9,009	\$	10,023	\$ 13,119
Plan Fiduciary Net Position**					
Contributions--employer	\$	176	\$	172	\$ 165
Contributions--member		—		—	—
Net Investment income		341		269	5
Benefit payments, including refunds of member contributions		—		—	—
Administrative expense		—		—	—
Net Change in Plan Fiduciary Net Position		518		441	171
Plan Fiduciary Net Position--Beginning		4,161		3,720	3,549
Plan Fiduciary Net Position--Ending	\$	4,679	\$	4,161	\$ 3,720
Plan's Net Pension Liability/(Asset)-- Ending	\$	4,330	\$	5,862	\$ 9,399

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 No. 67 and 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

State of Washington

2021		2020		2019		2018		2017	
\$	668	\$	501	\$	463	\$	477	\$	658
	523		634		614		429		420
	—		—		—		—		—
	(7,646)		1,019		421		3,867		(2,852)
	(7,364)		3,488		1,014		(621)		(647)
	(280)		(250)		(316)		(202)		(140)
	(14,099)		5,392		2,196		3,950		(2,561)
	23,139		17,747		15,551		11,601		14,162
\$	9,040	\$	23,139	\$	17,747	\$	15,551	\$	11,601
\$	165		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	892		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	1,057		N/A		N/A		N/A		N/A
	2,492		N/A		N/A		N/A		N/A
\$	3,549		N/A		N/A		N/A		N/A
\$	5,490		N/A		N/A		N/A		N/A

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)

	2024		2023		2022
Total Pension Liability					
Service cost	\$	12	\$	24	\$ 19
Interest		333		373	327
Changes of benefit terms		—		—	—
Differences between expected and actual experience		(265)		(181)	777
Changes in assumptions		—		(273)	260
Benefit payments		(501)		(493)	(473)
Net Change in Total Pension Liability		(420)		(550)	910
Total Pension Liability--Beginning		4,995		5,545	4,635
Total Pension Liability--Ending	\$	4,575	\$	4,995	\$ 5,545
Plan Fiduciary Net Position**					
Contributions--employer	\$	179	\$	178	\$ 187
Contributions--member		—		—	—
Net Investment income		344		271	4
Benefit payments, including refunds of member contributions		—		—	—
Administrative expense		—		—	—
Net Change in Plan Fiduciary Net Position		523		449	191
Plan Fiduciary Net Position--Beginning		4,200		3,751	3,560
Plan Fiduciary Net Position--Ending	\$	4,724	\$	4,200	\$ 3,751
Plan's Net Pension Liability/(Asset)--Ending	\$	(149)	\$	795	\$ 1,794

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 No. 67 and 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

State of Washington

2021		2020		2019		2018		2017	
\$	74	\$	52	\$	61	\$	91	\$	150
	187		252		293		299		293
	—		—		—		—		—
	(1,386)		322		(710)		(466)		(1,270)
	(2,394)		1,057		428		(272)		(616)
	(467)		(439)		(411)		(412)		(411)
	(3,987)		1,244		(339)		(760)		(1,854)
	8,622		7,378		7,717		8,477		10,331
\$	4,635	\$	8,622	\$	7,378	\$	7,717	\$	8,477
\$	173		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	894		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	1,067		N/A		N/A		N/A		N/A
	2,493		N/A		N/A		N/A		N/A
\$	3,560		N/A		N/A		N/A		N/A
\$	1,075		N/A		N/A		N/A		N/A

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)

	2024		2023		2022
Total Pension Liability					
Service cost	\$	58	\$	72	\$ 55
Interest		261		349	260
Changes of benefit terms		—		—	—
Differences between expected and actual experience		(609)		(1,152)	991
Changes in assumptions		—		(361)	311
Benefit payments		(154)		(155)	(157)
Net Change in Total Pension Liability		(444)		(1,245)	1,460
Total Pension Liability--Beginning		3,748		4,994	3,533
Total Pension Liability--Ending	\$	3,305	\$	3,748	\$ 4,994
Plan Fiduciary Net Position**					
Contributions--employer	\$	48	\$	46	\$ 46
Contributions--member		—		—	—
Net Investment income		128		102	2
Benefit payments, including refunds of member contributions		—		—	—
Administrative expense		—		—	—
Net Change in Plan Fiduciary Net Position		176		148	49
Plan Fiduciary Net Position--Beginning		1,569		1,421	1,372
Plan Fiduciary Net Position--Ending	\$	1,745	\$	1,569	\$ 1,421
Plan's Net Pension Liability/(Asset)--Ending	\$	1,560	\$	2,180	\$ 3,573

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

State of Washington

2021		2020		2019		2018		2017	
\$	250	\$	188	\$	154	\$	210	\$	296
	201		243		235		237		230
	—		—		—		—		—
	(3,198)		490		(108)		(565)		(1,327)
	(2,495)		1,293		694		(229)		(387)
	(119)		(138)		(137)		(183)		(158)
	(5,361)		2,076		838		(530)		(1,346)
	8,894		6,818		5,980		6,510		7,856
\$	3,533	\$	8,894	\$	6,818	\$	5,980	\$	6,510
\$	40		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	348		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	388		N/A		N/A		N/A		N/A
	984		N/A		N/A		N/A		N/A
\$	1,372		N/A		N/A		N/A		N/A
\$	2,162		N/A		N/A		N/A		N/A

State of Washington

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)

	2024		2023		2022
Total Pension Liability					
Service cost	\$	239	\$	327	\$ 233
Interest		1,147		1,454	982
Changes of benefit terms		—		—	—
Differences between expected and actual experience		(2,798)		(3,236)	5,263
Changes in assumptions		—		(2,251)	1,524
Benefit payments		(589)		(594)	(587)
Net Change in Total Pension Liability		(2,000)		(4,300)	7,416
Total Pension Liability--Beginning		16,443		20,743	13,327
Total Pension Liability--Ending	\$	14,443	\$	16,443	\$ 20,743
Plan Fiduciary Net Position**					
Contributions--employer	\$	243	\$	234	\$ 226
Contributions--member		—		—	—
Net Investment income		500		395	7
Benefit payments, including refunds of member contributions		—		—	—
Administrative expense		—		—	—
Net Change in Plan Fiduciary Net Position		743		630	233
Plan Fiduciary Net Position--Beginning		6,117		5,488	5,255
Plan Fiduciary Net Position--Ending	\$	6,860	\$	6,117	\$ 5,488
Plan's Net Pension Liability/(Asset)--Ending	\$	7,582	\$	10,326	\$ 15,255

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 No. 67 and 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

State of Washington

2021		2020		2019		2018		2017	
\$	922	\$	699	\$	551	\$	737	\$	1,057
	798		962		825		837		842
	—		—		—		—		—
	(15,050)		1,961		2,298		(2,233)		(5,278)
	(8,260)		5,269		2,821		(819)		(2,126)
	(524)		(486)		(420)		(380)		(298)
	(22,115)		8,405		6,075		(1,858)		(5,803)
	35,442		27,037		20,962		22,820		28,623
\$	13,327	\$	35,442	\$	27,037	\$	20,962	\$	22,820
\$	196		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	1,326		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	1,522		N/A		N/A		N/A		N/A
	3,733		N/A		N/A		N/A		N/A
\$	5,255		N/A		N/A		N/A		N/A
\$	8,072		N/A		N/A		N/A		N/A

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)

	2024		2023		2022
Total Pension Liability					
Service cost	\$	1,857	\$	1,985	\$ 1,508
Interest		6,364		7,167	5,078
Changes of benefit terms		—		—	—
Differences between expected and actual experience		(18,090)		(5,760)	22,436
Changes in assumptions		—		(11,407)	7,288
Benefit payments		(3,653)		(3,008)	(3,015)
Net Change in Total Pension Liability		(13,521)		(11,024)	33,294
Total Pension Liability--Beginning		90,859		101,882	68,588
Total Pension Liability--Ending	\$	77,337	\$	90,859	\$ 101,882
Plan Fiduciary Net Position**					
Contributions--employer	\$	903	\$	862	\$ 833
Contributions--member		—		—	—
Net investment income		2,945		2,361	52
Benefit payments, including refunds of member contributions		—		—	—
Administrative expense		—		—	—
Net Change in Plan Fiduciary Net Position		3,848		3,223	886
Plan Fiduciary Net Position--Beginning		36,368		33,145	32,259
Plan Fiduciary Net Position--Ending	\$	40,216	\$	36,368	\$ 33,145
Plan's Net Pension Liability/(Asset)--Ending	\$	37,121	\$	54,491	\$ 68,737

N/A indicates data not available.

*This schedule is to be built prospectively until it contains ten years of data.

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Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

State of Washington

	2021		2020		2019		2018		2017
\$	4,672	\$	3,516	\$	2,851	\$	3,827	\$	5,417
	3,323		3,956		3,449		3,517		3,514
	—		—		—		—		—
	(29,981)		8,335		6,503		(10,402)		(25,336)
	(54,110)		22,269		12,227		(3,519)		(5,980)
	(1,992)		(1,785)		(1,818)		(1,300)		(902)
	(78,088)		36,291		23,212		(7,877)		(23,287)
	146,676		110,385		87,173		95,050		118,337
\$	68,588	\$	146,676	\$	110,385	\$	87,173	\$	95,050
\$	656		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	8,211		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	—		N/A		N/A		N/A		N/A
	8,866		N/A		N/A		N/A		N/A
	23,393		N/A		N/A		N/A		N/A
\$	32,259		N/A		N/A		N/A		N/A
\$	36,329		N/A		N/A		N/A		N/A

State of Washington

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Net Pension Liability

University of Washington

Last Eight Fiscal Years*

(expressed in thousands)

	2024		2023		2022
Total Pension Liability/(Asset)--Ending	\$	244,266	\$	274,309	\$ 316,127
Plan Fiduciary Net Position--Ending		130,352		112,536	96,989
Plan's Net Pension Liability/(Asset)--Ending	\$	113,914	\$	161,773	\$ 219,138
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)		53.36 %		41.03 %	30.68 %
Covered Payroll	\$	2,216,600	\$	2,199,526	\$ 1,723,087
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll		5.14 %		7.35 %	12.72 %

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement No. 67 and 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 Eight Fiscal Years*

(expressed in thousands)

	2024		2023		2022
Total Pension Liability/(Asset)--Ending	\$	48,166	\$	53,334	\$ 56,679
Plan Fiduciary Net Position--Ending		23,875		21,041	18,643
Plan's Net Pension Liability/(Asset)--Ending	\$	24,290	\$	32,292	\$ 38,036
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)		49.57%		39.45%	32.89%
Covered Payroll	\$	365,601	\$	346,733	\$ 325,122
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll		6.64 %		9.31 %	11.70 %

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement No. 67 and 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

State of Washington

	2021		2020		2019		2018		2017
\$	216,672	\$	781,829	\$	594,040	\$	412,481	\$	438,753
	90,341		N/A		N/A		N/A		N/A
\$	126,331		N/A		N/A		N/A		N/A
	41.69 %		N/A		N/A		N/A		N/A
\$	1,703,155		N/A		N/A		N/A		N/A
	7.42 %		N/A		N/A		N/A		N/A

	2021		2020		2019		2018		2017
\$	41,102	\$	118,942	\$	92,720	\$	82,831	\$	89,414
	17,646		N/A		N/A		N/A		N/A
\$	23,456		N/A		N/A		N/A		N/A
	42.93%		N/A		N/A		N/A		N/A
\$	317,177		N/A		N/A		N/A		N/A
	7.40 %		N/A		N/A		N/A		N/A

State of Washington

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Net Pension Liability

Eastern Washington University

Last Eight Fiscal Years*

(expressed in thousands)

		2024		2023		2022
Total Pension Liability/(Asset)--Ending	\$	9,009	\$	10,023	\$	13,119
Plan Fiduciary Net Position--Ending		4,679		4,161		3,720
Plan's Net Pension Liability/(Asset)--Ending	\$	4,330	\$	5,862	\$	9,399
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)		51.94 %		41.51 %		28.36 %
Covered Payroll	\$	62,975	\$	61,516	\$	59,085
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll		6.88 %		9.53 %		15.91 %

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement No. 67 and 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

Central Washington University

Last Eight Fiscal Years*

(expressed in thousands)

		2024		2023		2022
Total Pension Liability/(Asset)--Ending	\$	4,575	\$	4,995	\$	5,545
Plan Fiduciary Net Position--Ending		4,724		4,200		3,751
Plan's Net Pension Liability/(Asset)--Ending	\$	(149)	\$	795	\$	1,794
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)		103.26 %		84.08 %		67.65 %
Covered Payroll	\$	63,859	\$	63,515	\$	66,747
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll		-0.23 %		1.25 %		2.69 %

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement No. 67 and 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

State of Washington

	2021		2020		2019		2018		2017
\$	9,040	\$	23,139	\$	17,747	\$	15,551	\$	11,601
	3,549		N/A		N/A		N/A		N/A
\$	5,490		N/A		N/A		N/A		N/A
	39.26 %		N/A		N/A		N/A		N/A
\$	60,251		N/A		N/A		N/A		N/A
	9.11 %		N/A		N/A		N/A		N/A

	2021		2020		2019		2018		2017
\$	4,635	\$	8,622	\$	7,378	\$	7,717	\$	8,477
	3,560		N/A		N/A		N/A		N/A
\$	1,075		N/A		N/A		N/A		N/A
	76.81 %		N/A		N/A		N/A		N/A
\$	77,419		N/A		N/A		N/A		N/A
	1.39 %		N/A		N/A		N/A		N/A

State of Washington

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Net Pension Liability

The Evergreen State College

Last Eight Fiscal Years*

(expressed in thousands)

		2024		2023		2022
Total Pension Liability/(Asset)--Ending	\$	3,305	\$	3,748	\$	4,994
Plan Fiduciary Net Position--Ending		1,745		1,569		1,421
Plan's Net Pension Liability/(Asset)--Ending	\$	1,560	\$	2,180	\$	3,573
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)		52.80 %		41.86 %		28.45 %
Covered Payroll	\$	21,082	\$	20,197	\$	20,208
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll		7.40 %		10.79 %		17.68 %

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement No. 67 and 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 Eight Fiscal Years*

(expressed in thousands)

		2024		2023		2022
Total Pension Liability/(Asset)--Ending	\$	14,443	\$	16,443	\$	20,743
Plan Fiduciary Net Position--Ending		6,860		6,117		5,488
Plan's Net Pension Liability/(Asset)--Ending	\$	7,582	\$	10,326	\$	15,255
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)		47.50 %		37.20 %		26.46 %
Covered Payroll	\$	115,430	\$	111,703	\$	107,558
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll		6.57 %		9.24 %		14.18 %

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement Nos. 67 and 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

State of Washington

	2021		2020		2019		2018		2017
\$	3,533	\$	8,894	\$	6,818	\$	5,980	\$	6,510
	1,372		N/A		N/A		N/A		N/A
\$	2,162		N/A		N/A		N/A		N/A
	38.83 %		N/A		N/A		N/A		N/A
\$	36,786		N/A		N/A		N/A		N/A
	5.88 %		N/A		N/A		N/A		N/A

	2021		2020		2019		2018		2017
\$	13,327	\$	35,442	\$	27,037	\$	20,962	\$	22,820
	5,255		N/A		N/A		N/A		N/A
\$	8,072		N/A		N/A		N/A		N/A
	39.43 %		N/A		N/A		N/A		N/A
\$	317,177		N/A		N/A		N/A		N/A
	2.54 %		N/A		N/A		N/A		N/A

PENSION PLAN INFORMATION

Higher Education Supplemental Defined Benefit Plans

Schedule of Net Pension Liability

State Board for Community and Technical Colleges

Last Eight Fiscal Years*

(expressed in thousands)

	2024		2023		2022
Total Pension Liability/(Asset)--Ending	\$	77,337	\$	90,859	\$ 101,882
Plan Fiduciary Net Position--Ending		40,216		36,368	33,145
Plan's Net Pension Liability/(Asset)--Ending	\$	37,121	\$	54,491	\$ 68,737
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)		52.00 %		40.03 %	32.53 %
Covered Payroll	\$	692,085	\$	660,066	\$ 638,490
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll		5.36 %		8.26 %	10.77 %

N/A indicates data not available. Fiscal year 2021 is the first year institutions of higher education reported under GASB Statement No. 67 and 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, RCW 41.50.075 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 and 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.

State of Washington

	2021		2020		2019		2018		2017
\$	68,588	\$	146,676	\$	110,385	\$	87,173	\$	95,050
	32,259		N/A		N/A		N/A		N/A
\$	36,329		N/A		N/A		N/A		N/A
	47.03 %		N/A		N/A		N/A		N/A
\$	639,861		N/A		N/A		N/A		N/A
	5.68 %		N/A		N/A		N/A		N/A

OTHER POSTEMPLOYMENT BENEFITS INFORMATION

Schedule of Changes in Total OPEB Liability and Related Ratios

Measurement Date of June 30*

(expressed in thousands)

	2023	2022	2021
Total OPEB Liability			
Service cost	\$ 153,384	\$ 313,547	\$ 323,706
Interest	154,001	145,472	139,842
Changes in benefit terms	—	—	—
Difference between expected and actual experience	556	(144,000)	404
Changes in assumptions	(74,647)	(2,431,367)	58,702
Benefit payments	(107,271)	(106,880)	(106,523)
Changes in proportion	3	(2)	—
Other**	—	—	—
Net Changes in Total OPEB Liability	126,026	(2,223,230)	416,131
Total OPEB Liability--Beginning, as restated	4,249,821	6,473,051	6,056,920
Total OPEB Liability--Ending	\$ 4,375,847	\$ 4,249,821	\$ 6,473,051
Covered-employee payroll	\$ 10,410,729	\$ 9,475,038	\$ 9,560,209
Total OPEB liability as a percentage of covered-employee payroll	42.03 %	44.85 %	67.71 %

*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.

State of Washington

	2020		2019		2018		2017
\$	251,517	\$	235,316	\$	317,866	\$	394,955
	210,229		203,889		218,339		184,999
	—		—		—		—
	(32,209)		(273)		199,258		—
	136,371		379,637		(1,390,198)		(902,431)
	(100,092)		(93,253)		(92,200)		(94,279)
	3		(3)		(15)		—
	(214,094)		—		—		—
	251,725		725,313		(746,950)		(416,755)
	5,805,195		5,079,882		5,826,832		6,242,577
\$	6,056,920	\$	5,805,195	\$	5,079,882	\$	5,825,822
\$	9,285,200	\$	8,722,746	\$	8,401,635	\$	7,878,188
	65.23 %		66.55 %		60.46 %		73.95 %

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 2024, the state was responsible for maintaining and preserving 20,980 pavement lane miles, 4,164 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.

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. 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.

State of Washington

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

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					
(expressed in thousands)					
	2024	*2023	2022	2021	2020
Planned	\$ 211,280	\$ 358,925	\$ 139,663	\$ 211,788	\$ 194,105
Actual	217,547	272,043	119,280	124,491	169,303
Variance	\$ (6,267)	\$ 86,882	\$ 20,383	\$ 87,297	\$ 24,802
	-3.0%	24.2%	14.6%	41.2%	12.8%

**Amounts reported for fiscal year 2023 were updated to correct errors in prior year's calculations.*

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 WSDOT's website at: [Pavement Design & Management](#).

BRIDGE CONDITION

WSDOT inspects and performs condition assessments on approximately 3,378 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 345 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.

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

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			
2023	2021	2019	Average of Last Three Assessments
92.6%	94.7%	92.9%	93.4%

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)						
	2024	*2023	2022	2021	2020	
Planned	\$ 121,869	\$ 192,323	\$ 135,355	\$ 114,868	\$ 148,212	
Actual	161,472	144,316	92,080	109,137	120,554	
Variance	\$ (39,603)	\$ 48,007	\$ 43,275	\$ 5,731	\$ 27,658	
	-32.5%	25.0%	32.0%	5.0%	18.7%	

*Amounts reported for fiscal year 2023 were updated to correct errors in prior year's calculations.

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 and 2023 can be attributed to continued insufficient resources in keeping up with increased delivery demands imposed on WSDOT. Actual expenditures exceeded planned expenditures significantly in fiscal year 2024 due to several emergency bridge repairs and unplanned deck and bridge rehabilitation projects.

For more information about bridges, refer to WSDOT's website at: [Design Topics, Bridges and Structures](#).

SAFETY REST AREA CONDITION

Beginning in fiscal year 2020, 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 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.

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.

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.			

In the fall of 2022, WSDOT began evaluating the feasibility of continuing to manage safety rest areas under the same asset management plan as all other agency-owned infrastructure assets. In March 2023, the determination was made to remove safety rest areas from the modified approach to depreciation and transition to the straight-line depreciation method. As a result, no condition assessment was performed for safety rest areas in fiscal year 2023. WSDOT has been working on asset valuations and will record accounting adjustments in fiscal year 2025. Any remaining depreciation on safety rest area assets will be calculated quarterly in conjunction with other WSDOT capital assets.

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)									
	2023		2022		2021		2020		2019
Planned	\$ 11,871	\$	6,694	\$	8,140	\$	9,420	\$	11,084
Actual	11,535		7,589		7,256		8,601		9,004
Variance	\$ 336	\$	(895)	\$	884	\$	819	\$	2,080
	2.8%		-13.4%		10.9%		8.7%		18.8%

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: [Safety Rest Areas](#).

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State of Washington
Single Audit Report
For Fiscal Year Ended
June 30, 2024

Auditor's Section

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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, 2023 through June 30, 2024

The Honorable Bob Ferguson
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, each major fund, and aggregate discretely presented component units of the State of Washington, as of and for the year ended June 30, 2024, 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 23, 2024.

Our report includes a reference to other auditors who audited the financial statements of the Department of Retirement Systems, Local Government Investment Pool, University of Washington, funds managed by the State Investment Board, Fred Hutchinson Cancer Center, Health Benefits Exchange, Valley Medical Center, and Washington State Housing Finance Commission, as described in our report on the State's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Washington State Housing Finance Commission were not audited in accordance with *Government Auditing Standards*.

The State did not report the financial activity of the state university and college foundations as a component unit in the state's financial statements. Additionally, the State did not report complete financial activity of the Washington State Housing Finance Commission in the state's financial statements. Accordingly, our report was modified to reflect a qualified opinion on the fair presentation of the Aggregate Discretely Presented Component Units for this departure from accounting principles generally accepted in the United States of America.

The State was unable to provide appropriate audit evidence supporting the State's cash and cash equivalents, investments, due from other funds, due from other governments, accrued liabilities,

due to other funds, due to other governments, miscellaneous revenue, transfers in, and transfers out. The effects on these balances are not reasonably determinable but are presumed to be material. Accordingly, our report was modified to reflect a qualified opinion on the fair presentation of the Higher Education Special Revenue Fund.

The State was unable to provide appropriate audit evidence supporting the State's cash and cash equivalents, investments, due from other funds, due from other governments, other noncurrent assets, accounts payable, other long-term liabilities, miscellaneous revenue, transfers in, and transfers out. The effects on these balances are not reasonably determinable but are presumed to be material. Accordingly, our report was modified to reflect a qualified opinion on the fair presentation of the Higher Education Student Services Fund.

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 identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies. In the accompanying Schedule of Audit Findings and Responses, we consider the deficiencies described in Findings 2024-002 and 2024-003 to be material weaknesses and the deficiencies described in Finding 2024-001 to be significant deficiencies.

In addition, we also noted certain matters that we have reported to the management of the State in a separate letter dated December 23, 2024.

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.

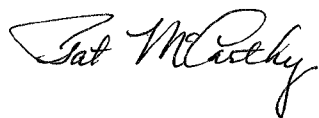
The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.



Pat McCarthy, State Auditor

Olympia, WA

December 23, 2024

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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, 2023 through June 30, 2024**

The Honorable Bob Ferguson
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, 2024. 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 \$79,041,997 in federal awards, but is not included in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2024. Our audit, described below, did not include the operations of the Valley Medical Center because it received a separate audit of its federal awards in accordance with the Uniform Guidance.

Disclaimer of Opinion on 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 below, 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 93.667 - Social Services Block Grant

In our opinion, because of the matter described below, on 93.667 - Social Services Block Grant paragraph, the State did not comply, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the program for the year ended June 30, 2024.

Qualified Opinion on 93.558 - Temporary Assistance for Needy Families and 93.568 - Low-Income Home Energy Assistance

In our opinion, except for the possible effects of the matter described below, 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 93.558 - Temporary Assistance for Needy Families and 93.568 - Low-Income Home Energy Assistance for the year ended June 30, 2024.

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, 2024.

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 other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse, qualified, and unmodified audit opinions on compliance for each major federal program. Our audit does not provide a legal determination of the State's compliance with the compliance requirements referred to above.

Basis for Disclaimer of Opinion on 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 the accompanying Schedule of Federal Award Findings and Questioned Costs and in Findings 2024-056, 2024-057, 2024-058, 2024-059 and 2024-060, the State did not comply with accounting and other necessary requirements regarding its Child Care and Development Fund Cluster programs for Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Matching, Level of Effort, Earmarking, Period of Performance, Reporting, and Special Test and Provision - Health and Safety Requirements. 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.

Matter Giving Rise to Disclaimer of Opinion on 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 2024-056, 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.

Matter Giving Rise to Adverse Opinion on 93.667 - Social Services Block Grant

As described in the accompanying Schedule of Federal Award Findings and Questioned Costs and in Findings 2024-072 and 2024-073, the State did not comply with requirements regarding 93.667 - Social Services Block Grant for Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Period of Performance and Reporting.

Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to that program.

Matter Giving Rise to Qualified Opinion on 93.558 - Temporary Assistance for Needy Families and 93.568 - Low-Income Home Energy Assistance

As described in the accompanying Schedule of Federal Award Findings and Questioned Costs and in Finding 2024-042, the State did not comply with requirements regarding 93.558 - Temporary Assistance for Needy Families for Activities Allowed or Unallowed and Allowable Costs/Cost Principles.

Additionally, as described in the accompanying Schedule of Federal Award Findings and Questioned Costs and in Findings 2024-049, 2024-050, 2024-051, 2024-052, 2024-053, 2024-054

and 2024-055, the State did not comply with requirements regarding 93.568 - Low-Income Home Energy Assistance for 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 judgement made by a reasonable user of the report on compliance about the State's compliance with the requirements of each major federal program as a whole.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the State's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control over compliance. Accordingly, no such opinion is expressed; and

- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures also disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Federal Award Findings and Questioned Costs as Findings 2024-004, 2024-005, 2024-006, 2024-007, 2024-009, 2024-010, 2024-011, 2024-012, 2024-013, 2024-014, 2024-018, 2024-021, 2024-022, 2024-023, 2024-024, 2024-028, 2024-030, 2024-032, 2024-036, 2024-037, 2024-038, 2024-039, 2024-040, 2024-041, 2024-044, 2024-046, 2024-047, 2024-048, 2024-062, 2024-063, 2024-064, 2024-065, 2024-068, 2024-069, 2024-070, 2024-071, 2024-074, 2024-075, 2024-076, 2024-077, 2024-078, 2024-079, 2024-080, 2024-081, 2024-082 and 2024-083. 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 Findings 2024-004, 2024-005, 2024-006, 2024-007, 2024-009, 2024-010, 2024-011, 2024-012, 2024-013, 2024-014, 2024-015, 2024-016, 2024-017, 2024-018, 2024-019, 2024-020, 2024-021, 2024-022, 2024-023, 2024-026, 2024-027, 2024-028, 2024-030, 2024-031, 2024-032, 2024-033, 2024-034, 2024-036, 2024-037, 2024-038, 2024-039, 2024-040, 2024-041, 2024-042, 2024-044, 2024-045, 2024-046, 2024-047, 2024-048, 2024-050, 2024-051, 2024-052, 2024-053, 2024-054, 2024-055, 2024-056, 2024-057, 2024-058, 2024-059, 2024-060, 2024-062, 2024-063, 2024-064, 2024-065, 2024-068, 2024-069, 2024-070, 2024-071, 2024-072, 2024-073, 2024-074, 2024-075, 2024-076, 2024-077, 2024-078, 2024-079, 2024-080, 2024-081, 2024-082 and 2024-083 to be material weaknesses and the deficiencies described in Findings 2024-008, 2024-025, 2024-029, 2024-035, 2024-043, 2024-061, 2024-066, 2024-067, 2024-084 and 2024-085 to be significant deficiencies.

State's Response to Findings

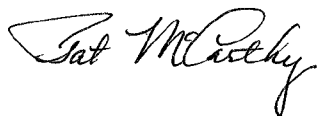
Government Auditing Standards requires the auditor to perform limited procedures on the State's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Federal Award Findings and Questioned Costs. The State's response was not subjected 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 aggregate discretely presented component units and remaining fund information of the State of Washington as of and for the year ended June 30, 2024, and have issued our report thereon dated December 23, 2024, which contained unmodified and qualified 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.



Pat McCarthy, State Auditor

Olympia, WA

April 23, 2025

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State of Washington

Single Audit Report

For Fiscal Year Ended

June 30, 2024

Auditor's Section

Schedule of Findings and Questioned Costs

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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, remaining fund information and other major funds; we issued a qualified opinion on the aggregate discretely presented component units, Higher Education Special Revenue Fund and Higher Education Student Services Fund, in accordance with accounting principles generally accepted in the United States of America (GAAP).

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We identified 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 instances of noncompliance that were material to the financial statements of the State.

Federal Awards

Internal Control over Major Programs:

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

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

We issued a disclaimer of opinion on the State's compliance with requirements applicable to the 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 93.667 – Social Services Block Grant.

We also issued a qualified opinion on the State's compliance with requirements applicable to the 93.558 – Temporary Assistance for Needy Families, and 93.568 – Low-Income Home Energy Assistance 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>
10.542	COVID-19 – Pandemic EBT Food Benefits
10.558	Child and Adult Care Food Program
10.565	Food Distribution Cluster - Commodity Supplemental Food Program
10.568	Food Distribution Cluster - Emergency Food Assistance Program (Administrative Costs)
10.569	Food Distribution Cluster - Emergency Food Assistance Program (Food Commodities)
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
17.278	COVID-19 – WIOA Cluster - WIOA Dislocated Worker Formula Grants
20.205	Highway Planning and Construction
20.205	COVID-19 – Highway Planning and Construction
20.500	Federal Transit Cluster - Federal Transit Capital Investment Grants

20.507	Federal Transit Cluster - Federal Transit Formula Grants
20.525	Federal Transit Cluster - State of Good Repair Grants Program
20.526	Federal Transit Cluster - Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs
21.026	COVID-19 - Homeowner Assistance Fund
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds
66.458	Clean Water State Revolving Fund
84.011	Migrant Education State Grant Program
84.027	Special Education Cluster (IDEA) - Special Education Grants to States
84.027	COVID-19 - Special Education Cluster (IDEA) - Special Education Grants to States
84.048	Career and Technical Education -- Basic Grants to States
84.173	Special Education Cluster (IDEA) - Special Education Preschool Grants
84.173	COVID-19 - Special Education Cluster (IDEA) - Special Education Preschool Grants
84.425	COVID-19 - Education Stabilization Fund
93.044	Aging Cluster - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers
93.044	COVID-19 - Aging Cluster - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers
93.045	Aging Cluster - Special Programs for the Aging, Title III, Part C, Nutrition Services
93.045	COVID-19 - Aging Cluster - Special Programs for the Aging, Title III, Part C, Nutrition Services
93.053	Aging Cluster - Nutrition Services Incentive Program
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)
93.558	Temporary Assistance for Needy Families

93.563	Child Support Services
93.566	Refugee and Entrant Assistance State/Replacement Designee Administered Programs
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	COVID-19 - CCDF Cluster - Child Care and Development Block Grant
93.596	CCDF Cluster - Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.600	Head Start Cluster - Head Start
93.658	Foster Care Title IV-E
93.658	COVID-19 – Foster Care Title IV-E
93.667	Social Services Block Grant
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	COVID-19 - Medicaid Cluster - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
93.778	Medicaid Cluster - Grants to States for Medicaid
93.778	COVID-19 - Medicaid Cluster - Grants to States for Medicaid
93.959	Block Grants for Prevention and Treatment of Substance Abuse
93.959	COVID-19 - Block Grants for Prevention and Treatment of Substance Abuse
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$41,158,557.

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

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

U.S. Department of Health and Human Services	Department of Health	93.323	Epidemiology and Laboratory Capacity for Infectious Diseases	\$300,452	\$22,815	2024-036, 2024-037
U.S. Department of Health and Human Services	Department of Children, Youth, and Families	93.558	Temporary Assistance for Needy Families	\$67,698,747	-	2024-042
U.S. Department of Health and Human Services	Department of Commerce	93.568	Low-Income Home Energy Assistance	\$4,902,077	-	2024-049, 2024-050
U.S. Department of Health and Human Services	Department of Children, Youth, and Families	93.575, 93.596	Child Care and Development Fund Cluster	\$415,579,473	-	2024-056
U.S. Department of Health and Human Services	Department of Children, Youth, and Families	93.658	Foster Care - Title IV-E	\$9,493	\$53,612	2024-066, 2024-069
U.S. Department of Health and Human Services	Department of Children, Youth, and Families	93.667	Social Services Block Grant	\$9,098,747	-	2024-072
U.S. Department of Health and Human Services	Health Care Authority	93.767	Children's Health Insurance Program	\$8,093	-	2024-075

U.S. Department of Health and Human Services	Health Care Authority	93.775, 93.777, 93.778	Medicaid Cluster	\$3,836,868	-	2024-075
U.S. Department of Health and Human Services	Health Care Authority	93.959	Block Grants for Substance Use Prevention, Treatment and Recovery Services	\$10,467,736	-	2024-082

State of Washington

Single Audit Report

For Fiscal Year Ended

June 30, 2024

Auditor's Section

Schedule of Audit Findings and Responses

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SCHEDULE OF AUDIT FINDINGS AND RESPONSES

State of Washington July 1, 2023 through June 30, 2024

2024-001 The State lacked adequate internal controls over financial reporting to ensure college scholarship allowances were accurately reported.

Background

Scholarship discounts and allowances are the difference between a college or university's stated charge for goods and services and the amount the students or third parties paid for those goods and services. Student tuition and fee revenues, and certain other revenues from students, should be reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Activities. In fiscal year 2024, the Office of Financial Management (OFM) estimated state colleges and universities had \$552 million in scholarship discounts and allowances.

Description of Condition

OFM did not calculate and report college and university scholarship discounts and allowances in the state's financial statements.

Cause of Condition

OFM was unaware that colleges and universities were making off-book adjustments to reported scholarship allowances when preparing their own financial statements and assumed those adjustments were in the state's accounting system.

Effect of Condition

OFM used scholarship discounts and allowance data that colleges reported in prior periods to estimate the amount for fiscal year 2024. By not correctly reporting scholarship discounts and allowances, OFM made the following estimated misstatements:

- Higher Education Special Revenue Fund - Charges for services were understated and education expenditures were understated by \$189 million.

- Higher Education Student Service Fund - Charges for services were overstated and miscellaneous expenses were overstated by \$35 million.
- Governmental Activities - Charges for services were overstated and higher education expenses were overstated by \$327 million.
- Business-Type Activities - Charges for services were overstated and higher education student services expenses were overstated by \$35 million.

These errors were corrected in the financial statement.

Recommendation

We recommend OFM establish a process to obtain timely scholarship discount and allowance data for all state colleges and universities for inclusion in the state's financial statements.

State's Response

The State has established a process to obtain timely scholarship discount and allowance data for all state colleges and universities for inclusion in the state's financial statements. The state has reported the estimated scholarship discounts and allowances in its fiscal year 2024 Annual Comprehensive Financial Report. See Note 1.E.5 for additional information.

Auditor's Remarks

We appreciate the State's commitment to resolve this matter and we will review the corrective action taken during the next audit.

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.

GASB 34, Paragraph 100, Footnote 41, pertaining to the operating statements for proprietary funds states: "Revenues should be reported net of discounts and allowances with the discount or allowance amount parenthetically disclosed on the face of the statement or in a note to the financial statements. Alternatively, revenues may be reported gross with the related discounts and allowances reported directly beneath the revenue amount".

GASB Implementation Guide No. 2015-1 70.40.3 clarifies this requirement also applies to the statement of activities "Consistent with the requirements in Statement 33 and footnote 41 to paragraph 100 of Statement 34, exchange revenues for governmental activities should be reported net of uncollectible accounts".

SCHEDULE OF AUDIT FINDINGS AND RESPONSES

State of Washington July 1, 2023 through June 30, 2024

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.

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.

Washington state universities and colleges obtain support from nonprofit foundations. These foundations generally raise, administer and invest funds and make expenditures to or for the benefit of the university or college. Although the foundations are separate legal entities, accounting standards require the State to report their financial activity as discretely presented component units in the state's financial statements.

The Washington State Housing Finance Commission (WSHFC) is a component unit of the state of Washington. It is a self-sustaining public agency committed to increasing housing access and affordability for Washington residents.

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

Description of Condition

The Office of Financial Management (OFM) did not report the financial activity of the state university and college foundations as a component unit in the state's financial statements. Additionally, OFM did not report complete financial activity of the WSHFC in the state's financial statements.

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

Cause of Condition

OFM deemed the financial activity of the foundations as insignificant to the state's financial statements and elected not to report them. OFM staff also believed reporting complete financial information of the WSHFC was not appropriate as the state was not obligated for the entity's special assessment debt.

Effect of Condition

By not reporting university and college foundation financial activity and complete activity of the WSHFC, the state's component unit statement of net position and statement of revenues, expenses and changes in net position were materially misstated.

Although university and college foundation financial data for the fiscal year ending June 30, 2024 was not available at the time of our report, we estimated the following understatements based on prior years activity:

- Assets/Deferred Outflows - \$1.5 billion
- Liabilities/Deferred Outflows - \$65 million
- Revenues - \$460 million
- Expenses - \$379 million

OFM's omissions of certain WSHFC activity resulted in the following misstatements:

- Assets and deferred outflows were understated by \$1.1 billion
- Liabilities and deferred inflows were understated by \$998 million
- Net investment in capital assets were overstated by \$763,000
- Restricted for other purposes were understated by \$112.3 million
- Unrestricted net position were understated by \$763,000
- Expenses were understated by \$38.7 million
- Revenues were understated by \$46.6 million

OFM did not correct these errors in the financial statements.

Recommendation

We recommend OFM establish a process to obtain timely financial information from university and college foundations to include in the state's financial statements. We further recommend OFM report complete financial information of the WSHFC as presented in its audited financial statements.

State's Response

OFM reviewed the university and college component unit's materiality relative to the primary government's balances. The foundation's total assets and deferred outflows were 1% of the State's balances and the revenues are less than 0.3% of the State's revenues. In addition, while the relationship between the legally separate foundations and colleges and universities may be significant to the colleges and universities, their assistance to the state as a whole is not significant. For these reasons OFM determined these foundations were not material to the State's financial statements. Therefore, OFM does not agree that the exclusion of these component units results in a material misstatement on the state's fiscal year 2024 Annual Comprehensive Financial Report.

For at least the past 28 years the State has reported WSHFC as a discrete component unit and has excluded the Authority's bond fund. WSHFC was 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. In compliance with GASB Cod. Sec. S40.127, OFM includes a note disclosure with the amount of this special assessment debt. See Note 8, No Commitment Debt.

OFM will review the GASB accounting and reporting requirements and ensure proper inclusion of component units in the future.

Auditor's Remarks

Financial activities of discretely presented component units have grown significantly, which required us to issue a separate opinion in our audit report. In our judgment, the exclusion of the financial activities described above was a material misstatement. We appreciate OFM's commitment to reviewing the accounting and reporting requirements and we will review the corrective actions taken during the next audit.

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.

GASB 39 (codified at 2100.141) requires reporting as a discretely presented component unit of legally separate, tax-exempt entities that meet all the following criteria:

1. Economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. Economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

SCHEDULE OF AUDIT FINDINGS AND RESPONSES

State of Washington July 1, 2023 through June 30, 2024

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.

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.

The University of Washington (UW) prepares financial statements annually that cover the financial activities of its schools, colleges, departments and affiliated operations. Because UW is part of the state government, its financial activities are also reported in the state's financial statements using the fund structure prescribed by the Governmental Accounting Standards Board. UW prepares full accrual annual financial statements, reporting as a business-type entity. The State uses the accrual basis of accounting for government-wide and proprietary fund reporting purposes and a modified accrual basis of accounting for government funds. Therefore, adjustments are required to consolidate and report UW's financial information in the state's financial statements.

In 2024, UW implemented a new cloud-based software platform called Workday. UW uses Workday to record its daily financial activities, and posts consolidated activity to the state's legacy accounting system, the Agency Financial Reporting System (AFRS), monthly.

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

Description of Condition

We identified deficiencies in the Office of Financial Management (OFM)'s process of adjusting, consolidating and reporting UW financial information in the state's financial statements. In our judgment, these deficiencies represent a material

weakness in internal controls over financial reporting. Based on our review of financial data UW submitted for inclusion in the state's financial statement, we found UW and OFM:

- Incorrectly reported operating transfers by erroneously using a miscellaneous revenue account to balance the transfers
- Potentially misstated reported debt service principal and interest expenditures
- Reported amounts due to and from other governments rather than due to and from other funds
- Incorrectly reported negative contributions and grants revenue
- Reported investment income transactions in the wrong fund
- Potentially misstated accounts payable
- Had several unchanged and questionable balances that should have been investigated and likely needed adjustment
- Was unable to completely reconcile Workday to the state's accounting system

Cause of Condition

The UW implementation of Workday created challenges in translating accounting information in a format compatible to the state's accounting system, AFRS. This caused delays in the normal fiscal year-end close process for UW. The UW and OFM needed additional time and resources to design and test the mapping of the Workday accounts to the appropriate accounts in the state's accounting system.

While OFM performed analytical procedures to identify balances that significantly changed year-over-year, OFM needed additional time to investigate and make necessary corrections.

Effect of Condition

As a result of incomplete or inaccurate consolidations, reconciliations, adjustments and reporting, we found the following:

Higher Education Special Revenue Fund

- Miscellaneous revenue, operating transfers-in and operating transfers-out were likely misclassified by an unknown amount
- Debt service principal expenditures were likely understated by \$4.5 million and interest expenditures were likely overstated by an estimated \$27 million
- Due from other governments was overstated and due from other funds was understated by an unknown amount

- Overall cash and cash equivalents and investments were likely misclassified by an unknown amount
- Receivables was understated by a likely \$2.9 million
- Assets and liabilities totaling \$1.8 billion were unchanged from the prior year and likely needed adjustment
- Assets totaling \$302 million were negative and likely needed adjustment
- Liabilities totaling \$244 million were positive and likely needed adjustment

Higher Education Endowment Fund

- Due to other governments was overstated and due to other funds was likely understated by \$50 million
- Assets totaling \$32.6 million were unchanged from the prior year and likely needed adjustment
- Assets totaling \$17.7 million were negative and likely needed adjustment

Higher Education Student Service Fund

- Miscellaneous revenue, operating transfers-in and operating transfers-out were likely misclassified by an unknown amount
- Accounts payable was likely overstated by an unknown amount
- Patient services revenue was overstated by a likely \$9.4 million
- Receivables was understated by \$3.2 million
- Assets and liabilities totaling \$313.6 million were unchanged from the prior year and likely need adjustment
- Asset balances totaling \$56.6 million were negative and likely needed adjustment
- Liabilities totaling \$20.7 million were positive and likely needed adjustment
- Overall cash and cash equivalents, and investments were likely misclassified by an unknown amount

Business-Type Activities

- Contributions and grant revenue was likely understated by at least \$15 million

Aggregate Remaining Funds

- Accounts payable was likely overstated by an unknown amount
- Assets totaling \$484.7 million were unchanged from the prior year and likely needed adjustment

OFM did not correct these errors in the financial statements.

Additionally, we identified the following errors that OFM corrected in the financial statements:

- Higher education special revenue fund – Investment income was understated by \$167 million
- Higher education endowment fund – Investment income was overstated by \$167 million

Recommendations

We recommend UW and OFM work together to:

- Accurately map the Workday chart of accounts to the state’s accounting system
- Complete accurate and prompt reconciliations of Workday accounts to the state’s accounting system
- Perform adequate analytical procedures to investigate balances that significantly changed year-over-year
- Improve communication to ensure both parties’ understanding of the year-end process for consolidating, reconciling, adjusting and reporting year-end financial data in the state’s accounting system is complete and accurate

State’s Response

The University of Washington (UW) and the Office of Financial Management (OFM) have dedicated significant resources to ensure accurate data conversion and reporting from UW’s modern enterprise resource planning system into the state’s 40-year-old accounting system. This monthly, time-intensive process demands close collaboration between accounting and information technology teams at both organizations. The complexity arises from technological disparities and the nature of UW’s financial operations, which are primarily business-type activities. These activities are also inherently challenging to convert to the governmental focus required by the Governmental Accounting Standards Board. As part of routine and ongoing efforts to align UW’s data with these standards, OFM conducted analytical procedures and made necessary adjustments. These adjustments addressed capital assets, interfund balances, accounts payable, and amounts due to other governments. Such refinements are a standard part of the process to ensure consistency and accuracy across the state’s financial systems.

OFM is confident that the UW’s financial data is accurate. This confidence is reinforced by the independent audit performed by the Certified Public Accounting firm KPMG. On November 8, 2024, KPMG issued an unmodified, or “clean,” opinion on UW’s fiscal year 2024 financial statements. This indicates that the financial statements present a true and fair view of the UW’s financial position.

OFM disagrees with many of the statements made by the SAO regarding UW's financial data. SAO's conclusions were based on analytical review rather than detailed testing. This approach is unusual and can lead to incorrect assumptions, as analytical reviews rely on patterns and trends rather than direct evidence. For instance, certain balances—such as long-term receivables that may take several years to collect—can remain relatively stable from one year to the next. SAO failed to perform additional testing to confirm their assumptions that all asset and liability balances should change every year. OFM believes that further reconciliation is necessary to confirm which balances, if any, require correction.

OFM also disagrees that receivables were understated in the Higher Education Special Revenue and Higher Education Student Services Funds. UW's reconciliation of its audited financial statements and AFRS showed only a \$3 million variance, which is not material to the state's Annual Comprehensive Financial Report (ACFR). This variance reflects the complexity of reconciling data between the different systems, a process that OFM and UW are actively refining.

Both UW and OFM are committed to maintaining the integrity and accuracy of the state's financial reporting. During fiscal year 2025, OFM and UW will continue to work together to review and refine the mapping of UW's data in AFRS.

Auditor's Remarks

We appreciate the challenge and complexity that OFM and UW faced with its data conversation and financial reporting for this fiscal period. Our audit did not take exception to or criticize the UW's audited financial statements. The finding emphasizes that more work is needed to ensure that UW's financial activities are properly classified and fairly presented in the state Annual Comprehensive Financial Report.

We performed various types of procedures during the audit. In all cases, we requested documentation for any known or potential misstatements from the client agencies. We reaffirm that, in our judgment, the known or questionable balances were not adequately supported and reiterate the importance that such documentation be maintained in future audits. We will review the corrective actions taken during the next audit.

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, 2023 through June 30, 2024

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.**

Assistance Listing Number and Title:	10.558 Child and Adult Care Food Program
Federal Grantor Name:	U.S. Department of Agriculture
Federal Award/Contract Number:	237WAWA3N1199; 237WAWA3N1099; 237WAWA3N2020; 237WAWA4N1150; 247WAWA3N1199; 247WAWA3N1099; 247WAWA3N2020; 247WAWA3N1038; 247WAWA4N1150; 247WAWA4N1050
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-003

Background

The Child and Adult Care Food Program (CACFP) reimburses child and adult care institutions and family or group day care homes for providing nutritious meals and snacks that contribute to the wellness, healthy growth, and development of young children, and the health and wellness of older adults and people with disabilities.

In Washington, the Office of Superintendent of Public Instruction administers CACFP. The Office spent about \$46.9 million in federal funds, more than \$46.3 million of which it paid to subrecipients.

The Office is responsible for monitoring all institutions participating in CACFP to ensure compliance with meal pattern, recordkeeping and other program requirements. Institutions that provide meals can participate through a sponsoring organization that will be financially and administratively responsible, or they can apply directly to the state agency and operate as an independent center.

Federal regulations require pass-through entities to ensure that every subaward is clearly identified to a subrecipient as a subaward, and that it includes 14 federal award identification elements. These elements include the subrecipient's unique entity identifier, the Federal Award Identification Number, name of the federal awarding agency, the program's Assistance Listing Number and title, obligation amounts, project periods and more. When some of this information is not available, the pass-through entity must provide the best information available to describe the federal award and subaward. In addition, pass-through entities must impose requirements on subrecipients so that they use the program funds in accordance with federal statutes, regulations, and the federal award's terms and conditions.

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

In the prior audit, we reported the Office did not have adequate internal controls over and did not comply with requirements to ensure it communicated federal award identification elements to subrecipients of the Child and Adult Care Food Program. The prior finding number was 2023-003.

Description of Condition

The Office 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.

We identified 279 nonprofit subrecipients of the program who were paid with federal funds during fiscal year 2024 and were subject to the Uniform Guidance requirements. We examined the various methods that the Office used to communicate the required federal award identification elements to subrecipients. These methods included periodic permanent agreements, an annual application process, and program communications during the current program year. We found that these methods did not properly communicate all federal award elements, terms and conditions, and other federal award requirements to the subrecipient.

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

Cause of Condition

Management responsible for ensuring compliance were not familiar with subrecipient monitoring requirements. As a result, management did not know that the program must identify and communicate the federal award identification elements to subrecipients, and that permanent agreements and annual application renewals do not constitute or substitute for a formal subaward.

During the audit period, the Office developed written procedures to address this issue to ensure it submits all elements as required, but did not implement this process until after the end of the audit period.

Effect of Condition

Without proper identification and communication of the federal award, the Office cannot properly notify subrecipients about the required federal award elements, nor impose requirements so the subrecipients use the federal award in accordance with its terms and conditions, federal statutes, and regulations. Further, the Office cannot impose any additional requirements of the pass-through entity on the subrecipient to meet its own responsibilities to the federal awarding agency, as well as other requirements as specified in the Uniform Guidance.

Recommendations

We recommend the Office:

- Establish policies and procedures to ensure subawards are clearly identified as a subaward and communicate all required information according to the Uniform Guidance
- Establish internal controls to formally communicate federal award information and requirements to subrecipients
- Consult with the grantor for additional guidance on subrecipient monitoring requirements

Office's Response

OSPI concurs with the finding for federal award elements. This is an agreement based on the cycle year and that this was performed outside the audit timeline.

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 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 332, Requirements for pass-through entities, establishes the requirements for pass-through entities.

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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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

Assistance Listing Number and Title:	10.558 Child and Adult Care Food Program
Federal Grantor Name:	U.S. Department of Agriculture
Federal Award/Contract Number:	237WAWA3N1199; 237WAWA3N1099; 237WAWA3N2020; 237WAWA4N1150; 247WAWA3N1199; 247WAWA3N1099; 247WAWA3N2020; 247WAWA3N1038; 247WAWA4N1150; 247WAWA4N1050
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-002

Background

The Child and Adult Care Food Program (CACFP) reimburses child and adult care institutions and family or group day care homes for providing nutritious meals and snacks that contribute to the wellness, healthy growth and development of young children, and the health and wellness of older adults and people with disabilities.

In Washington, the Office of Superintendent of Public Instruction administers CACFP. During fiscal year 2024, the Office spent about \$46.9 million in federal funds, more than \$46.3 million of which it paid to subrecipients.

The Office is responsible for monitoring all institutions participating in CACFP to ensure compliance with meal pattern, recordkeeping and other program requirements. Institutions that provide meals can participate through a sponsoring organization that will be financially and

administratively responsible, or they can apply directly to the state agency and operate as an independent center.

Federal regulations require the Office to monitor the activities of subrecipients to ensure they use subawards for authorized purposes and in compliance with federal statutes, regulations, and the terms and conditions of the subaward. This monitoring must include reviewing financial and performance reports and taking timely and appropriate action on all deficiencies pertaining to the federal award. The federal grantor, the U.S. Department of Agriculture (USDA), requires states to monitor subrecipients at least once every three years.

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

In the prior audit, we reported the Office did not have adequate internal controls over and did not comply with required monitoring of subrecipients of the CACFP. The prior finding number was 2023-002.

Description of Condition

The Office did not have adequate internal controls over and did not comply with required monitoring of subrecipients of the CACFP.

During the audit period, the Office identified 228 subrecipients for monitoring in accordance with the federal regulations. However, the Office did not comply with the regulations, as it did not monitor 23 subrecipients within the required three-year timeframe.

We examined a sample of 23 subrecipients that were scheduled to receive financial and programmatic monitoring by the Office during the audit period, to ensure they were performed properly. The Office did not monitor three of the subrecipients, which are included in the 23 referenced above. We found the other 20 subrecipients received adequate monitoring.

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

Cause of Condition

A single Program Specialist was responsible for monitoring all 23 subrecipients that fell out of the required three-year monitoring cycle. Due to inadequate management oversight, these subrecipients were not monitored within the required timeframe.

Effect of Condition

Without establishing adequate internal controls, the Office cannot reasonably ensure that it can meet the minimum monitoring requirements imposed by the federal grantor. In addition, without proper and timely monitoring of financial and programmatic performance, the Office does not

have reasonable assurance that each subrecipient has complied with the terms and conditions of the subaward.

Recommendation

We recommend the Office strengthen internal controls to ensure it monitors all subrecipients according to the grantor's minimum requirements and other federal regulations.

Office's Response

Based on the updated exceptions, OSPI accepts the finding for CACFP (ALN 10.558) - Subrecipient Monitoring: Monitoring Activity.

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 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 332, Requirements for pass-through entities, establishes the requirements for pass-through entities.

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

Title 7 CFR Part 226.6, State agency administrative responsibilities state in part:

(m) Program assistance —

- (6) Frequency and number of required institution reviews.*** The State agency must annually review at least 33.3 percent of all institutions. At least 15 percent of the total number of facility reviews required must be unannounced. The State agency must review institutions according to the following schedule:
 - (i)*** At least once every 3 years, independent centers and sponsoring organizations that operate 1 to 100 facilities must be reviewed. A sponsoring organization review must include reviews of 10 percent of the sponsoring organization's facilities.

- (ii) At least once every 2 years, sponsoring organizations that operate more than 100 facilities, that conduct activities other than CACFP, that have been identified during a recent review as having serious management problems, or that are at risk of having serious management problems must be reviewed. These reviews must include reviews of 5 percent of the sponsoring organization's first 1,000 facilities and 2.5 percent of the sponsoring organization's facilities in excess of 1,000.

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	10.558 Child and Adult Care Food Program
Federal Grantor Name:	U.S. Department of Agriculture
Federal Award/Contract Number:	237WAWA3N1199; 237WAWA3N1099; 237WAWA3N2020; 237WAWA4N1150; 247WAWA3N1199; 247WAWA3N1099; 247WAWA3N2020; 247WAWA3N1038; 247WAWA4N1150; 247WAWA4N1050
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-004

Background

The Child and Adult Care Food Program (CACFP) reimburses child and adult care institutions and family or group day care homes for providing nutritious meals and snacks that contribute to the wellness, healthy growth, and development of young children, and the health and wellness of older adults and people with disabilities.

In Washington, the Office of Superintendent of Public Instruction administers CACFP. In fiscal year 2024, the Office spent about \$46.9 million in federal funds, more than \$46.3 million of which it paid to subrecipients.

The Office is responsible for monitoring all institutions participating in CACFP to ensure compliance with meal pattern, recordkeeping and other program requirements. Institutions that provide meals can participate through a sponsoring organization that will be financially and

administratively responsible, or they can apply directly to the state agency and operate as an independent center.

Federal regulations require the Office to monitor its subrecipients' activities. This includes:

- Verifying that subrecipients obtain a single audit if they spend \$750,000 or more in federal awards during a fiscal year
- Following up and ensuring that subrecipients take timely and appropriate action on all deficiencies pertaining to the federal award
- Issuing a management decision to the subrecipient for applicable audit findings pertaining to the federal 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 the prior audit, we reported the Office did not comply with requirements to verify single audits were completed for all subrecipients of the Child and Adult Care Food Program. The prior finding number was 2023-004.

Description of Condition

The Office did not have internal controls over and did not comply with requirements to verify single audits were completed for all CACFP subrecipients.

The Office had processes in place to monitor that subrecipients received single audits. During the audit period, the Office had 464 CACFP subrecipients, and 45 of them were local education agencies (LEAs) or school districts. The Office's federal compliance staff had a centralized process for LEAs to ensure they received the required audits, and we found these controls were effective.

For the 419 subrecipients that were not LEAs, the Office used information in the Federal Audit Clearinghouse (FAC) to identify subrecipients requiring a single audit. If a subrecipient that required a single audit did not complete or file its audit report timely, then the information in the FAC database would lead the Office to erroneous conclusions. As a result, we determined that the Office did not have adequate controls to identify all subrecipients that required a single audit.

We also determined the Office did not have adequate documentation that this single audit tracking process was completed during the audit period. We identified 75 subrecipients in this documentation that program staff compiled from the FAC database, and we used a statistical sampling method to randomly select and examine 13 of those subrecipients. We also judgmentally selected one subrecipient that had a program-related finding during the audit period, for a total of 13 testing samples. We found that one of these subrecipients required a single audit, but did not complete or did not submit its audit report during the audit period. The Office did not have any record that staff followed up with this subrecipient regarding the missing audit report.

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

Cause of Condition

The Office developed written procedures to address issues identified in the prior audit to ensure it tracks all subrecipients that require single audits, but did not implement the process until after the audit period had ended.

Effect of Condition

Without establishing adequate internal controls, the Office cannot ensure that all subrecipients requiring a single audit receive one, that timely and appropriate action is taken for subrecipients that did not obtain a single audit, and that subrecipients with audit findings receive required management decisions.

Recommendations

We recommend the Office:

- Establish effective internal controls to ensure it identifies all subrecipients requiring single audits and follows up on any program-related findings, if applicable
- Follow up with the subrecipient we identified as not having an audit to ensure it obtains its required single audit

Office's Response

The Office concurs with the finding. The Office continues to implement the corrective action plan from the previous audit finding February 2024. Note the single audit review takes place annually between August and December of each year.

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 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 332, Requirements for pass-through entities, establishes requirements for pass-through entities.

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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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-34748-20-55-A-53; UI-37098-21-55-A-53; UI-37256-22-55-A-53; UI-38013-22-60-A-53; UI-39303-23-55-A-53; UI-39355-23-55-A-53; UI-00003-23-60-A-53; UI-00056-23-60-A-53; UI-00101-23-60-A-53; UI-00032-24-55-A-53; UI-00030-24-55-A-53
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions – UI Benefit Payments
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-009

Background

The Unemployment Insurance (UI) program was created by the Social Security Act, and provides benefits to unemployed workers under the Unemployment Compensation program 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 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 amount of benefits improperly paid or denied by projecting the results from investigations in a state.

The Employment Security Department administers the state's UI program. During fiscal year 2024, the Department paid more than \$1.9 billion in unemployment insurance benefits to Washington residents.

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*, 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:

- Seventy percent of the sampled cases within 60 days of the week ending date of the batch; and
- Ninety five percent of the sampled cases within 90 days of the week ending date of the batch; and
- Ninety eight percent of sampled cases within 120 days of the ending date of the annual report period.

Additionally, states must sample denied claims and review:

- Sixty percent of the sampled cases within 60 days of the week ending date of the batch; and
- Eighty five percent of the sampled cases within 90 days of the week ending date of the batch; and
- Ninety eight 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 UI program in a timely manner. The prior finding numbers were 2023-009, 2022-006, 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 conduct case reviews for the BAM program of the UI program in a timely manner.

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 did not allocate sufficient resources to the BAM unit and did not effectively retain its investigative staff assigned to the BAM unit to support its minimum required caseload. Additionally, management did not adequately monitor investigative staff caseloads and case completion rates to ensure the Department would meet the minimum federal requirements for conducting case reviews.

Effect of Condition

The Department did not comply with the federally required timelines for completing its case sampling.

For paid claims, we found the Department:

- Failed to complete the minimum required annual allocation for sampling of paid claims, completing 441 of the required 480 samples as of the audit period end date
- Completed only 430 (90%) of its 480 sampled cases within 90 days of the ending date of the annual report period, failing to meet the federal requirement of 95%
- Completed only 441 (92%) of its 480 sampled cases within 120 days of the ending date of the annual report period, failing to meet the federal requirement of 98%

For denied claims, we found the Department:

- Failed to complete the minimum required annual allocation for sampling of denied claims, completing 440 of the required 450 samples as of the audit period end date
- Completed only 145 (96%) of its 151 sampled cases of monetary denials within 120 days of the ending date of the annual report period, failing to meet the federal requirement of 98%

- Completed only 146 (97%) of its 151 sampled cases of separation denials within 120 days of the ending date of the annual report period, failing to meet the federal requirement of 98%

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 the recommendation. The Department did meet case sampling requirements for both paid and denied claims, but did not meet the timeliness requirements as stated in the effect of condition.

The Department has implemented increased oversight of case load to ensure timelines for both claim types are met.

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 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.

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

ET Handbook No. 395, 5th Edition, Chapter VI – Investigative Procedures, Section 12: Sampling Selection, states in part:

The annual sample sizes for UI paid claims and the three types of denials are fixed by DOL for the calendar year. BAM supervisors may change the weekly sample sizes in the input control record to accommodate investigator vacation schedules or other staffing

contingencies. However, states are expected to pull at least the minimum number of cases each week. States may not over sample during a portion of the year in order to meet the annual sample allocation and then suspend sampling for the remainder of the calendar year. The minimum weekly and quarterly samples, based on current annual sample allocations are:

Sample	Annual Allocation	Normal Weekly	Minimum Weekly	Normal Quarterly	Minimum Quarterly
Paid Claims	360*	7	5	90	81
Paid Claims	480	9	6	120	108
Denials	150/450**	3	2	37-38	32

*Allocation for ten smallest states in terms of UI workload.

**150 cases of each monetary, separation, and non-separation denials will be selected each year, for a total of 450 DCA cases.

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% of cases must be completed within 60 days of the week ending date of the batch, and 85% of cases must be completed within 90 days of the week ending date of the batch; and
- A minimum of 98% of cases 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, 2023 through June 30, 2024

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.

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-34748-20-55-A-53; UI-37098-21-55-A-53; UI-37256-22-55-A-53; UI-38013-22-60-A-53; UI-39303-23-55-A-53; UI-39355-23-55-A-53; UI-00003-23-60-A-53; UI-00056-23-60-A-53; UI-00101-23-60-A-53; UI-00032-24-55-A-53; UI-00030-24-55-A-53
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions – Match with IRS 940 FUTA Tax Form
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The Unemployment Insurance (UI) program was created by the Social Security Act and provides benefits to unemployed workers under the Unemployment Compensation program 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 Employment Security Department administers the state's UI program. During fiscal year 2024, the Department paid more than \$1.9 billion in unemployment insurance benefits to Washington residents.

The Federal Unemployment Tax Act (FUTA) provides for cooperation between the federal and state governments in establishment and administration of unemployment insurance. The IRS is

responsible for receiving and processing the Form 940, Employer's Annual Federal Unemployment Tax Return, or Schedule H for annual reporting of employer tax credits. The IRS uses the FUTA Certification Program to verify with states that the credits employers claimed on the Form 940, or Schedule H, were actually paid into the state unemployment fund.

The IRS Guide for Certification of State FUTA Credits (Guide) establishes the instructions for the certification of the states FUTA Tax Credits. Every September, the IRS creates a FUTA Identification Data File containing employer information, including FUTA tax credits reported, and distribute the file to states to verify tax credits reported to the IRS are accurate. The Guide stipulates that each state is responsible for certifying that this report is correct by reviewing the first 50 employers that have total state wages reported at zero (Zero Certification) and the first 50 employers that have total state wages reported at more than zero (Non-Zero Certification). The Department is required to trace the employer's tax payments in the Next Generation Tax System (NGTS).

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 compliance with federal requirements to annually certify that employer tax credits reported under the FUTA are matched against employer contributions paid under the UI program.

The Department did not review the required minimum number of employer accounts before submitting its annual certification to the IRS. Specifically, we found the Department reviewed 98 of the 100 required samples of employers to ensure each employer reported the correct amount of unemployment contributions paid into the State's unemployment fund.

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

The Department did not effectively design its internal controls to ensure accuracy of the certification to the IRS. Additionally, management did not adequately review employer account reconciliations its staff performed to ensure they reviewed the required number of accounts.

Effect of Condition

By not establishing adequate internal controls to ensure it reconciles all employer accounts requiring review before certification to the IRS, the Department cannot comply with federal requirements to verify FUTA tax credits are accurately reported to the IRS.

Recommendation

We recommend the Department improve its internal controls to ensure it reviews all employer accounts in accordance with federal requirements before certifying the report to the IRS.

Department's Response

The Department thanks SAO for its work in this area and concurs with the finding. The Department is committed to ensuring our programs comply with federal regulations. The Department will recommunicate the requirement of minimal account review prior to filing the report.

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.

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.

IRS Guide for the Certification of State FUTA Credits (September 2023 edition), Review Procedures, states in part:

After the FUTA Certification Data has been prepared and before transmission, the state should review the quality of the data. This review will minimize the number of re-transmission requests from the HQ staff.

Follow these review procedures:

1. Print two copies of the first 50 Zero Certification records (records where the total state wages are zero) and of the first 50 Non-Zero Certification records (records where the total state wages are other than zero). Use one copy to verify the format and components of the records against the specifications in this Publication.
2. With the second copy, using the EIN, request manual certification of these records from your appropriate state function. Compare the manual certifications with the print of the computer certifications to verify the data is the same. Remember the state reporting number provided is an additional research tool to help find the certification data for the EIN.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington
July 1, 2023 through June 30, 2024

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.**

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-34748-20-55-A-53; UI-37098-21-55-A-53; UI-37256-22-55-A-53; UI-38013-22-60-A-53; UI-39303-23-55-A-53; UI-39355-23-55-A-53; UI-00003-23-60-A-53; UI-00056-23-60-A-53; UI-00101-23-60-A-53; UI-00032-24-55-A-53; UI-00030-24-55-A-53
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions – UI Reemployment Programs: Worker Profiling and Reemployment Services (WPRS) and Reemployment Services and Eligibility Assessments (RESEA)
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-010

Background

The Unemployment Insurance (UI) 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 Employment Security Department (Department) administers the state's UI program. During fiscal year 2024, the Department paid more than \$1.9 billion in unemployment insurance benefits to people in Washington.

The Worker Profiling and Reemployment Services (WPRS) and Reemployment Services and Eligibility Assessments (RESEA) programs serve as the primary programs that facilitate the reemployment of UI claimants. RESEA is authorized by Section 306 of the Social Security Act, and it uses an evidence-based integrated approach that combines an assessment for continuing UI eligibility and the provision of reemployment services. The Department uses a RESEA program to satisfy the WPRS mandate in accordance with federal requirements, and its program design is documented in the RESEA State Plan approved by the U.S. Department of Labor.

According to the Department's RESEA State Plan, the agency profiles unemployment claimants using a scoring model that is built into its Unemployment Tax and Benefit (UTAB) system to identify claimants who are likely to exhaust benefits and are in need of job search assistance to obtain new employment. The profiling model must statistically combine information on the person's work industry, occupation, education level, county of residence, and other personal characteristics, including veteran and union status, and labor market characteristics to generate a numerical score indicating their likelihood of exhausting regular unemployment benefits before finding work. The claimants are to be ranked in a queue based on their individual score from most likely to least likely to exhaust benefits. On a weekly basis, the Department selects people from this queue for available appointments for reemployment evaluations. In July 2019, the Department implemented an online appointment scheduling system called the Reemployment Appointment Scheduler (RAS) to facilitate the appointment scheduling process for the Department's WorkSource offices.

In June 2021, the Department deployed a pilot program proposed by the U.S. Department of Labor known as a randomized control trial (RCT), to randomly assign profile scores in lieu of using the risk profile model to profile all unemployment claimants. The objectives of the trial were to assess the impact of the RESEA program concerning duration of unemployment claims, earnings and employment probability of claimants following the provision of RESEA services, and to assess whether the program improved the identification of claimant eligibility issues and improper payment detection. Under the RCT, the WPRS score used to rank claimants was replaced with a randomly generated score, after excluding the top 5% of claimants with the highest WPRS scores.

The Department's UI staff oversee the RESEA program, which includes participating in the planning, administration and oversight of the program, providing appropriate training to staff conducting applicant eligibility reviews, completing individual reemployment plans, and providing information and access to career and reemployment services, including referrals to other services. All staff working within the RESEA program must, at a minimum, be trained in the

programmatic requirements, state laws, rules and agency policies. Department policy requires staff to complete an intensive training course before providing reemployment services to claimants, as well as take an annual refresher training once a year. Training includes information regarding job search requirements, reporting requirements and UI eligibility assessments. In addition, all staff working with RESEA participants must be trained to detect and report potential eligibility issues to the UI claims center.

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

In the prior audit, we reported the Department did not have adequate internal controls over and did not comply with requirements to ensure it profiled all claimants under the UI program to identify people likely to need reemployment services and ensure staff providing those services received required training. The prior finding number was 2023-010.

Description of Condition

The Department did not have adequate internal controls over and did not comply with requirements to ensure the Department profiled all claimants under the UI program, to identify those likely to need reemployment services and ensure staff providing reemployment services received required training.

Identification for People Eligible for Reemployment Services

The Department did not adequately monitor its UTAB scoring model to ensure applicant risk profile scores were accurate to identify those claimants most likely to exhaust their unemployment benefits.

The Department is required to use a scoring model to profile all claimants to identify those likely to need reemployment services. During the audit period, the score calculated by the model was only applied for 5% of claimants with the highest score. A random score was assigned to the remaining 95% of claimants. The random score assignment did not provide adequate assurance that those people most likely to exhaust benefits were prioritized to receive reemployment services.

To determine a claimant's profile score, the scoring model assigns 10 different coefficient rates associated with attributes that were determined by the Department to signify how likely a claimant will be to exhaust their unemployment benefits. The Department could not explain the methodology for determining an applicant's profile score based on these 10 attributes, or how to independently recalculate the score.

The Department has not tested the calculation of the profile score to ensure it is functioning as intended and producing accurate results. In addition, management could not provide historical records to demonstrate the calculation had ever been tested since its first implementation.

Therefore, the Department has no assurance that the calculation provides an accurate measurement of the risk a claimant will exhaust their benefits.

In addition, management did not monitor to determine whether the RAS system had received all eligible claimants. There is a daily process to send eligible claimants to the RAS selection queue, but there were no internal controls in place to ensure that all files sent to RAS were received and processed. In addition, RAS does not have a working test environment to test whether the system effectively schedules claimants based on defined rules and requirements.

Employee Training

The Department uses a tracking report to monitor the status of completed training for each RESEA employee. However, the Department did not adequately monitor to ensure staff who administered RESEA services to clients took required training.

We used a statistical sampling method to randomly select and examine 25 out of a total population of 277 employees that administered RESEA services to claimants during fiscal year 2024. We examined records for all RESEA training courses completed by these 25 employees and found one employee (4%) did not complete annual RESEA training during the audit period. This employee administered RESEA appointments to claimants during the audit period.

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

Cause of Condition

Identification for People Eligible for Reemployment Services

During the implementation of the RCT, the Department did not monitor the profiling and prioritization of claimants for RESEA participation to determine whether claimants prioritized for receiving RESEA services were the most likely to exhaust their unemployment benefits.

In the prior audit our Office tested the Department's UTAB risk scoring model and identified system weaknesses and recommended the Department review the design of its UTAB calculation to determine whether it was accurately identifying claimants most likely to exhaust regular UI benefits. However, during this audit period, the Department did not implement any system changes to the scoring model.

Employee Training

The Department asserted that the employee who did not receive annual training had returned from extended leave after their annual training was past due. Management did not ensure the employee completed the annual training before resuming work.

Effect of Condition

Identification for People Eligible for Reemployment Services

Without monitoring its automated scoring model for effectiveness, the Department cannot ensure that its systems select RESEA participants based on a valid risk profile and priority of need for reemployment services. By disabling the automated scoring model, the Department is not in compliance with provisions in the RESEA State Plan, and it cannot ensure that claimants selected for RESEA appointment services should have received consideration over higher-risk claimants who may be excluded in the RCT.

Employee Training

By not maintaining adequate training records for its employees, the Department cannot demonstrate that all RESEA staff have been properly trained on unemployment eligibility requirements in order to administer reemployment services to clients, as required in the RESEA State Plan.

Recommendations

We recommend the Department:

- Review the design of its UTAB calculation to determine an applicant's risk profile score and test the calculation of the score to determine whether the system is accurately identifying claimants most likely to exhaust benefits. This understanding and testing should ensure that coefficient values are correctly determined and assigned by the UTAB system.
- Reconcile the interface between the UTAB system and the scheduling system to ensure the RAS scheduling system received all RESEA eligible claimants
- Consider implementing additional internal controls to ensure claimants are profiled and prioritized for reemployment services based on their risk of exhausting unemployment benefits, in accordance with federal requirements
- Establish adequate internal controls to ensure all employees receive required RESEA training before providing reemployment screening services to claimants
- Ensure staff administering RESEA services on behalf of the Department have completed required training before providing services to claimants

Department's Response

The Department thanks the State Auditor's Office for its work to ensure compliance with federal requirements for the UI Program.

The Department would like to clarify it does use two federally approved methods to profile and prioritize for reemployment services based on their risk of exhausting unemployment benefits, in accordance with federal requirements. The first is the profile score calculation, and the second is the federal pilot program which assigns priority differently than the profile score and is helping develop better outcomes.

The Department concurs with the recommendation regarding review and design of the profile score calculation so that ESD can accurately determine the effectiveness of the profile scoring. The Department in response to this finding in the prior audit year implemented a corrective action plan with a timeline of April 2025. This involved Department review of processes to effectively validate profile scores based upon new coefficients. That work began in October 2024 and ESD continues to discuss processes, prioritization, and resources to complete this work.

The Department continues to perform work and allocate resources to address reconciliation between the RAS scheduler and the UTAB system.

The Department monitors local offices for staff who have taken training and provide RESEA services. In the specific case cited in the finding, it was one staff member of 279 who was out for approved extended leave and missed the required training period for the refresher training. The Department additionally completed intensive training during the same period for 75 staff, for a total of 354 during SFY24. The Department has implemented follow up communication with local offices to remind members to attend the required training.

Auditor's Remarks

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

Applicable Laws and Regulations

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), 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 United States Code, Chapter 7 – Social Security, Subchapter III – Grants to States for Unemployment Compensation Administration, § 503 – State laws, states in part:

(j) Worker profiling

(1) The State agency charged with the administration of the State law shall establish and utilize a system of profiling all new claimants for regular compensation that –

(A) Identifies which claimants will be likely to exhaust regular compensation and will need job search assistance services to make a successful transition to new employment;

(B) Refers claimants identified pursuant to subparagraph (A) to reemployment services, such as job search assistance services; available under any State or Federal law;

Revised Code of Washington (RCW), Title 50, Unemployment Compensation, Section 50.20.011, Profiling system to identify individuals likely to exhaust benefits – Confidentiality of information – Penalty, states in part:

1. The commissioner shall establish and use a profiling system for new claimants for regular compensation under this title that identifies permanently separated workers who are likely to exhaust regular compensation and will need job search assistance services to make a successful transition to new employment. The profiling system shall use a combination of individual characteristics and labor market information to assign each individual a unique probability of benefit exhaustion. Individuals identified as likely to exhaust benefits shall be referred to reemployment services, such as job search assistance services, to the extent such services are available at public expense.

2. The profiling system shall include collection and review of follow-up information relating to the services received by individuals under this section and the employment outcomes for the individuals following receipt of the services. The information shall be used in making profiling identifications.

Washington State Employment Security Department, Wagner-Peyser Employment Service Policy 4050, Reemployment Services and Eligibility Assessments (RESEA) program, states in part:

3. Policy:

A. Staff Training requirements for RESEA Services

Staff working in the RESEA program must, at a minimum, be trained in the program's requirements, including state laws, rules, and agency policies related to job search,

reporting requirements and UI eligibility assessments, prior to providing direct services to claimants and then receive annual refresher training thereafter. All staff working with RESEA participants must be trained to detect and report potential issues to the unemployment insurance claims centers.

B. Claimant selection for RESEA services

RCW 50.20.11 states, in part, that a profiling system must be established to identify new permanently separated claimants most likely to exhaust regular UI benefits and that are in need of job search assistance services to make successful transitions to new employment. This system uses a combination of individual characteristics and labor market information to assign each individual a unique probability of benefit exhaustion known as the profile score. Claimants with a work search requirement will be given a profile score. Those still attached to an employer will not receive a profile score.

Based on ranked scoring, claimants are selected and added to an electronic list as eligible to receive RESEA services. Claimants identified as most likely to exhaust, or as UCX receive top priority.

Selection occurs between the second and fifth week of a valid claim. Claimants waiting on decisions or for their claims to become valid are not selected until they have valid claims and are eligible for benefits.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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-36352-21-55-A-53; AA-38562-22-55-A-53; 23A55AT00043-01-00
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-011

Background

The Employment Security Department administers the Workforce Innovation and Opportunity Act (WIOA) grant 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 and youth. In fiscal year 2024, the Department spent about \$70.3 million in WIOA federal funding, including about \$66 million 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 \$30,000 in the

Federal Funding Accountability and Transparency Subaward Reporting System (FSRS). The Department must report subawards by the end of the month following the month in which it made the subaward (or subaward amendment). The Act is intended to empower the public with the ability to hold the federal government accountable for spending decisions and, as a result, reduce wasteful government spending.

When a new subaward is executed, Department staff prepare the Fund Manager Spreadsheet that contains the required reporting information for the subawards. Staff then submit the report based on the Fund Manager Spreadsheet. There were 22 WIOA subawards and amendments that the Department was required to report in fiscal year 2024, totaling \$48,772,426.

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

In the prior audit, we reported the Department did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Act for the WIOA grant. The prior finding number was 2023-011.

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 for the WIOA grant.

During the audit period, the Department was required to report 22 subawards, totaling about \$48 million of program funds, that it awarded to 12 subrecipients. We used a nonstatistical sampling method to randomly select and examine seven out of the total population of 22 subawards. We found:

- Three out of seven subawards (43%), totaling \$417,919, that the Department did not report in FSRS
- The other four subawards (57%), totaling \$16,820,245, had the incorrect subaward obligation/action dates, and the Department did not submit them on time

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

Cause of Condition

Department officials said management reviews the reports to ensure they are accurate and submitted on time. However, there was no documentation to demonstrate the reviews occurred. If the Department did conduct these reviews, they were not sufficient to ensure that it reported all executed subawards and subaward amendments on time and accurately in FSRS.

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 Department:

- Establish effective internal controls to ensure it submits all required reports on time and accurately
- Provide training for employees who prepare and review the reports

Department's Response

The Department concurs with the finding and thanks SAO's work to ensure federal requirements are met over the WIOA grant.

The Department has developed a comprehensive SOP to ensure these reports are submitted timely, reviewed, and submission dates are documented. This includes review and approval of the FFATA input sheet and required elements prior to entry into the system. After the report is submitted, it is reviewed, and evidence is saved.

Additionally, the Department has expanded FFATA requirements training to all personnel within the Grants Management Unit to ensure the accuracy of reporting.

FSRS is currently being phased out and new system will go live in March 2025.

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.

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 the recipient is exempt as provided in paragraph (d) of this award term, the recipient must report each subaward that equals or exceeds \$30,000 in Federal funds for a subaward to an entity or Federal agency. The recipient must also report a subaward if a modification increases the Federal funding to an amount that equals or exceeds \$30,000. All reported subawards should reflect the total amount of the subaward.

2. *Reporting Requirements.*

- i. The recipient must report each subaward described in paragraph (a)(1) of this award term to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) at <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 subaward was made on November 7, 2025, the subaward must be reported by no later than December 31, 2025).

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	20.205 Highway Planning and Construction 20.205 COVID-19 Highway Planning and Construction
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:	Suspension and Debarment Special Tests and Provisions – Wage Rate Requirements
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

Federal requirements prohibit award recipients from contracting with parties suspended or debarred from doing business with the federal government. Whenever the Department of Transportation contracts for highway construction projects that it will pay in whole or in part with federal funds, it must verify the contractor is not suspended or debarred from doing business with the federal government. The Department can verify a contractor's status by obtaining written certification from the contractor, inserting a clause into the contract stating the contractor is not suspended or debarred, or checking the U.S. General Services Administration's Excluded Parties List System. The Department must meet one of these requirements before awarding the contract

or making purchases, and it must keep documentation demonstrating compliance with this federal requirement.

Federal requirements also require contractors to not knowingly enter into any lower-tier covered transaction with a person who is debarred, suspended, declared ineligible or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction. In addition, all prime construction contracts more than \$2,000 awarded by nonfederal entities must include a provision for compliance with the Davis-Bacon Act for payment of prevailing wages to laborers.

Federal regulations stipulate that the Department must incorporate Form FHWA-1273, *Required Contract Provisions Federal-Aid Construction Contracts* in all construction contracts, including subcontracts and lower-tier subcontracts for all construction projects receiving federal aid. FHWA Form FHWA-1273 includes the required Davis-Bacon and related act provisions as well as a suspension and debarment certification.

The Department's Advertisement and Award Office is responsible for awarding and executing contracts for state highway projects. In fiscal year 2024, the Department awarded about \$890 million to contractors participating in construction projects under the federal Highway Planning and Construction 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 Department did not have adequate internal controls over and did not comply with federal requirements for suspension and debarment and wage rate notifications.

We examined 12 out of 37 contracts totaling about \$735 million awarded by the Department. We found one contract for about \$479 million (65%) in which the Department did not include the required Form FHWA-1273 in the contract provisions.

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

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

Cause of Condition

During the contract execution phase, management did not adequately review contract documents to ensure they included the Form FHWA-1273 before requesting the contractor's signature. Management did not immediately recognize that the contract did not include the required

certification on federal suspension and debarment, or the requirement to pay prevailing wages to laborers.

The Department discovered the missing form after the contract was awarded and signed into effect, but did not approve a change order to amend the contract with the contractor until after the audit period.

Effect of Condition

By not complying with suspension and debarment requirements, the Department is at an increased risk of entering into a covered transaction with an excluded party. Any payments made to an excluded party would be unallowable, and the grantor could potentially recover the funds from the Department.

Additionally, by not including language in the contract terms and conditions requiring the contractor to pay all laborers and lower-tier contractors and subcontractors prevailing wages, the Department is at an increased risk of obligating federal funding to contractors to perform work that does not meet federal prevailing wage laws.

Recommendations

We recommend the Department:

- Establish effective internal controls to ensure it procures goods and services in accordance with state laws and regulations, FHWA regulations, and its own policies and procedures
- Improve its internal controls to ensure it complies with federal suspension and debarment requirements
- Ensure it complies with all federal regulations regarding contracting procedures, and follows its policies and procedures for awarding contracts

Department's Response

We appreciate the State Auditor's Office (SAO) audit of the Federal Highway Administration's (FHWA) Program. The Department is committed to ensuring our programs comply with federal regulations related to procurement, suspension, and debarment. We also appreciate the importance of including all required contract provisions in our federal-aid construction contracts. We acknowledge the Department did not include a required federal form (form FHWA-1273) as part of one contract. We would also like to state that the Department has policies & procedures, approved by FHWA, in place to ensure all contracts awarded have all the necessary elements to meet both state and federal requirements. In thoroughly investigating the details around this occurrence, there are several components we believe are worth noting:

- *There is clear guidance provided to teams to ensure that Form 1273 is included in all contracts.*
- *It was simply a mistake that Form 1273 was left out of this set of contract documents. In this case, the contract documents were some 1,200 pages and the inclusion of this form in an appendix was simply overlooked by the project team.*
- *As a result of various checks and balances already in place, the Department discovered that Form 1273 was missing. This was ahead of the audit and also before any work started on the contract. Upon that discovery, we added Form 1273 by executing Change Order number 1 to the construction contract in question July 18, 2024. There were no negative repercussions or issues created.*
- *As an additional protection, all contracts include language that requires the contractor to meet the various requirements associated with Form 1273, whether Form 1273 was included in the contract or not.*

We've had follow-up conversations with appropriate staff on lessons learned from this occurrence and believe the issue has been addressed moving forward.

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 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 2 U.S. Code of Federal Regulations (CFR) Part 180, *OMB Guidelines on Agencies on Government Wide Department and Suspension* (Nonprocurement) establishes non-procurement debarment and suspension regulations.

Title 29 *U.S Code of Federal Regulations* (CFR) Part 5, *Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act)*, Section 5, Contract provisions and related matters, describes the requirements for payment of prevailing wages to laborers and contractors.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	20.205 Highway Planning and Construction 20.205 COVID-19 Highway Planning and Construction
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
Prior Year Audit Finding:	Yes, Finding 2023-012

Background

The Washington State Department of Transportation's Local Programs Office administers Highway Planning and Construction Program funding to local agencies throughout the state for highway construction projects. The Department spent about \$818 million on highway projects during fiscal year 2024. Of that amount, it awarded about \$425 million to local agencies through subawards for 355 new and existing projects across the state.

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

For the subawards made during fiscal year 2024, Department management delegated the responsibility to complete risk assessments for individual projects to the Local Programs Engineers who were assigned to the regional office that oversees the project. When the Department prepares to monitor or review a subrecipient, it selects an open and active project and evaluates the subrecipient based on its performance under that project.

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

In the prior audit we reported the Department did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Highway Planning and Construction program. The prior finding number was 2023-012.

Description of Condition

The Department did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Highway Planning and Construction program.

We randomly selected and examined 28 of the 355 projects awarded funding during the audit period to determine if the Department performed a risk assessment of each project to determine the appropriate level of monitoring required for the subrecipient. We found the Department did not complete risk assessments for six of the 28 projects (21 %). Three risk assessments were signed and dated by Department staff after the audit period had ended. The other three projects did not have a risk assessment performed.

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

Cause of Condition

Management did not ensure the Local Programs Engineers performed risk assessments for each subrecipient project awarded program funds.

Effect of Condition

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

Recommendations

We recommend the Department:

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

Department's Response

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

Risks assessments for subrecipients in this FHWA grant program are the responsibility of WSDOT's Regional Local Programs Engineers, located in the six WSDOT Regions. While every attempt is made to complete a risk assessment at each phase of a project, staff turnover contributed to the lack of consistency and timeliness in completing these assessments. To help ensure consistency, the Department has updated position descriptions for Local Programs Engineers to reflect this requirement.

Auditor's Remarks

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

Applicable Laws and Regulations

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

Title 2 CFR Part 200, section 332, Requirements for pass-through entities, establishes requirements for pass-through entities to evaluate each subrecipients' risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate level of subrecipient monitoring.

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	20.205 Highway Planning and Construction 20.205 COVID-19 Highway Planning and Construction
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 – Wage Rate Requirements
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-013

Background

The Washington State Department of Transportation receives federal funding under the Highway Planning and Construction program for highway construction projects throughout the state. Some of these projects are awarded to contractors who perform the work on behalf of the Department. The Department spent about \$818 million in federal Highway Planning and Construction program funds during fiscal year 2024. Of that amount, it spent more than \$389 million on state-administered construction projects.

All laborers and mechanics employed by contractors or subcontractors to work on construction contracts exceeding \$2,000 financed by federal assistance funds must be paid wages that are no

less than those established for the locality of the project (prevailing wage rates) by the Department of Labor. All contractors and subcontractors are required to submit a copy of their payroll and a statement of compliance (certified payrolls) on a weekly basis, for each week in which any applicable contract work is performed. The Department's construction projects typically involve both a prime contractor and subcontractors to complete work on the project. The Department is required to authorize the prime contractor's use of subcontractors on a project.

The Department requires field inspectors to be onsite during construction work to ensure projects are completed in accordance with contract specifications. For every day of the week in which contract work is performed, Project Engineers, Project Managers, or Chief Inspectors overseeing construction review inspector's reports to document which contractors are required to submit certified payrolls for the given week.

The Department publishes the *Standard Specifications for Road, Bridge and Municipal Construction* (Standard Specifications), in addition to the *Construction Manual (M.41-01.41)*, which applies to its construction contracts, and is approved by the U.S. Federal Highway Administration of the Department of Transportation. These specifications require contractors to submit certified payrolls to the Department on a weekly basis for each weekly payroll period. The Standard Specifications further stipulate that contractors must use the Washington State Department of Labor and Industry's Prevailing Wage Intents and Affidavit System (PWIA) to submit weekly certified payrolls on federal and state projects. The Construction Manual further requires that Project Engineers verify that contractor certified payrolls are submitted on a weekly basis in PWIA. If the contractor's certifications are not submitted in a timely manner, the Standard Specifications permit the Department to withhold payment from contractors and enact other sanctions as necessary.

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 collect certified payrolls from contractors on projects funded by the Highway Planning and Construction program. The prior finding number was 2023-013.

Description of Condition

The Department did not have adequate internal controls over and did not comply with requirements to collect certified payrolls from contractors on projects funded by the program.

We found that the Department's internal controls were not adequate to ensure all contractors and subcontractors submitted certified payrolls on a weekly basis, as required by federal law and the Standard Specifications.

We used a statistical sampling method to randomly select 85 out of a total 1,605 weeks in which contract work was performed on federally funded construction projects, to determine whether the Department received certified payrolls from the prime contractor and all subcontractors performing work on the project on a weekly basis, or within one week of the preceding payroll period end date, as required by federal law and Department policies. We identified the 85 weeks required a total of 576 certified payrolls to be submitted to the Department.

Collecting certified payrolls

The Department did not collect all certified payrolls from the prime contractor and subcontractors on a weekly basis for 79 of the 85 weeks we examined (93 %). We performed testing to determine whether the Department collected all certified payrolls due from contractors working on the project within seven days (or one week) of the payroll week ending date.

We identified 29 payrolls that were not collected by the Department before the end of the audit period. Of the 547 payrolls submitted to the Department, 305 (56 %) were not submitted within seven days of the payroll week ending date, as required by federal law and the Construction Manual. On average, these payrolls were 21 days late and we found:

- 145 payrolls were between one and seven days late;
- 65 payrolls were between eight and 14 days late;
- 47 payrolls were between 15 and 30 days late; and
- 48 payrolls were more than 30 days late, with the oldest being 279 days late

Review of certified payrolls

We performed additional testing to determine whether the Department submitted a request to the contractor to supply overdue payrolls in the PWIA system, as required by the Construction Manual. We found 204 overdue payrolls (67 %) had no requests submitted to the prime contractor or subcontractor (if applicable). Additionally, 95 of these payrolls were submitted more than one week late, with the oldest being 279 days late.

We inquired with the Department as to whether any sanctions were imposed upon contractors with late or missing certified payroll submissions. We determined two payments related to one contract from our sample had payment partially withheld due to delinquent payrolls. However, we received no additional records to demonstrate sanctions imposed on contractors for the weeks reviewed as part of the audit.

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

Cause of Condition

Management did not adequately monitor Project Offices and the PWIA system to ensure compliance with federal requirements and the *Construction Manual*. While the Department's

Construction Manual and *Standard Specifications* have documented policies and procedures in place for Project Engineers to follow to track certified payrolls due from contractors, they do not include clear guidance on when and how Project Engineers follow up on late submissions and issue sanctions. Additionally, Project Engineers did not consistently follow these policies when monitoring contractors for compliance and documenting certified payrolls due on construction projects.

Effect of Condition

Without collecting all certified payrolls timely, the Department cannot ensure that laborers working on federally funded construction contracts are being paid the applicable prevailing wages, as required by law, which could make the Department and the contractor vulnerable to sanctions by the U.S. Department of Labor.

In addition, by not collecting certified payrolls on a weekly basis, the Department is not in compliance with federal requirements and may be subject to actions by the federal grantor.

Recommendations

We recommend the Department:

- Improve internal controls to ensure Project Engineers monitor the status of certified payrolls due from contractors on a weekly basis in accordance with its *Construction Manual*, ensure contractors are made aware of delinquent payrolls, and consideration is given to assessing sanctions on noncompliant contractors in accordance with its *Standard Specifications*, such as withholding any or all payments to the contractor, as necessary, when contractors do not submit required certified payrolls on a weekly basis
- Monitor projects offices to ensure contractors are notified in PWIA when they have not provided certified payrolls for a given week of contract work, in accordance with the *Construction Manual*, and request all overdue or missing payrolls immediately
- Ensure certified payrolls are collected from prime contractors and all subcontractors on a weekly basis, in accordance with federal law and the *Construction Manual*
- Consider modifying the *Construction Manual* to define the circumstances in which sanctions must be imposed upon contractors with incomplete, overdue or missing certified payrolls

Department's Response

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

As WSDOT indicated in previous years for similar findings, the draft audit finding does not consider the nature of the contractual relationship between the contractor and WSDOT as the owner. The owner's compliance with the Davis-Bacon Act and regulations cited in the finding is determined by collective actions specified by regulations and not merely by how many payrolls are collected from the contractor within an arbitrary 7-day window. WSDOT, in close consultation with the FHWA, has established contract administration processes with contingencies built in to address and correct for contractor noncompliance. In addition, WSDOT will not issue project Completion until all certified payrolls are collected (Standard Specifications 1-08.5.2, Time for Completion). FHWA guidance recommends actions to take if a contractor is habitually late in submitting payrolls but leaves it up to WSDOT to determine when sanctions should be imposed. WSDOT's Standard Specifications (1-07.9(5)) on certified payrolls aligns with FHWA guidance. Sanctions are imposed as appropriate during the life of a contract. We also point out that SAO only reviewed the Department's actions taken, such as sanctions, only as they applied to the original weeks tested, not for other weeks within the contract. Sanctions are taken when contractors meet certain criteria such as being habitually late. As a result, SAO did not review or consider all evidence we provided of sanctions taken on late payrolls during the contract period, when it was not within the weeks originally tested. We will continue to look for opportunities to improve our process as well as our documentation to demonstrate compliance with the Davis-Bacon Act requirements. In addition, we will continue consulting with FHWA for any further actions needed to resolve this finding. Changes to the Construction Manual just approved by FHWA in January 2025, will help to clarify timeliness in submission of certified payrolls and Department follow up actions, and should help clarify the rules we're evaluated against regarding certified payrolls.

In FHWA's management decision letter of November 14, 2024, in response to a similar finding for FY 2023, the grantor states "FHWA believes that WSDOT's procedures, in their entirety, contain the necessary controls to ensure reasonable compliance with 29 CFR 5.5 and FHWA Davis-Bacon and Related Acts Questions and Answers. Ensuring all certified payrolls are collected, and considering sanctions or other appropriate actions for missing payrolls using the methods outlined in WSDOT's procedures provide sufficient internal control and reasonable compliance, notwithstanding the collection of the payrolls within a seven-day period. FHWA considers this finding to be resolved."

In this year's audit, the State Auditor sampled 85 weeks and the required 547 certified payrolls for contract work performed on federally funded construction projects during that period. WSDOT collected all the required 547 certified payrolls. SAO identified 29 payrolls that were "not collected by the Department before the end of the audit period", however these payrolls were collected. Because these 29 payrolls were collected during a week that SAO had not tested, the auditor did not report the payrolls as collected. Of the 547 payrolls only 48 were 30-days or more late and only 25 (4.5%) were 60-days or more late. This result is below the exception threshold typically allowed by the State Auditor of 5%. At 60-days, the Department has its first

opportunity to initiate sanctions against the contractor. Of the 25 payrolls that were at least 60-days late, WSDOT had imposed sanctions against a contractor, including withholding payment. WSDOT had also performed actions, such as notifying the contractors via email or during weekly meetings with the contractors. Sanctions prior to 60-days, are not feasible, as the contractors are paid monthly for the prior month's work, and WSDOT has 30-days to process payments.

As indicated last year, WSDOT is in the midst of delivering its largest and one of its most complex construction programs in our history and is doing so with lower and less experienced staffing levels than it had to deliver past construction programs.

Auditor's Remarks

In determining our audit opinion on the Department's compliance, we did not give consideration to payrolls collected after the one-week due date that were also collected after the audit period ended. Regarding the 29 missing certified payrolls, based on Department records and PWIA, as of our audit, 10 of these payrolls had not yet been collected by the Department. The 19 payrolls that were eventually collected were received by the Department from July 2, 2024 to January 9, 2025, which is between 10 and 426 days beyond the one-week due date, and between two and 193 days after the audit period end date.

Our testing of contractor certified payrolls was designed to address the U.S. Department of Labor (USDOL) regulations outlined in the Davis-Bacon Act and related requirements concerning federally-funded construction projects (Title 29 CFR, Subpart A – *Davis-Bacon and Related Acts Provisions and Procedures*, Subsection 5.5). These requirements, in addition to the suggested audit procedures in Part 4 of the Uniform Guidance Compliance Supplement, were applied to our audit testing. Federal law requires for contractors and subcontractors participating in federal-aid construction projects to submit **weekly and for each week** certified payrolls to the Department. In addition, the Department's Construction Manual requires contractors to submit certified payrolls on federal-aid projects weekly regardless of whether or not work was performed. Using these criteria expanded upon in the *Applicable Laws and Regulations* below, we do not believe our interpretation that payrolls should be collected in the week following the preceding payroll week's ending date is arbitrary.

Furthermore, the USDOL Wage and Hour Division's Final Rule (effective October 23, 2023) concerning the Davis-Bacon and Related Acts Regulations, stipulates that "*contractors and subcontractors are required to provide certified payrolls to the contracting agency to demonstrate their compliance with Davis-Bacon Act requirements on a weekly basis,*" and that "*the Department cannot allow contractors to pay required prevailing wages or submit certified payrolls on a basis less frequent than weekly.*"

We reviewed all documentation provided by the Department addressing late or missing contractor certified payrolls. The Department's records show only two contract payments (only one of which corresponded to a week we examined as part of this audit) had partial payment withheld from the prime contractor. In addition, the Department only followed up on one-third of its overdue payrolls examined as part of this audit by submitting requests to the contractor to furnish the required payrolls as outlined in the *Construction Manual*. We believe these observations support our opinion that the Department's internal controls were not sufficient to detect and correct material noncompliance with respect to the federal requirements. The Department also acknowledges in its response that approximately nine percent of its certified payrolls collected from contractors were more than 30 days late which we believe is significant, as the Department reviews pay estimates from prime contractors on a monthly basis, and this indicates that the Department is not following up on overdue contractor certified payrolls weekly as the *Construction Manual* requires.

The Department also states it is not feasible to impose sanctions upon contractors with habitually late payrolls before 60 days have passed from the week(s) of work ending due to its designed payment delivery method. Without ensuring its prime contractors have submitted certified payrolls for their employees and for all approved subcontractors performing work under the contract, the Department cannot ensure the contractor has paid prevailing wages to all laborers and mechanics, and that laborers have been paid on a weekly basis, as federal law requires.

We appreciate the Department's willingness to re-define its contractor monitoring requirements in its *Construction Manual* with the federal grantor, and we expect that these revisions more narrowly define the expectations for what specific follow-up actions the Department must take against the contractor and define the timelines for performing necessary follow-up actions.

We reaffirm our audit 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 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.

Title 29 CFR Part 5, *Labor Standards Provisions Applicable to Contract Covering Federally Financed and Assisted Constructed (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standard Act)*, section 5, Contract provisions and related matters, establishes the requirements for including prevailing wage clauses in federal-aid contracts, payment withholding, and required documents.

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 Federal Highway Administration Davis-Bacon and Related Acts Questions and Answers, section 56, states that contracting agencies are responsible for properly applying and enforcing prevailing wage requirements in covered contracts including:

- a. Verifying that covered contracts have incorporated the required Davis-Bacon clauses and the applicable wage determination(s);
- b. Verifying that the Davis-Bacon notice and the applicable wage determination(s) are displayed at the site of the work in a conspicuous location in clear view of everyone;
- c. Reviewing certified payrolls in a timely manner;
- d. Conducting employee interviews
- e. Conducting reviews and investigations of covered contracts in conjunction with FHWA as appropriate;
- f. Forwarding refusal to pay and/or debarment consideration cases to the USDOL Wage and Hour Division for appropriate action; and
- g. Submitting enforcement reports and semi-annual enforcement reports to the USDOL Wage and Hour Division

The Washington State Department of Transportation's *Construction Manual (M41-01.43)*, April 2024 edition, section 1-07.9, *Wages*, states in part:

Federal Prevailing Wage

Enforcement of Federal Prevailing Wage Provisions

In addition to the requirements of *Standard Specifications* Section 1-07.9, all Contracts financed with Federal funding includes the Required Contract Provisions for Federal-Aid Construction Contracts (FHWA-1273). These provisions identify Federal wage requirements. The Federal prevailing wage requirements included in these provisions are also commonly referred to as Davis Bacon and Related Acts (DBRA). It is the Project Engineer's responsibility to monitor and enforce these provisions to the degree necessary to ensure full compliance. In order to comply with these requirements, the Contractor must:

Submit weekly certified payrolls to the Project Engineer through LNI's Prevailing Wage Intents and Affidavits (PWIA) system.

Ensure each Subcontractor, and each agent or lower-tier subcontractor submits weekly certified payrolls to the Project Engineer through PWIA.

SS1-07.9(5) Required Documents

Statement of Intent

Every Contractor, Subcontractor, agent, or lower tier subcontractor performing work on a public works contract must submit a Statement of Intent to Pay Prevailing Wages to LNI for approval. Separate Intents are required for each Request to Sublet submitted on the project. Hiring Contractors are required to file an Intent if they hire a lower tier subcontractor subject to prevailing wages.

Affidavit of Wages Paid

Prior to Contract Completion, the Contractor, all Subcontractors, agents and lower-tier subcontractors must submit an Affidavit of Wages Paid to the Project Engineer using PWIA. The form may be submitted earlier by a Subcontractor or lower-tier subcontractor if that firm's work is completed prior to Completion of the Contract. All Affidavits must be approved by LNI prior to Contract Completion.

Certified Payroll

Certified payroll must be submitted to the Project Engineer through PWIA for each Contractor, Subcontractor, and each lower tier subcontractor performing work on the project, regardless of funding source or delivery method. Certified payrolls are required from the time each Firm begins performing Contract work until the time the Affidavit is visible in PWIA, or until the Contractor has identified their last certified payroll has been Submitted. Once the Affidavit is visible in PWIA, the Affidavit has been approved by LNI. The last working day is included on the Affidavit, and the Project Office should compare this date to the last certified payroll submitted.

A tracking sheet is required to document when Project Office staff verify that certified payrolls are received through PWIA. The frequency of verification depends on the funding source of the project. Weekly verification is required for federally funded projects, while monthly verification is required for state funded contracts. The tracking sheet needs to indicate that all active Contracts have been checked for late or missing certified payrolls. PWIA will be used to track requests made for missing certified payrolls. A separate tracking sheet may be used to track which certified payrolls have been verified for each Project.

Federally funded projects require weekly submittals. Further review of the payroll will be required to ensure the Federal prevailing wage rate is met using the Wage Determination included in the Contract Special Provisions.

Federally funded Contracts:

- Weekly submittals
- No leniency on late submittals
- Required for every week, whether work was performed or not
- Enforcement of all Federal requirements will remain WSDOT responsibility

Federally funded projects require weekly submittal of certified payrolls. If the Contractor is unable to submit their payroll electronically using PWIA, they must submit the certified payrolls directly to the Project Office.

Non-compliance or non-submittal could result in the Project Engineer withholding an appropriate portion of payment (see Section SS 1-09.9).

The Washington State Department of Transportation's *Construction Manual (M41-01.43)*, April 2024 edition, section 1-09, *Measurement and Payment*, states in part:

Withholding of Payments

Withholding payments for the work the Contractor has performed and completed in accordance with the contract should not be done casually. There must be clear contract language supporting the action. The authority to withhold progress payments is subdelegated to the Regions. Further delegation to the Project Engineers is at the discretion of each Region.

Delinquent Contractor Submittals

Missing submittals is a principal source of delays in closing out the project and processing the final estimate. As the project proceeds toward completion, the Project Engineer and the Contractor should attempt to obtain all submittals as the need arises. These might include such things as materials certificates, certified payrolls, extension of time requests, or any other item or document that delay processing the final estimate.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	20.205 Highway Planning and Construction 20.205 COVID-19 Highway Planning and Construction
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
Prior Year Audit Finding:	Yes, Finding 2023-014

Background

The Washington State Department of Transportation receives federal funding under the Highway Planning and Construction Program for highway construction projects throughout the state. Some of these projects are awarded to contractors who perform the work on behalf of the Department. The Department spent about \$818 million in federal Highway Planning and Construction program funds during fiscal year 2024. Of that amount, it spent more than \$389 million on state-administered construction projects.

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.

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 program. The prior finding numbers were 2023-014, 2022-011, 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 program.

Materials acceptance testing did not conform to Standard Specifications and the Construction Manual

We used a statistical sampling method and randomly selected and examined 58 out of a total population of 1,687 materials that were used on federally funded projects during state fiscal year 2024. For the 58 randomly selected materials, we requested supporting documentation for acceptance and/or testing of the material. We found:

- One material where the Department did not obtain the manufacturer's certificate of compliance
- One material where the project engineer did not perform testing in accordance with the Department's Standard Specifications

Testing personnel were not properly certified

We obtained data from the Department to identify materials tested for acceptance during the audit period. Using this data, we identified 1,080 unique tester and acceptance test types corresponding to the materials tested. We used a statistical sampling method and randomly selected and examined 57 out of the 1,080 to verify whether the testers performing materials testing for the Department had all required documents to support the tester's certification. We found:

- One instance where the tester was missing a required exam for certification
- Three instances where the Department was unable to provide documentation to support that the tester met certification requirements

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

Cause of Condition

Materials acceptance testing did not conform to Standard Specifications and the Construction Manual

Management did not adequately monitor project offices to ensure all 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 that only qualified testers performed materials testing and acceptance on behalf of the Department.

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 material 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, and monitor project offices, to ensure that required sampling activities occur, as required, and permanently incorporated materials conform to standard specifications for all federal aid construction projects
- Strengthen internal controls to ensure testers have completed all required exams and that they have proper documentation of passing these exams before performing sampling activities
- Continue to review all testers to ensure they meet the minimum requirements for certification before performing materials testing on projects receiving federal aid

Department's Response

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

The Department continues towards replacement of its ROM legacy system; therefore, it was not practical to modify this system to help correct issues reported in a similar finding in previous Single Audits. Instead, the Department eliminated its practice requiring updates to the ROM within 30 days of payment and instead relies on the required documentation, as evidence of proper material acceptance. In addition, WSDOT modified its practice related to how tester data is reviewed and entered into the tester certification tracking system, as a result of audit recommendations from a prior audit, however this change was not formally adopted into policy until the Construction Manual was approved in April 2024. All offices now funnel tester data to the Headquarters Quality Assurance Program for review and entry. These changes to practices

were communicated to appropriate staff and are reflected in the Construction Manual, which was reviewed and approved by FHWA.

Materials Acceptance

The construction contracts awarded in FY24 utilizing federal funding contained more than 4,600 materials and SAO identified 1,687 that required testing. SAO examined documentation for 58 materials that required testing. Through our review of SAO's exceptions the Department found only 2 materials (3.4%) where we could not provide documentation to support that testing occurred or was not required.

Testing Personnel Certifications

FY24 had over 7,000 materials tested. The State Auditor selected and reviewed documentation for 57 tests and whether the testers performing materials testing activities for the Department had all required documents to support their certification and took exception to documentation provided. The Department had 3 testers perform material acceptance tests before they passed their certification testing and could not locate the required exam for 1 tester.

The Department has worked closely with the Federal Highway Administration (FHWA) on our QA program and continues to receive feedback from them on the strength of our program. The Department will continue to put improvements in place for the QA program based on the SAO audit recommendations. These issues will be discussed at the 2025 Material Assurance Training offered 3/19/2025, and we will continue to deliver other training to Project Engineering Offices to emphasize QA program requirements throughout the year.

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 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.

Title 23 U.S. Code of Federal Regulations (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 its quality assurance program. The State shall also maintain a central laboratory. The State's central laboratory shall meet the requirements in (Section 637.209(a)(2))
- c. *Independent assurance program.* Independent assurance samples and tests or other procedures shall be performed by qualified sampling and testing personnel employed by the STD or its designated agent.
- d. *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.
- e. *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.
 - C. The quality control sampling and testing is evaluated by an IA program.

The Department of Transportation's *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 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 Project office is required to maintain documentation in the project records on quantities paid, quantities placed, quantities field verified for materials that have sampling frequencies, WSDOT Fabrication Inspection items, or where quantities are needed for Acceptance Criteria such as Manufacturer Certificate of Compliance. Any changes to the acceptance requirements, additional permanently incorporated materials used, or any

additional materials added to the project by change order or force account need to be documented and tracked in the project records.

9-5.3 WSDOT Testing Technician Qualification Program (WTTQP)

All testing Technicians that conduct QA/QV testing shall be certified through the WTTQP. For registration information contact the Region Independent Assurance Inspector.

The purpose of this program is to provide uniform statewide testing by ensuring testing technicians meet the WTTQP module certification and method qualification process below. This program is based on AASHTO R 25. The State Quality Systems Manager performs oversight of WSDOT's Testing Technician Qualification Program (WTTQP). The Quality Systems Section at the State Materials Laboratory is responsible for maintaining the Tester Qualification database information for all WTTQP Testing Technicians. A Testing Technician will not be certified or qualified until listed as "Available" by the Quality Systems Manager.

The Region Independent Assurance Inspectors are responsible for entering their region data into the Tester Qualification database and submitting the WTTQP internal certification or qualification records to the Quality Systems Section.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

2024-015 The Housing Finance Commission did not have adequate internal controls over eligibility requirements for the Homeowner Assistance Fund program.

Assistance Listing Number and Title:	21.026 COVID-19 Homeowner Assistance 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:	Eligibility
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-022

Background

The American Rescue Plan Act of 2021 provided \$9.96 billion to the Homeowner Assistance Fund (HAF) program. The U.S. Department of the Treasury provides funds directly to states, U.S. territories and Indian tribes to assist eligible homeowners experiencing financial hardship due to the COVID-19 pandemic. Program funds can be used to prevent mortgage delinquencies and defaults, foreclosures, loss of utilities or home energy services, and homeowner displacement. The law prioritizes funds for homeowners who have experienced hardships, leveraging local and national income indicators to maximize the program's impact.

The Housing Finance Commission administers the HAF program in Washington. In fiscal year 2024, the Commission spent about \$70.8 million in HAF funds. The Commission is required to ensure all homeowners who receive HAF funds are eligible for the program. The HAF Plan Term Sheet, approved by the federal grantor, outlines the general eligibility requirements for the program. The Commission entered into an agreement with a contractor to perform eligibility determinations for the program. As part of the agreement, the contractor reviews eligibility determinations for 10% of applications that were approved, denied and withdrawn each quarter. To ensure the contractor made the correct determinations, Commission staff reviews eligibility

determinations that the contractor reviewed. For the first two quarters of the year, Commission staff reviewed 10% of the eligibility determinations reviewed by the contractor then increased this review to 20% for the last two quarters.

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 Commission did not have adequate internal controls over eligibility requirements. The prior finding number was 2023-022.

Description of Condition

The Commission did not have adequate internal controls over eligibility requirements for the HAF program.

During the first two quarters of the audit period, the Commission only reviewed 1% of all approved, denied and withdrawn applications. During the third quarter, the Commission increased its review to 2% of all approved, denied and withdrawn applications. The determinations that staff reviewed were only taken from those that the contractor selected, so the Commission had no assurance that the application determinations the contractor did not select were made properly. During the last month of the year, the Commission began reviewing eligibility determinations of all applicants before issuing a payment. Because the Commission did not perform any additional independent reviews for 11 out of the 12 months, we determined the Commission did not perform an adequate level of review to ensure proper eligibility determinations were made for the program as a whole.

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

Cause of Condition

Management believed the level of review Commission staff performed was adequate to ensure proper eligibility determination for all HAF applicants.

Effect of Condition

Without establishing adequate internal controls, the Commission is at a higher risk of paying ineligible homeowners. Additionally, by only reviewing cases that the contractor selected, there is a risk that the eligibility determinations that Commission staff reviewed were not representative of the program as a whole.

Recommendations

We recommend the Commission:

- Improve internal controls to ensure it only provides HAF funds to eligible homeowners

- Ensure that Commission staff perform and document an adequate review of approved, denied and withdrawn HAF applications that are independent of those the contractor reviewed

Commission's Response

The Commission concurs with this finding.

In response to the prior year's finding, the Commission doubled its quality control review, participates in the selection of QC files and conducts an independent of those verified by the contractor to ensure a more representative population. In addition, the Commission immediately implemented an independent review of all payments for eligibility under the HAF Program guidelines prior to disbursing funds. The Commission implemented these changes in late FY 2024.

Auditor's Remarks

We thank the Commission for its cooperation and assistance throughout the audit. We will review 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.

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 the Treasury's Homeowner Assistance Fund: Guidance on Participant Compliance and Reporting Responsibilities, states, in part:

Eligibility. Under this program, HAF participants are responsible for ensuring funds are used for eligible purposes. Generally, HAF participants must develop and implement policies and procedures, and record retention, to determine and monitor implementation of criteria for determining the eligibility of beneficiaries and / or Subrecipients. HAF participants, and if applicable, the Subrecipient(s) administering a program on behalf of the HAF participant, will need to maintain procedures for obtaining information evidencing a given beneficiary, Subrecipient, or contractor's eligibility, including a valid SAM.gov registration. Implementing risk-based due diligence for eligibility determinations is a best practice to augment your organization's existing controls.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

2024-016 The Housing Finance Commission did not have adequate internal controls over earmarking requirements for the Homeowner Assistance Fund program.

Assistance Listing Number and Title:	21.026 COVID-19 Homeowner Assistance 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:	Earmarking
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-023

Background

The American Rescue Plan Act of 2021 provided \$9.96 billion to the Homeowner Assistance Fund (HAF) program. The U.S. Department of the Treasury provides funds directly to states, U.S. territories and Indian tribes to assist eligible homeowners experiencing financial hardship due to the COVID-19 pandemic. Program funds can be used to prevent mortgage delinquencies and defaults, foreclosures, loss of utilities or home energy services, and homeowner displacement. The law prioritizes funds for homeowners who have experienced hardships, leveraging local and national income indicators to maximize the program's impact.

The Housing Finance Commission administers the HAF program in Washington. In fiscal year 2024, the Commission spent about \$70.8 million in HAF funds. The Commission must meet earmarking requirements for the following four categories:

1. Counseling or educational efforts by housing counseling agencies approved by the U.S. Department of Housing and Urban Development (HUD), tribal government (including such efforts by in-house housing counselors who are HUD certified or tribally approved), or legal services, targeted to households eligible to be served with funding

from the HAF related to foreclosure prevention or displacement, in an aggregate amount up to 5% of the funding from the HAF received by the HAF participant.

2. Planning, community engagement, needs assessment and administrative expenses related to the HAF participant's disbursement of HAF funds for qualified expenses, in an aggregate amount not to exceed 15% of the funding from the HAF received by the HAF participant.
3. Participants are providing not less than 60% of funds to homeowners with income less than 100% of area median income (AMI) or 100% of U.S. median income.
4. Participants target homeowners who are classified as socially disadvantaged individuals (SDIs) and 100% AMI or less.

The Commission is required to meet the requirements of the first, second and third earmarks when the HAF funds are fully expended. When administering the program, the Commission is required to have processes in place to track these requirements to ensure it is compliant at the end of the award.

The HAF Plan, approved by the federal grantor, outlines the program design and the budget allocation for the earmarking categories. These amounts are based on the award being fully expended. For the first two earmarking requirements, the Commission used these budgets to contract for necessary services. Commission staff then maintained a tracking spreadsheet to ensure payments did not exceed the contracted amount.

For the third earmark requirement, the Commission allocated 77% of the HAF award to homeowners, and it required all homeowners to have an income less than 100% AMI. For the fourth earmark requirement, the Commission contracted with a contractor to perform outreach targeting SDIs and those that are less than 100% AMI.

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 Commission did not have adequate internal controls over earmarking requirements. The prior finding number was 2023-023.

Description of Condition

The Commission did not have adequate internal controls over earmarking requirements for the HAF program.

During the audit period, the Commission tracked contractor payments applicable to the first and second earmarking requirements. However, expenditures were tracked in relation to the amounts budgeted in the HAF Plan. The Commission did not review these expenditures in relation to overall program expenditures to ensure they were on track to be compliant with the established earmarks.

For the third earmarking requirement, the Commission relied on eligibility determinations made by a contractor to ensure all homeowners in the HAF program have income less than 100% AMI. We determined the Commission did not have an adequate process to ensure all applicants met eligibility requirements. This condition is reported as a material weakness in internal controls in audit finding 2024-015.

We did not identify any internal control deficiencies over the fourth earmarking requirement.

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

Cause of Condition

While Commission staff tracked payments made to contractors allocated in the HAF Plan, management did not implement procedures to track these amounts to the total program expenditures to be able to ensure compliance.

Additionally, management believed the level of eligibility determination review Commission staff performed was adequate to ensure proper eligibility determination for all HAF applicants.

Effect of Condition

Without adequate internal controls, the Commission is at risk of not meeting the earmarking requirements when the award closes if budget allocations change or the award is not fully expended.

Recommendations

We recommend the Commission:

- Establish effective internal controls to ensure that it tracks and meets the earmarking requirements
- Improve internal controls to ensure eligibility determinations are made properly

Commission's Response

The Commission concurs with this finding.

In response to the prior year's finding, the Commission is implementing a monthly review of drawdown rates to track and meet earmarking requirements relative to expenditure levels. Additionally, the Commission doubled its quality control review, participates in the selection of QC files and conducts an independent of those verified by the contractor to ensure a more representative population. In addition, the Commission immediately implemented an independent review of all payments for eligibility under the HAF Program guidelines. The auditor's recommendations and the Commission's implementation began in late FY 24 and was not wholly reflected in this current audit.

Auditor's Remarks

We thank the Commission for its cooperation and assistance throughout the audit. We will review 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.

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 the Treasury's *Homeowner Assistance Fund Guidance*, states, in part:

Qualified Expenses:

Counseling or educational efforts by housing counseling agencies approved by HUD or a tribal government (including such efforts by in-house housing counselors who are HUD certified or Tribally approved), or legal services, targeted to households eligible to be served with funding from the HAF related to foreclosure prevention or displacement, in an aggregate amount up to 5% of the funding from the HAF received by the HAF participant.

Planning, community engagement, needs assessment, and administrative expenses related to the HAF participant's disbursement of HAF funds for qualified expenses, in an aggregate amount not to exceed 15% of the funding from the HAF received by the HAF participant.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

2024-017 The Housing Finance Commission did not have adequate internal controls over reporting requirements for the Homeowner Assistance Fund program.

Assistance Listing Number and Title:	21.026 COVID-19 Homeowner Assistance 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
Prior Year Audit Finding:	Yes, Finding 2023-025

Background

The American Rescue Plan Act of 2021 provided \$9.96 billion to the Homeowner Assistance Fund (HAF) program. The U.S. Department of the Treasury provides funds directly to states, U.S. territories and Indian tribes to assist eligible homeowners experiencing financial hardship due to the COVID-19 pandemic. Program funds can be used to prevent mortgage delinquencies and defaults, foreclosures, loss of utilities or home energy services, and homeowner displacement. The law prioritizes funds for homeowners who have experienced hardships, leveraging local and national income indicators to maximize the program's impact.

The Housing Finance Commission administers the HAF program in Washington. In fiscal year 2024, the Commission spent about \$70.8 million in HAF funds. The Commission implemented a pilot program before launching the main HAF program. The Commission contracted with a contractor to help implement the main HAF program and maintain participant data. The Commission is required to submit an annual performance report that provides an overview of its intended and actual uses of funding to-date for the pilot and main HAF programs. The federal grantor identified two key lines items on the report that contained critical information:

1. Socially Disadvantaged Individuals (SDIs) – Quantifiable Objective Criteria: Participants are providing not less than 60% of funds to homeowners with income less than 100% area median income (AMI) or 100% of U.S. median income.
2. AMI – Quantifiable Objective Criteria: Participants target homeowners that are classified as SDI and 100% AMI or less.

The HAF Plan, approved by the federal grantor, outlines the budget allocations, goals and types of assistance for the Washington HAF program. The HAF reporting portal automatically populates each section of the annual report template with information from this plan. The Commission is required to submit a narrative on the status of each section. Commission staff use participant data provided by the contractor to complete the report template. Once completed, the preparer submits the report in the HAF reporting portal without management review.

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 Commission did not have adequate internal controls over and did not comply with reporting requirements. The prior finding number was 2023-025.

Description of Condition

The Commission did not have adequate internal controls over reporting requirements for the HAF program.

The contractor only provided summary-level data to the Commission at the time of reporting. As a result, Commission staff did not have detailed supporting documentation to review to verify that the total amounts in the contractor's reports were complete and accurate. Additionally, the Commission did not have documented evidence to support that management reviewed the annual report before submission.

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

Cause of Condition

The Commission did not require the contractor to submit detailed support for the total numbers provided for reporting to ensure all categories were included. Additionally, the Commission did not ensure adequate management review of the report before submission.

Effect of Condition

Without establishing adequate internal controls, which should include reviewing the reports and the detailed supporting documentation to ensure the correct data is reported, management cannot ensure that the reports are complete and accurate.

Recommendations

We recommend the Commission:

- Establish effective internal controls to ensure the reports are accurate and complete
- Ensure that management performs and documents an adequate review of the supporting documentation before submitting reports to the grantor

Commission's Response

The Commission concurs with this finding.

The Commission has implemented a system of controls and management review to ensure that data reported to the federal grantor is complete and accurate. The auditor's recommendations came after the FY 23 Annual Report was filed and will be reflected in the upcoming FY24 Annual Report. The new process has been used in the quarterly reporting.

Auditor's Remarks

We thank the Commission for its cooperation and assistance throughout the audit. We will review 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 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 328, Financial reporting, states:

- (a) The Federal agency must require only OMB-approved government-wide data elements on recipient financial reports. At the time of publication, this consists of the Federal Financial Report (SF-425); however, this also applies to any future OMB-approved government-wide data elements available from the OMB-designated standards lead.
- (b) The Federal agency or pass-through entity must collect financial reports no less than annually. The Federal agency or pass-through entity may not collect financial reports more frequently than quarterly unless a specific condition has been implemented in accordance with § 200.208. To the extent practicable, the Federal agency or pass-through entity should collect financial reports in coordination with performance reports.
- (c) The recipient or subrecipient must submit financial reports as required by the Federal award. Reports submitted annually by the recipient or subrecipient must be due no later than 90 calendar days after the reporting period. Reports submitted quarterly or semiannually must be due no later than 30 calendar days after the reporting period.

(d) The final financial report submitted by the recipient must be due no later than 120 calendar days after the conclusion of the period of performance. A subrecipient must submit a final financial report to a pass-through entity no later than 90 calendar days after the conclusion of the period of performance. See also § 200.344. The Federal agency or pass-through entity may extend the due date for any financial report with justification from the recipient or subrecipient.

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.

The U.S. Department of the Treasury's *Homeowner Assistance Fund: Guidance on Participant Compliance and Reporting Responsibilities*, states, in part:

Programmatic Information Requirements

HAF participants are required to submit an Annual Performance Report on an annual basis and demonstrate the impact of the HAF-financed programs. Reports should include data related to program outputs and outcomes against the stated objectives of the HAF participant's HAF Grant Plan.

Performance Goals

HAF participants initially submitted performance goals on the use of HAF awarded funds in their approved Grantee Plan. Each one of the performance goals should have identified how the HAF participant will address homeowner needs and should have been disaggregated by key characteristics such as mortgage type, racial and ethnic demographics, and/or geographic areas, as appropriate. HAF participants will be required to provide a status update and quantitative measures, if applicable, on each of their initial performance goals set forth in their Grantee Plan. Please note, HAF participants will not have the ability to alter their original performance goals noted in their Grantee Plan nor add additional performance goals in the Annual Report.

Methods for Targeting and HAF Funding

HAF participants were asked in their original Grantee Plan to describe how the HAF participant will effectively target HAF award funds to (1) homeowners with incomes equal to or less than 100% of the area median income or equal to or less than 100% of the median income for the United States, whichever is greater; and (2) socially disadvantaged individuals. The description included the HAF participant's targeting strategies. HAF participants will be required to provide an update on their targeting methods and if they have appropriately executed targeting methods according to their original Grantee Plan.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	21.026 COVID-19 Homeowner Assistance 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
Prior Year Audit Finding:	Yes, Finding 2023-024

Background

The American Rescue Plan Act of 2021 provided \$9.96 billion to the Homeowner Assistance Fund (HAF) program. The U.S. Department of the Treasury provides funds directly to states, U.S. territories and Indian tribes to assist eligible homeowners experiencing financial hardship due to the COVID-19 pandemic. Program funds can be used to prevent mortgage delinquencies and defaults, foreclosures, loss of utilities or home energy services, and homeowner displacement. The law prioritizes funds for homeowners who have experienced hardships, leveraging local and national income indicators to maximize the program's impact.

The Housing Finance Commission administers the HAF program in Washington. In fiscal year 2024, the Commission spent about \$70.8 million in HAF funds. The Commission is required to submit quarterly financial reports that have information on the cumulative obligations and expenditures to date. These reports are due 45 days after the end of each quarter. The federal grantor specified there were two key lines items on the report that contained critical information:

1. Administrative Expenses – Quantifiable Objective Criteria: Obligations and expenditures do not exceed 15% for admin expenses.

2. Services, Counseling & Education – Quantifiable Objective Criteria: Obligations and expenditures do not exceed 5% for legal services, counseling and education.

The HAF Plan, approved by the federal grantor, outlines the budget allocation of administrative, services, counseling and education expenditures. Administrative expenses are subcategorized by 10 program design elements, and counseling and education expenses are subcategorized by two program design elements. The Commission is required to report expenditure and obligation data on each program design element. The Commission uses these allocations to contract required services. Commission staff maintain a tracking spreadsheet for HAF obligations and payments made to contractors. For the 2023 quarter three report, Commission staff use data from this spreadsheet to fill out the quarterly reporting template. For the 2023 quarter four report and subsequent reports, the Commission used this spreadsheet to report obligations and then used accounting data for expenditures. Once completed, the Commission submits the report in the HAF reporting portal.

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 reporting requirements for the Homeowner Assistance Fund program. The prior finding number was 2023-024.

Description of Condition

The Commission did not have adequate internal controls over and did not comply with reporting requirements for the HAF program.

The spreadsheets used to track obligation and expenditure data for the 2023 Q3 report was not accurate and complete. We determined staff were reporting expenditures that had not been paid in the expenditure category instead of as obligations. We also determined staff made errors when recording the obligation amounts. These errors included not properly realizing all the expenditures in the accounting system, not realizing all administrative obligations and including obligations that were not supported. Starting with the 2023 Q4 report and the subsequent reports, the Commission used accounting data when reporting on expenditures.

We examined all four quarterly reports and all four reports that we examined had errors, as summarized below.

In the 2023 Q3 report we noted:

- For key line item one, nine out of 16 sections had errors.
 - The range of these discrepancies for obligations was between \$393,154 underreported to \$1,120,000 overreported. The variances of these discrepancies ranged from -100% to 127.27%.

- The range of these discrepancies for expenditures was between \$394,154 underreported to \$246,382 overreported. The variances of these discrepancies ranged from -100% to 13.44%.
- For key line item two, two out of four sections had errors.
 - The one discrepancy for obligations was \$911,060 overreported. This is a variance of 20.25%.
 - The one discrepancy for expenditures was \$272,800 underreported. This is a variance of -10.06%.

In the 2023 Q4 report we noted:

- For key line item one, one out of 16 sections had errors.
 - The one discrepancy for obligations was \$1,120,000 overreported. This is a variance of 127.27%.
- For key line item two, one out of four sections had errors.
 - The one discrepancy for obligations was \$1,239,000 underreported. This is a variance of -27.53%.

In the 2024 Q1 report we noted:

- For key line item one, two out of 16 sections had errors.
 - The one discrepancy for obligations was \$72,675 overreported. This is a variance of 6.39%.
 - The one discrepancy for expenditures was \$135,223 underreported. This is a variance of -12.09%.
- For key line item two, one out of four sections had errors.
 - The one discrepancy for obligations was \$807,986 overreported. This is a variance of 17.96%.

In the 2024 Q2 report we noted:

- For key line item one, one out of 16 sections had errors.
 - The one discrepancy for obligations was \$322,758 overreported. This is a variance of 28.36%.
- For key line item two, one out of four sections had errors.
 - The one discrepancy for obligations was \$807,986 overreported. This is a variance of 17.96%.

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

Cause of Condition

The reports are mainly comprised of obligations recorded through contracts and financial information recorded in the Commissions accounting system. The 2023 Q3 report did not rely on

this data when reporting on expenditures and obligations. Commission officials said there was a lack of coordination between program and finance staff in compiling this report to ensure the correct data was used. Furthermore, the Commission did not require management to review the reports and their supporting documentation before submitting them to the grantor.

Beginning with the 2023 Q4 report, the Commission changed its process to rely on the correct data and implemented a second review. However, there was an error in the calculation for the obligation amounts that the Commission staff said they corrected starting with the 2024 Q3 report. Additionally, for the one expenditure discrepancy, staff did not update the amount from the prior quarterly report. While the Commission implemented a second review, it was not performed effectively to identify these errors.

Effect of Condition

Without establishing adequate internal controls, which should include reviewing the reports and the supporting documentation to ensure the correct source data is reported, management cannot ensure that the reports are complete and accurate.

Recommendations

We recommend the Commission:

- Establish effective internal controls to ensure the reports are accurate and complete
- Ensure that management performs and documents an adequate review of the supporting documentation before submitting reports to the grantor
- Consult with the federal grantor to determine if revision and resubmission of the reports are necessary to correct amounts reported

Commission's Response

The Commission concurs with this finding.

The Commission will strengthen its system of controls and review processes to ensure that data reported to the federal grantor is complete and accurate. In addition, the Commission will confirm with the grantor to determine if revision is necessary.

Auditor's Remarks

We thank the Commission for its cooperation and assistance throughout the audit. We will review 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 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 328, Financial reporting, states:

Unless otherwise approved by OMB, the Federal awarding agency must solicit only the OMB-approved governmentwide data elements for collection of financial information (at time of publication the Federal Financial Report or such future, OMB-approved, governmentwide data elements available from the OMB-designated standards lead. This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes, and preferably in coordination with performance reporting. The Federal awarding agency must use OMB-approved common information collections, as applicable, when providing financial and performance reporting information.

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.

The U.S. Department of Treasury's *Homeowner Assistance Fund: Guidance on Participant Compliance and Reporting Responsibilities*, states, in part:

Programmatic Information Requirements

The following programmatic information will be required in Quarterly Reports.

- f. Program(s) Information- HAF participants will provide information on all HAF programs. Programs are new or existing eligible government services or investments funded in whole or in part by HAF funding. For each program, the HAF participant will be required to enter the following information:
 - Total Obligations Cumulative to Calendar Quarter end date;
 - Total Expenditures Cumulative to Calendar Quarter end date;
- g. Expenditures- HAF participants are required to report the HAF assistance expended or spent by the HAF participant. HAF participants will be asked to report expenditures on a cumulative basis at the following levels: the participant-level, program-level, and program design element-level. At the participant-level, HAF participants will be asked to disaggregate expenditures or amounts expended by the categories noted under the Disaggregated Information requirement below.

- The information provided in this section will relate to the HAF Grantee Plan Budget **Expenditures** *broken out by Program Design Element*.
- h. Obligations- HAF participants are required to report the HAF assistance obligated. HAF participants will be asked to report obligations on a cumulative basis at the participant level, program-level, and program design element-level. HAF participants will be asked to disaggregate participant-level obligations by the categories noted under the Disaggregated Information requirement below.
- The information provided in this section will relate to the HAF Grantee Plan Budget **Obligations** broken out by **Program Design Element**.
- i. Program Design Elements Covered- HAF participants will report on each of their HAF term sheets identified programs and their respective program design elements. HAF participants that provide funding for housing counseling and legal services will also report in this section. HAF participants will create a new line item for each program design element and tie the program design element to a specific program. Please reference Appendix 3 for Program Design Element categories and descriptions. HAF participants will be expected to report the following for each specific program design element within a program:
- Total Obligations Cumulative to Calendar Quarter end date;
 - Total Expenditures Cumulative to Calendar Quarter end date;
 - Number of Homeowners Assisted Cumulative to Calendar Quarter end date; and,
 - Number of SDIs Assisted Cumulative to Calendar Quarter end date.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-027

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 2024, state agencies spent about \$564 million in SLFRF funds, more than \$102 million of which was spent by the Department of Commerce.

The Department primarily used SLFRF funds to administer and support affordable housing construction and infrastructure projects including broadband infrastructure, through its housing and local government divisions. SLFRF funds were also used for transportation, tourism and other pandemic-recovery projects. During fiscal year 2024, the Department expended about \$100 million on reimbursements to local governments and nonprofit organizations as subrecipients.

These subrecipients were responsible for carrying out housing and infrastructure projects under contracts with the Department.

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 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 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. The prior finding numbers were 2023-027, 2023-028 and 2022-019.

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.

During the audit, we were unable to perform procedures to ascertain whether the Department established and followed internal controls to ensure compliance with program requirements. As such, we determined internal controls were inadequate to prevent or detect material noncompliance with federal requirements for allowable activities and period of performance.

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

Cause of Condition

The Department did not identify its internal controls that are designed to ensure compliance with activities allowed, cost principles and period of performance requirements. Therefore, we were unable to assess the adequacy of internal controls over expenditures reimbursed to subrecipients to determine the Department's compliance with these compliance requirements.

Effect of Condition

Without establishing adequate internal controls, the Department cannot reasonably ensure it and its subrecipients are using federal funds for allowable purposes and that spending occurs within the allowed period of performance.

Recommendation

We recommend the Department establish and document internal controls sufficient to prevent and detect noncompliance with the allowable costs and cost principles and period of performance requirements.

Department's Response

The Department received a significant amount of SLFRF funding which was issued largely by proviso to various programs. The programs who received funding operated on their own internal control structures based on the guidance in place at the time and provided to them as part of their proviso. The programs audited in the prior year were not audited again in the current audit so any deficiencies reported in the prior year are not tied to the programs reported in this finding. The Department does have significant controls in place for activities allowed or unallowed, allowable costs/cost principles and period of performance.

The Washington State Auditor's Office (SAO) starting the planning for this audit in late in the audit cycle in October 2024 and on November 1, 2024 the Internal Control Officer met with the Assistant Audit Manager to confirm two programs would be audited for the SLFRF audit. Internal Control Office (ICO) staff met with program staff to document their internal control processes. Less than a week later SAO changed their audit scope and added three more separate programs, two with different internal control structures. SAO required receipt of internal controls in writing which Commerce was able to fulfill for three of the programs, however, since the SAO was late in completing the planning, scoping and start of the audit, Commerce leadership made the decision to bypass the internal control work confirmation. It is important to note that the Code of Federal Regulation was updated in 2024 that starting on October 1, 2024 internal controls were required to be documented. That code did not apply to these programs as their award start was in 2023, yet SAO required key controls to be documented.

The Department supports that the programs audited had established controls that were in place and working effectively and that three of the five program controls were documented prior to the request made by the auditor.

The SAO is not able to meet the Federal Audit Clearinghouse deadline for this audit, however, the Department was given a very short window in which to complete an audit of five different internal programs. It is our hope that all future audits are started within in timeframe early enough to allow staff to appropriately fill all audit requests and provide documentation to support the mission of the audit.

Auditor's Remarks

Our Office began scoping the audit of the SLFRF program in October 2024 after receiving the Schedule of Expenditures of Federal Awards from the Office of Financial Management (OFM). Once we performed our analysis of program expenditures at the Department, we submitted requests for audit contacts from two of the divisions administering SLFRF funds on October 3, 2024. We finalized preliminary scoping for the audit on October 16th and followed up with the Department by requesting audit contacts for three additional projects funded by SLFRF. The Department ultimately provided enough information for us to scope and finalize the audit plan in January 2025. In our judgment, we provided the Department with ample time to provide

documentation about its internal controls over the direct and material compliance requirements for the SLFRF that were in place during the audit period. We discussed the timing of the audit with Department management, and they decided to forego our Office testing the internal controls over all of the compliance requirements.

We agree with the Department that Uniform Guidance (2 CFR) did not require non-Federal entities that receive federal funds to explicitly have documentation of their internal controls. However, the version of 2 CFR 200.303 *Internal controls* (effective November 12, 2020) in place during the audit period required non-Federal entities to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

The State Administrative and Accounting Manual (SAAM), published by OFM, establishes the minimum requirements that state agencies must meet. Chapter 20 of the SAAM discusses policies related to internal controls. Section 20.15.60.d states:

Documentation is a necessary part of a system of internal control. Management must determine the level and nature of documentation that is needed to assess the effectiveness of internal control. Documentation should be sufficient to allow the agency to:

- Assess the overall soundness of the system of internal control.*
- Be aware of the existence of internal control weaknesses, if any.*
- Formulate the agency's plan of action for addressing internal control weaknesses and improving the internal control where necessary.*

While we appreciate the Department's Internal Control Office assisting its programs with documenting its internal controls and believe it will help strengthen the Department in future years, it was evident this documentation did not exist at its program levels during the audit period.

Regarding the timing of our single audit opinion for the state, our engagement letter with OFM stipulates that the single audit report will be issued no later than April 30, 2025 and this letter was signed by both parties in June 2024. Our audit work was completed in accordance with the timelines outlined in this engagement letter.

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

Applicable Laws and Regulations

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

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.

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, 2023 through June 30, 2024

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.

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:	SLFRFP0002
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Suspension and Debarment
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

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 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 2024, state agencies spent about \$564 million in SLFRF, more than \$102 million of which the Department of Commerce spent.

The Department primarily used SLFRF to administer and support affordable housing construction and infrastructure projects including broadband infrastructure, through its housing and local government divisions. SLFRF were also used for transportation, tourism and other pandemic-recovery projects. During fiscal year 2024, the Department expended about \$100 million on reimbursements to local governments and nonprofit organizations as subrecipients. These subrecipients were responsible for carrying out housing and infrastructure projects under contracts with the Department.

Federal regulations prohibit grant recipients from contracting with or making subawards to parties that are suspended or debarred. The grantee must verify that all contractors and subrecipients receiving \$25,000 or more in federal funds have not been suspended, debarred or otherwise excluded. They may verify this by obtaining a written certification from the contractor or subrecipient or inserting a clause into the contract where the contractor or subrecipient states it is not suspended or debarred. Alternatively, the grantee may search the federal System for Award Management at SAM.gov to verify the contractor's or subrecipient's suspension and debarment status. This requirement must be met before entering into the contract.

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 compliance with suspension and debarment requirements for the SLFRF.

During the audit, we were unable to perform procedures to ascertain whether the Department established and followed internal controls to ensure compliance with program requirements. As such, we determined internal controls were inadequate to prevent or detect material noncompliance with federal requirements for suspension and debarment.

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 Department did not identify its internal controls that are designed to ensure compliance with suspension and debarment requirements. Therefore, we were unable to assess the adequacy of internal controls over suspension and debarment to determine the Department's compliance with the compliance requirement.

Effect of Condition

Without establishing adequate internal controls, the Department cannot reasonably ensure its subrecipients are not suspended or debarred from receiving or participating in federal awards.

Recommendation

We recommend the Department establish and document internal controls sufficient to prevent and detect noncompliance with the suspension and debarment requirements.

Department's Response

The Department maintained effective internal controls over the SLFRF-funded programs audited, despite late audit planning and an expanded scope introduced by the Washington State Auditor's Office (SAO). The Department operated within applicable federal regulations in place at the time of the awards and ensured that controls were functioning as required.

Each program receiving SLFRF funding was subject to its own internal control structure, aligned with specific program requirements and proviso guidance. The programs audited this year were distinct from those audited in the prior year, and as such, any deficiencies previously reported are unrelated to the programs referenced in the current finding. The Department confirms that appropriate subrecipient monitoring controls were in place and operating effectively for all programs included in this year's audit.

Challenges arose due to SAO initiating audit planning late in the cycle, beginning in October 2023. At the outset, only two programs were identified for audit, and internal control documentation for these programs was prepared accordingly. However, within a week, SAO expanded the audit scope to include three additional programs, two of which followed different internal control frameworks. Commerce responded promptly, providing documentation for three of the five programs. Due to time constraints caused by the late scoping and planning of the audit, Commerce leadership prioritized core audit deliverables and elected not to pursue additional internal control confirmations at that time.

It is important to note that a 2024 update to the Code of Federal Regulations requires documented internal controls for awards beginning on or after October 1, 2024. The programs audited, however, were awarded in 2023 and were therefore not subject to this requirement. Despite this, SAO reported the absence of certain documented key controls as a deficiency.

The Department maintains that all audited programs had established and effective internal controls over suspension and debarment requirements. All Department contract templates include a suspension and debarment clause that when signed, confirms the contractor is not suspended or debarred from receiving federal funds. This clause meets the standard required in the Code of Federal Regulations. The past several audits completed by the SAO and other entities have concluded this control to be in place and working effectively.

While the SAO will not meet the Federal Audit Clearinghouse deadline due to delays in initiating and planning this audit, the Department worked within a compressed timeline to accommodate the widened audit scope. Looking ahead, the Department recommends that future audits be initiated earlier to provide sufficient time for staff to meet all audit requirements and fully support the audit's objectives.

Auditor's Remarks

Our Office began scoping the audit of the SLFRF program in October 2024 after receiving the Schedule of Expenditures of Federal Awards from the Office of Financial Management (OFM). Once we performed our analysis of program expenditures at the Department, we submitted requests for audit contacts from two of the divisions administering SLFRF funds on October 3, 2024. We finalized preliminary scoping for the audit on October 16th and followed up with the Department by requesting audit contacts for three additional projects funded by SLFRF. The Department ultimately provided enough information for us to scope and finalize the audit plan in January 2025. In our judgment, we provided the Department with ample time to provide documentation about its internal controls over the direct and material compliance requirements for the SLFRF that were in place during the audit period. We discussed the timing of the audit with Department management, and they decided to forego our Office testing the internal controls over all of the compliance requirements.

We agree with the Department that Uniform Guidance (2 CFR) did not require non-Federal entities that receive federal funds to explicitly have documentation of their internal controls. However, the version of 2 CFR 200.303 *Internal controls* (effective November 12, 2020) in place during the audit period required non-Federal entities to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

The State Administrative and Accounting Manual (SAAM), published by OFM, establishes the minimum requirements that state agencies must meet. Chapter 20 of the SAAM discusses policies related to internal controls. Section 20.15.60.d states:

Documentation is a necessary part of a system of internal control. Management must determine the level and nature of documentation that is needed to assess the effectiveness of internal control. Documentation should be sufficient to allow the agency to:

- *Assess the overall soundness of the system of internal control.*
- *Be aware of the existence of internal control weaknesses, if any.*
- *Formulate the agency's plan of action for addressing internal control weaknesses and improving the internal control where necessary.*

While we appreciate the Department's Internal Control Office assisting its programs with documenting its internal controls and believe it will help strengthen the Department in future years, it was evident this documentation did not exist at its program levels during the audit period.

Regarding the timing of our single audit opinion for the state, our engagement letter with OFM stipulates that the single audit report will be issued no later than April 30, 2025 and this letter was

signed by both parties in June 2024. Our audit work was completed in accordance with the timelines outlined in this engagement letter.

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

Applicable Laws and Regulations

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), 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.

Title 2 CFR Part 180, OMB Guidelines on Agencies on Government Wide Debarment and Suspension (Nonprocurement) establishes non-procurement debarment and suspension regulations.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	21.027 Coronavirus State and Local Fiscal Recovery Funds
Federal Grantor Name:	U.S. Department of Treasury
Federal Award/Contract Number:	SLFRFP0002
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Procurement and Suspension and Debarment
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

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 from the U.S. Department of the Treasury, which the state's Office of Financial Management allocated to state agencies for various programs.

Federal regulations require states to follow the same policies and procedures for procuring goods and services with federal grant funds as they do with non-federal funds. In Washington, state agencies are required to follow state law as well as policies and procedures established by the Department of Enterprise Services when procuring goods and services. The Department utilizes two types of construction contracts: Design-build and design-bid-build. Under a design-build contract, the contractor will engineer the project and build it. In a design-bid-build contract, the Department engineers the project's design and the contractor builds it based on the Department's plans and specifications.

Federal requirements prohibit award recipients from contracting with parties suspended or debarred from doing business with the federal government. Whenever the Department of Transportation contracts for construction projects that it will pay in whole, or in part with federal funds, it must verify the contractor is not suspended or debarred from doing business with the federal government. The Department can verify a contractor's status by obtaining written certification from the contractor, inserting a clause into the contract stating the contractor is not suspended or debarred, or checking the U.S. General Services Administration's Excluded Parties List System. The Department must meet one of these requirements before awarding a contract, and it must keep documentation demonstrating compliance with this federal requirement.

Federal requirements also require contractors to not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction. Federal regulations stipulate that the Department must incorporate Form FHWA-1273, *Required Contract Provisions Federal-Aid Construction Contracts* in all construction contracts, including subcontracts and lower-tier subcontracts for all construction projects receiving federal aid.

The Department's Advertisement and Award Office is responsible for awarding and executing contracts for state highway projects. Projects are advertised through the Department's regional offices in accordance with state law and the Department's *Advertisement and Award Manual (M 27-02.06)*. The Department's regional offices are required by the *Advertisement and Award Manual* to assess the risk level of each project and to obtain approval from the Headquarters Construction Office to proceed with advertising a project assessed at Risk Level 2 or 3. In addition, the Department administers design-build construction projects according to the provisions of its *Design-Build Manual (M 3126.08)*.

In fiscal year 2024, the Department awarded about \$325 million to contractors participating in construction projects under the Coronavirus State and Local Fiscal Recovery 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.

Description of Condition

The Department did not have adequate controls over and did not comply with procurement and suspension and debarment requirements for the SLFRF.

Specifically, we found the Department's procedures were not effective to ensure it met procurement requirements and that it communicated the requirement to contractors to ensure any lower-tier subcontracts include requirements to certify suspension and debarment of lower-tier subcontractors.

We examined all five contracts totaling about \$325 million awarded by the Department during the audit period. We found:

- Three design-build contracts totaling \$287 million (60 percent) were not adequately reviewed by management to ensure they contained the requirement for the contractor to pass down the requirement to comply with federal suspension and debarment requirements to lower-tier subcontractors.
- One design-build contract totaling \$102.3 million (20 percent) did not include the required Form FHWA-1273 in the contract provisions, including requiring the contractor not to enter into contracts or sub-contracts with suspended or debarred parties at the next lower level. The Department did, however, verify the suspension and debarment status of the prime contractor prior to executing the contract.
- Two design-build contracts totaling \$184.7 million (40 percent) did not have documentation demonstrating that the Headquarters Construction Office approved the projects for advertisement, assessed at Risk Level 3, as required by the *Advertisement and Award Manual*.

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 effectively monitor each contract awarded to ensure that it had proper documentation of Headquarters Construction Office approval to advertise projects for award, as required by Department policies. Management did not adequately monitor each solicitation to ensure it met the requirements for advertisement in accordance with the *Advertisement and Award Manual* and the *Design-Build Manual*.

Additionally, management did not adequately review contracts executed to ensure they included suspension and debarment requirements and the required Form FHWA-1273 in the contract provisions.

Effect of Condition

By not establishing adequate internal controls over procurement, the Department is at an increased risk of improperly awarding contracts on construction projects. By not complying with *Advertisement and Award Manual* requirements, the Department is at an increased risk of awarding contracts to entities without promoting fair and open competition for bidding on Department projects.

By not complying with suspension and debarment requirements, the Department is at an increased risk of entering into a covered transaction with an excluded party. As a result, any payments made to an excluded party would be unallowable, and the grantor could potentially recover the funds from the Department.

Recommendations

We recommend that the Department:

- Establish effective internal controls to ensure it procures goods and services in accordance with federal regulations, and its own policies and procedures
- Improve internal controls to ensure it complies with federal suspension and debarment requirements
- Ensure it complies with all federal regulations regarding contracting procedures, and follows its own policies and procedures for advertising and awarding contracts
- Improve internal controls to ensure all applicable state and federal requirements are met prior to advertisement of the contract
- Thoroughly review its construction contracts to ensure all federal suspension and debarment requirements have been met prior to execution

Department's Response

The Washington State Department of Transportation (WSDOT) appreciates the State Auditor's Office audit of the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) program. WSDOT is committed to ensuring our programs comply with federal regulations.

These funds were received from the Office of Financial Management (OFM), who received the funding from the U.S. Department of the Treasury (U.S. Treasury). At the time the funds were received WSDOT attempted to obtain guidance from the Federal Highway Administration (FHWA) and the U.S. Treasury; however, neither party was able to clarify how these funds were to be administered. Considering this, WSDOT developed procedures for awarding contracts using these funds, including contract provisions requiring adherence to WSDOT Standard Specifications for Road, Bridge, and Municipal Construction. WSDOT believed these Standard Specifications addressed requirements for procurement, suspension, and debarment, in contracts using federal U.S. Treasury funds, however SAO staff indicated these projects should be treated as if they were administered by USDOT and follow FHWA contracting requirements.

These funds were for a limited program, and should the Department make any awards moving forward we will utilize the procedures in place for FHWA. In addition, WSDOT will continue communications with OFM to ensure that contracts with SLFRF funds awarded are in compliance with federal regulations and communicate any changes to the appropriate WSDOT staff, as needed.

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 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.

Title 2 CFR Part 200.180, What requirements must I pass down to persons at lower tiers with whom I intend to do business?, establishes requirements that must be passed to persons at lower tiers prior to contracting with them.

Title 23 CFR Part 633, *Required Contract Provisions*. Section 102, Applicability, establishes the required contract provisions and proposal notices applicable to all Federal-aid construction contracts other than Appalachian construction contracts.

Title 23 CFR Part 635, *Construction and Maintenance*, Section 112, Advertising for bids and proposals, outlines the requirements for advertising bids and proposals for construction contracts on Federal-aid projects.

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 Washington State Department of Transportation's *Advertisement and Award Manual (M 27-02.06)*, March 2022 edition, states in part:

Chapter 2, Rules

Appendix 1 Approval of Projects to Advertise

All projects must have formal approval action in order to be advertised. The form of this approval action will depend on the risks the Department will be assuming with the advertisement of the project. It is the goal of the Department to minimize risks associated with the project bid packages prior to advertisement. The advertisement risk levels detailed below quantify risk associated with all of the project development disciplines, including right of way certification. This assessment needs to be a collaborative effort between the Region and Headquarters.

Level 2 Approval

This approval level is for projects that are generally complete, but still have some non-critical issues to be resolved prior to proceeding to bid opening.

Approval action for these projects shall consist of a letter from the Region to the Headquarters Contract Ad and Award Office, certifying the project meets the criteria for a Level 2 Approval, and identifying all outstanding issues along with a plan to resolve all deficiencies prior to the bid opening. Approval to advertise will require concurrence by Headquarters Construction. This concurrence will be based on the risk associated with outstanding issues and the likelihood of resolving them prior to the scheduled bid opening.

Level 3 Approval

This approval level is for projects that are lacking one or more critical elements to be a complete biddable project, but there is a clear and overwhelming need to begin the advertisement process.

Approval action for these projects shall consist of a letter from the Region to the Headquarters Contract Ad and Award Office, certifying the project meets the criteria for a Level 3 Approval, identifying all outstanding issues along with a plan to resolve all deficiencies prior to the bid opening, and documenting the prior agreement between the Region and the Headquarters Construction Office to proceed into the advertisement phase of the project. Headquarters approval to proceed to advertisement will be based on the balance of risk associated with outstanding issues, the likelihood of resolving them prior to the scheduled bid opening, and the benefits of beginning the advertisement period prior to the issues being resolved.

The Washington State Department of Transportation's *Design-Build Manual (M 3126-.08)*, February 2022 edition, states in part:

Chapter 5 General Procurement Activities

5-4 Approval of Design-Build Projects to Advertise

All DB projects must have formal approval action for the RFQ and RFP to be published. The form of this approval action will depend on the risks WSDOT will be assuming with the publishing of the RFQ and RFP. It is the goal of WSDOT to minimize risks associated with the RFQ and RFP prior to publishing.

The risk levels detailed below quantify risk associated with all the project development disciplines, including right of way certification. The risk levels described below are associated with an assessment of the RFP status. The assessment is intended to determine that all components of the RFP are on track to be completed and incorporated into the RFP prior to Issue RFP Date.

5-4.2 Level 2 Approval

This approval level is for projects that are generally on track to be complete by the Target Date, but still have some activities/issues to be resolved prior to the Ad Date.

Approval action for these projects shall consist of a letter from the Region to the Contract Ad & Award Office, certifying the project meets the criteria for a Level 2 Approval, and identifying all outstanding issues along with a plan to resolve said issues prior to the Ad date. Approval to publish the RFQ will require concurrence by HQ Construction.

5-4.3 Level 3 Approval

This approval level is for projects that are not on track for completion prior to the Ad Date, missing critical elements required for a complete biddable project, but there is a clear and compelling need to begin the advertisement process.

Approval action for these projects shall consist of a letter from the Region to the Contract Ad & Award Office, certifying the project meets the criteria for a Level 3 Approval, identifying all outstanding issues along with a plan to resolve said issues two weeks prior to the proposal due date. HQ's approval to proceed to RFQ publishing will be based on clearly defined risk associated with outstanding issues, and a plan for resolving said issue two weeks prior to the scheduled proposal due date. Any conditions incorporated into the RFP and extensions proposal due date will require concurrence by HQ Construction.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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
Prior Year Audit Finding:	Yes, Finding 2023-031

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 2024, state agencies spent about \$564 million in SLFRF funds, more than \$102 million of which was spent by the Department of Commerce.

The Department primarily used SLFRF funds to administer and support affordable housing construction and infrastructure projects including broadband infrastructure, through its housing and local government divisions. SLFRF funds were also used for transportation, tourism and other pandemic-recovery projects. During fiscal year 2024, the Department expended about \$100 million on reimbursements to local governments and nonprofit organizations as subrecipients. These subrecipients were responsible for carrying out housing and infrastructure projects under contracts with the Department.

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.

In prior audits, we reported the Department did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients for the SLFRF. The prior finding numbers were 2023-031 and 2022-021.

Description of Condition

The Department did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the SLFRF.

During the audit, we were unable to perform procedures to ascertain whether the Department established and followed internal controls to ensure compliance with program requirements. As such, we determined internal controls were inadequate to prevent or detect material noncompliance with federal requirements for subrecipient monitoring.

During the audit period, the Department awarded more than \$68 million in SLFRF funds to 25 subrecipients for the five SLFRF funded programs we examined. We randomly selected and examined eight subrecipients in addition to one individually significant subrecipient and determined the Department did not perform a risk assessment to determine the appropriate level of monitoring for two of its subrecipients (22 percent).

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

Cause of Condition

The Department did not identify its internal controls that are designed to ensure compliance with subrecipient monitoring requirements. Therefore, we were unable to assess the adequacy of internal controls over subrecipient monitoring to determine the Department's compliance with these compliance requirements.

Program management was not aware of the requirement to perform and document risk assessments of each of its subrecipients.

Effect of Condition

Without establishing adequate internal controls, the Department cannot reasonably ensure it is adequately monitoring subrecipients for all requirements placed on the pass-through entity.

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 terms and conditions of subawards.

Recommendations

We recommend the Department:

- Establish and document internal controls sufficient to prevent and detect noncompliance with subrecipient monitoring requirements.
- Ensure it performs and documents the required risk assessments sufficiently for management to evaluate the results, determine the appropriate level of monitoring, and demonstrate compliance with federal requirements.

Department's Response

The Department maintained effective internal controls over the SLFRF-funded programs audited, despite late audit planning and an expanded scope introduced by the Washington State Auditor's Office (SAO). The Department operated within applicable federal regulations in place at the time of the awards and ensured that controls were functioning as required.

Each program receiving SLFRF funding was subject to its own internal control structure, aligned with specific program requirements and proviso guidance. The programs audited this year were distinct from those audited in the prior year, and as such, any deficiencies previously reported are unrelated to the programs referenced in the current finding. The Department confirms that appropriate subrecipient monitoring controls were in place and operating effectively for all programs included in this year's audit.

Challenges arose due to SAO initiating audit planning late in the cycle, beginning in October 2023. At the outset, only two programs were identified for audit, and internal control documentation for these programs was prepared accordingly. However, within a week, SAO expanded the audit scope to include three additional programs, two of which followed different internal control frameworks. Commerce responded promptly, providing documentation for three of the five programs. Due to time constraints caused by the late scoping and planning of the audit, Commerce leadership prioritized core audit deliverables and elected not to pursue additional internal control confirmations at that time.

It is important to note that a 2024 update to the Code of Federal Regulations requires documented internal controls for awards beginning on or after October 1, 2024. The programs audited, however, were awarded in 2023 and were therefore not subject to this requirement. Despite this, SAO reported the absence of certain documented key controls as a deficiency.

The Department maintains that all audited programs had established and effective internal controls and that documentation was completed for a majority of programs prior to SAO's request. While the SAO will not meet the Federal Audit Clearinghouse deadline due to delays in initiating

and planning this audit, the Department worked within a compressed timeline to accommodate the widened audit scope. Looking ahead, the Department recommends that future audits be initiated earlier to provide sufficient time for staff to meet all audit requirements and fully support the audit's objectives.

Auditor's Remarks

Our Office began scoping the audit of the SLFRF program in October 2024 after receiving the Schedule of Expenditures of Federal Awards from the Office of Financial Management (OFM). Once we performed our analysis of program expenditures at the Department, we submitted requests for audit contacts from two of the divisions administering SLFRF funds on October 3, 2024. We finalized preliminary scoping for the audit on October 16th and followed up with the Department by requesting audit contacts for three additional projects funded by SLFRF. The Department ultimately provided enough information for us to scope and finalize the audit plan in January 2025. In our judgment, we provided the Department with ample time to provide documentation about its internal controls over the direct and material compliance requirements for the SLFRF that were in place during the audit period. We discussed the timing of the audit with Department management, and they decided to forego our Office testing the internal controls over all of the compliance requirements.

We agree with the Department that Uniform Guidance (2 CFR) did not require non-Federal entities that receive federal funds to explicitly have documentation of their internal controls. However, the version of 2 CFR 200.303 *Internal controls* (effective November 12, 2020) in place during the audit period required non-Federal entities to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

The State Administrative and Accounting Manual (SAAM), published by OFM, establishes the minimum requirements that state agencies must meet. Chapter 20 of the SAAM discusses policies related to internal controls. Section 20.15.60.d states:

Documentation is a necessary part of a system of internal control. Management must determine the level and nature of documentation that is needed to assess the effectiveness of internal control. Documentation should be sufficient to allow the agency to:

- *Assess the overall soundness of the system of internal control.*
- *Be aware of the existence of internal control weaknesses, if any.*
- *Formulate the agency's plan of action for addressing internal control weaknesses and improving the internal control where necessary.*

While we appreciate the Department's Internal Control Office assisting its programs with documenting its internal controls and believe it will help strengthen the Department in future years, it was evident this documentation did not exist at its program levels during the audit period.

Regarding the timing of our single audit opinion for the state, our engagement letter with OFM stipulates that the single audit report will be issued no later than April 30, 2025 and this letter was signed by both parties in June 2024. Our audit work was completed in accordance with the timelines outlined in this engagement letter.

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

Applicable Laws and Regulations

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

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, 2023 through June 30, 2024

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.

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
Prior Year Audit Finding:	No

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 2024, state agencies spent about \$564 million in SLFRF funds, more than \$102 million of which was spent by the Department of Commerce.

The Department primarily used SLFRF funds to administer and support affordable housing construction and infrastructure projects including broadband infrastructure, through its housing and local government divisions. SLFRF funds were also used for transportation, tourism and other pandemic-recovery projects. During fiscal year 2024, the Department expended about \$100

million on reimbursements to local governments and nonprofit organizations as subrecipients. These subrecipients were responsible for carrying out housing and infrastructure projects under contracts with the Department.

Federal regulations require the Department to monitor its subrecipients' activities. This includes verifying that its subrecipients that spend \$750,000 or more on 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 to subrecipients, the Department 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 Department funded program, federal law requires the Department 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.

To monitor its compliance with these requirements, the Internal Control Office uses an Excel workbook to track subrecipients' single audits along with identifying any program-funded findings. The Internal Control Office obtains a list of subrecipients paid with federal funds in its Contract Management System (CMS) and also obtains program expenditures from the state's accounting system (AFRS) to determine which subrecipients were paid by the Department. The Program staff also provide separate lists of subrecipients to the Internal Control Office for comparison.

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

Description of Condition

The Department did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the SLFRF received required single audits, and that it appropriately followed up on findings and issued management decisions.

During the audit, we were unable to perform procedures to ascertain whether the Department established and followed internal controls to ensure compliance with program requirements. As such, we determined internal controls were inadequate to prevent or detect material noncompliance with federal requirements for subrecipient monitoring.

During the audit, we requested the spreadsheet used to monitor compliance with these requirements for SLFRF subrecipients, but the Department did not provide it. We compared the subrecipients identified by program management to the Federal Audit Clearinghouse to determine which received single audits. We found 59 SLFRF subrecipients received a single audit during the audit period.

Additionally, we found nine subrecipients received a SLFRF finding requiring a management decision letter to be issued by the Department during the audit period. These subrecipients were not monitored by the Department during the audit period and no management decisions were issued.

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

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

Cause of Condition

The Department did not identify its internal controls that are designed to ensure compliance with subrecipient monitoring requirements. Therefore, we were unable to assess the adequacy of internal controls over subrecipient monitoring to determine the Department's compliance with these compliance requirements.

The Department did not effectively monitor SLFRF subrecipients during the audit period to ensure single audits were performed, when required, due to not reviewing audit reports submitted in the Federal Audit Clearinghouse. The Department relied on the accuracy of program reports to determine which of its subrecipients required follow-up.

Effect of Condition

Without establishing adequate internal controls, the Department cannot reasonably ensure it is adequately monitoring subrecipients for all requirements placed on the pass-through entity for this program, which the federal government has classified as a program of higher risk. Further, the Department cannot ensure it follows up on subrecipient single audit findings and communicates required management decisions to subrecipients. By failing to ensure subrecipients establish corrective actions and that management monitors them for effectiveness when required, the Department cannot determine whether its subrecipients have sufficiently corrected issues identified in audit findings.

Recommendations

We recommend the Department:

- Establish effective internal controls to ensure it reviews audit reports for its subrecipients and issues written management decisions, as required

- Monitor subrecipients to ensure all required audit reports are submitted and reviewed to determine if any additional subrecipients are required to take corrective action to address audit recommendations
- Ensure subrecipients develop and take acceptable corrective actions to adequately address all audit recommendations
- Issue a written management decision for all applicable audit findings, if necessary

Department's Response

The Department agrees with part of the finding issued. The Department does have a robust process in place to identify, verify, track and work with program partners to complete the required single audit submission verifications required by the Code of Federal Regulations. The Department acknowledges weaknesses exist in the issuance of management decision letters. While the Department was successful in monitoring subrecipients and issuing management decision letters to all Commerce subrecipients who were issued findings in the prior audit, the workload related to the monitoring and letter issuance exceeded staff capabilities. The amount of subrecipients the Department provides funding to is large and many have different submission dates and their funding thresholds vary widely making tracking of several hundred subrecipients a challenge.

In October 2024 the Internal Controls Office (ICO) hired an experienced staff member who is responsible for the audit submission verification, tracking and management decision letter issuance and our staffing resource issues have been resolved.

Additionally, the ICO is examining the complexity of the process for the Department to identify improvements which will allow for stronger internal controls and result in a higher compliance rate. The Department anticipates these process improvements will resolve all deficiencies and will be reflected in outcome of the next federal single audit report issued in 2026.

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 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.

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

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, 2023 through June 30, 2024

2024-024 The Office of Superintendent of Public Instruction improperly charged \$5,139 to the Special Education program.

Assistance Listing Number and Title:	84.027 Special Education Grants to Staes (IDEA, Part B) 84.027 COVID-19 Special Education Grants to Staes (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:	H027A210074-21A; H027A220074; H027A230074-23A; H027X210074; H173A210074; H173A220074; H173A230074; H173X210074
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Period of Performance
Known Questioned Cost Amount:	\$5,139
Prior Year Audit Finding:	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 education 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, which serves about 143,000 eligible students. The program provides specially designed instruction to address 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 \$251 million in federal IDEA grant funds during fiscal year 2024 and passed about \$243 million of that funding through to LEAs and educational service districts.

The grantor identified that obligations charged to the fiscal year 2022 IDEA grant funds must be obligated or incurred prior to September 30, 2023.

Description of Condition

The Office improperly charged \$5,139 to the program.

We found the Office had adequate internal controls to ensure it materially complied with period of performance requirements. We used a nonstatistical sampling method to randomly select and examine 13 payments of a total of 68 that the Office made close to the end of the obligation period to ensure they were allowable and obligated within the proper period. During our testing, we found three charges totaling \$5,139 that were obligated after the obligation period ended.

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

Office staff made accounting adjustments to the fiscal year 2023 IDEA part B grant. These payments were initially charged to an allowable grant, but staff made adjustments and moved them to the fiscal year 2022 IDEA part B grant. Therefore, the payments were then noncompliant with period of performance requirements.

Effect of Condition and Questioned Costs

We identified \$5,139 in questioned costs that were obligated outside the obligation date.

Projection to population	Known Questioned Costs	Likely Questioned Costs
Federal expenditures	\$5,139	\$26,883

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 Office consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.

Office's Response

The Office of Superintendent of Public Instruction (OSPI) concurs with this finding.

To ensure that expenditures occurring outside of a grant's period of performance are not shifted to the grant during its liquidation period, OSPI has established internal controls to address accounting adjustments made during liquidation periods. Journal vouchers (corrections) will be verified by budget staff prior to submission to ensure expenditures occurred within the grant period of performance. OSPI will communicate the corrective action plan with internal stakeholders to ensure compliance with updated process/procedures.

Internal Control Details:

- Monitor expenditures (through reconciliation of monthly reports) to ensure the agency stays within the allowable set-aside threshold and grant maximum.*
- Verify that all expenditures corrected with journal vouchers during the grant liquidation period have occurred during the grant period of performance.*
- Complete expenditure corrections within the grant liquidation period.*
- Liquidation is done on the last business day of January (or 120 days after the budget period ends).*

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 U.S. Code of Federal Regulations (CFR) Part 200.1, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes definitions for questioned costs. Part 200.410 establishes requirements for the collection of unallowable costs.

Fiscal Year 2022 Special Education Grant Award, Grant Award Notification, establishes the federal funding period for award numbers H137A210074 and H027A210074 as July 1, 2021 through September 30, 2023.

Title 20 *United States Code 1225(b)*, *General Education Provisions Act*, establishes that any funds that are not obligated at the end of the federal funding period shall remain available for obligation for an additional period of 12 months.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

2024-025 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 Staes (IDEA, Part B) 84.027 COVID-19 Special Education Grants to Staes (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:	H027A210074-21A; H027A220074; H027A230074-23A; H027X210074; H173A210074; H173A220074; H173A230074; H173X210074
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-036

Background

The Individuals with Disabilities Education Act's (IDEA) Special Education Grant 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, which serves about 143,000 eligible students. The program provides specifically designed instruction to address 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 \$285 million in federal IDEA grant funds during fiscal year 2024 and passed about \$276 million of that funding through to LEAs and all nine education service districts (ESDs) in the state.

Federal law requires the Office to evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the subaward's terms and conditions to determine 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 prior audits, we reported the Office did not have adequate internal controls over requirements to perform risk assessments for the program's subrecipients. The prior finding numbers were 2023-036, 2022-026 and 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's Special Education division revised and expanded the form package that ESDs need to submit as part of year-end reporting. The corrective action was not fully implemented during the fiscal 2024 year, and therefore the Office did not perform risk assessments for the nine 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

The Office of Superintendent of Public Instruction (OSPI) concurs with this finding. As of April 2024, OSPI Special Education division fully implemented the accepted corrective action plan and conducted fiscal monitoring of all nine (9) Educational Service Districts (ESDs) statewide. All nine (9) ESDs received a fiscal monitoring report no later than April 2024.

Based on the results from monitoring activities over year-end reporting, ESDs will be selected for additional monitoring and may be subject to a future onsite visit if deemed necessary.

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 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 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.

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	84.048 Career and Technical Education – Basic Grants to States (Perkins V)
Federal Grantor Name:	U.S. Department of Education
Federal Award/Contract Number:	V048A210047; V048A220047; V048A230047
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Matching
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	None

Background

The Career and Technical Education - Basic Grants to States (Perkins V) program is administered by the Workforce Training and Education Coordinating Board (Workforce Board). Perkins V provides grants to states and outlying areas to develop the academic knowledge and technical and employability skills of secondary students and postsecondary students. This is accomplished by building on the efforts of states and localities to develop challenging academic and technical standards and to assist students in meeting such standards promoting the development of services and activities that integrate rigorous and challenging academic and career and technical instruction, and that link secondary education and postsecondary education. This is also done through increasing state and local flexibility in providing services and activities designed to develop, implement and improve career and technical education, conducting and disseminating national research and disseminating information on best practices that improve career and technical education programs and programs of study, services, and activities.

The Office of the Superintendent of Public Instruction (OSPI) and the Washington State Board for Community and Technical Colleges (SBCTC) receive funds through interagency agreements with

the Workforce Board. The federal funding provides technical assistance, supporting partnerships among secondary schools, postsecondary institutions, area career and technical education schools, local workforce investment boards, business and industry, and intermediaries. It helps provide individuals with opportunities to develop, in conjunction with other educational and training programs, the knowledge and skills needed to keep the United States competitive; and increase the employment opportunities for populations who are chronically unemployed or underemployed (including individuals with disabilities, individuals from economically disadvantaged families, out-of-workforce individuals, youth who are in, or have aged out of, the foster care system, and homeless individuals).

Matching requirements for the grant require the state to match, from nonfederal sources and on a dollar-for-dollar basis, the funds reserved for the administration of the plan. The matching requirement may be applied overall, rather than line-by-line, to state administrative expenditures.

During fiscal year 2024, the Workforce Board, OSPI, and SBCTC spent about \$27 million in federal 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.

Description of Condition

The Workforce Board did not have adequate internal controls over matching requirements for the Perkins V program.

The Board obtains information as part of its annual report from OSPI and SBCTC along with a certification showing the amount of state funds that are being used to match the federal administrative expenditures required by the grant. The Board did not have documentation to show the certification was received from OSPI. We also identified a lack of sufficient detail on the individual reimbursement requests and the certification. Without reviewing any of the supporting documentation for the state matching funds from other entities, the Board cannot determine the amount of state funds being used to match is supported and was for allowable purposes.

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

While the Workforce Board established internal controls, they were insufficiently designed and did not operate effectively to ensure compliance with matching requirements.

Effect of Condition

Without establishing adequate internal controls and obtaining a sufficient level of supporting accounting detail, the Board cannot reasonably ensure it and its partnered state agencies have met matching requirements.

Recommendations

We recommend the Workforce Board:

- Establish and document internal controls sufficient to prevent and detect noncompliance with matching requirements.
- Obtain support sufficient to adequately ensure matching requirements are met.

Board's Response

We appreciate the State Auditor's Office audit of the matching requirement for the Perkins V program. The Workforce Training and Education Coordinating Board (Workforce Board) is committed to ensuring that our programs comply with all federal regulations. While the Workforce Board partially concurs with the Auditor's findings, we want to highlight that we have established controls to ensure the state administration match requirement is met.

During the period audited, there was turnover within both the Office of Superintendent of Public Instruction (OSPI) and the Workforce Board, which may have contributed to challenges in fulfilling certain requirements. However, the Workforce Board does have a contract with OSPI that specifies a Certification is required, and we did receive the Certification for the current year. Additionally, we have communicated with our subrecipients that certifications are required.

We have since worked closely with the new fiscal staff at OSPI, and they are now providing additional support for each quarterly billing, as reflected in their accounting records. Furthermore, the Workforce Board has incorporated a monitoring section into the new contracts to enhance oversight and ensure compliance moving forward.

Auditor's Remarks

We thank the Board for its cooperation and assistance throughout the audit. We will review the status of the Board'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 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.

Title 20 *United States Code*, section 2391, Fiscal requirements, states, in part:

(b) Matching requirement

Each eligible agency receiving funds made available under subsection (a)(3) shall match, from non-Federal sources and on a dollar-for-dollar basis, the funds received under subsection (a)(3).

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

2024-027 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.

Assistance Listing Number and Title:	84.048 Career and Technical Education – Basic Grants to States (Perkins V)
Federal Grantor Name:	U.S. Department of Education
Federal Award/Contract Number:	V048A210047; V048A220047; V048A230047
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Level of Effort
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The Career and Technical Education - Basic Grants to States (Perkins V) program is administered by the Workforce Training and Education Coordinating Board (Workforce Board). Perkins V provides grants to states and outlying areas to develop the academic knowledge and technical and employability skills of secondary students and postsecondary students. This is accomplished by building on the efforts of states and localities to develop challenging academic and technical standards and to assist students in meeting such standards promoting the development of services and activities that integrate rigorous and challenging academic and career and technical instruction, and that link secondary education and postsecondary education. This is also done through increasing state and local flexibility in providing services and activities designed to develop, implement and improve career and technical education, conducting and disseminating national research and disseminating information on best practices that improve career and technical education programs and programs of study, services, and activities.

The Office of the Superintendent of Public Instruction (OSPI) and the Washington State Board for Community and Technical Colleges (SBCTC) receive funds through interagency agreements with

the Workforce Board. The federal funding provides technical assistance, supporting partnerships among secondary schools, postsecondary institutions, area career and technical education schools, local workforce investment boards, business and industry, and intermediaries. It helps provide individuals with opportunities to develop, in conjunction with other educational and training programs, the knowledge and skills needed to keep the United States competitive; and increase the employment opportunities for populations who are chronically unemployed or underemployed (including individuals with disabilities, individuals from economically disadvantaged families, out-of-workforce individuals, youth who are in, or have aged out of, the foster care system, and homeless individuals).

Level of effort requirements for the grant require the state to maintain its fiscal efforts from state sources each year when compared with such efforts from the preceding year. Similarly, the state shall provide from state sources for administration of Perkins V, an amount that is not less than the state sourced amounts provided for administrative costs in the preceding fiscal year. Lastly, the state and its subrecipients may use funds for career and technical education activities that supplement, and not supplant, non-federal funds expended to carry out career and technical education activities.

During fiscal year 2024, the Workforce Board, OSPI, and SBCTC spent about \$27 million in federal 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.

Description of Condition

The Workforce Board did not have adequate internal controls to ensure compliance with level of effort requirements for the Perkins V program.

The Workforce Board reviews state funding efforts for the program during its preparation of their annual report. However, the Workforce Board did not implement sufficient preventative controls to effectively monitor the level of effort requirements on a more continuous basis.

During the audit, we were unable to identify controls that would prevent or detect non-compliance with the requirement that federal funds must be used to supplement, not supplant, non-federal funds specific to the level of effort requirement.

As such, we determined internal controls were inadequate to prevent or detect non-compliance with federal requirements for level of effort.

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 Workforce Board did not establish sufficient internal controls that were designed to ensure compliance with the level of effort requirements.

Effect of Condition

Without establishing adequate internal controls, the Workforce Board cannot reasonably ensure it and its partnered state agencies have met level of effort requirements.

Recommendation

We recommend the Workforce Board establish and document internal controls sufficient to prevent and detect noncompliance with the level of effort requirements.

Board's Response

Thank you for providing the Workforce Training and Education Coordinating Board (Workforce Board) with the opportunity to review and respond to the State Auditor's Office (SAO) audit report on the level of effort. The Workforce Board fully acknowledges the significance and priority of maintaining strong internal controls over the analysis and certification of level of effort, ensuring that this process is completed in a timely manner and allowing sufficient time for any necessary corrective actions.

In collaboration with the State Board for Community and Technical Colleges (SBCTC) and the Office of Superintendent of Public Instruction (OSPI), the Workforce Board is committed to identifying and analyzing options for incorporating semi-annual reviews of the level of effort / maintenance of effort (MOE) funds. These efforts will help enhance transparency and improve the accuracy of reporting.

The SBCTC already provides level of effort documentation on a semi-annual basis. The Workforce Board will use this document as a template to establish agency guidelines related to MOE. The agency will require the collection of MOE data and certification from its subaward recipients on a semi-annual basis. This approach will help ensure consistent compliance with all applicable requirements and reinforce our commitment to continuous improvement in managing and overseeing MOE funds.

We appreciate the recommendations from the SAO and look forward to working collaboratively with SBCTC and OSPI to enhance our internal processes and controls.

Auditor's Remarks

We thank the Board for its cooperation and assistance throughout the audit. We will review the status of the Board'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 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.

Title 20 *United States Code*, section 2391, Fiscal requirements, states:

(a) Supplement not supplant

Funds made available under this chapter for career and technical education activities shall supplement, and shall not supplant, non-Federal funds expended to carry out career and technical education activities.

(b) Maintenance of effort

(1) Determination

(A) In general

Except as provided in subparagraph (B), (C), or (D), in order for a State to receive its full allotment of funds under this chapter for any fiscal year, the Secretary must find that the State's fiscal effort per student, or the aggregate expenditures of such State, with respect to career and technical education for the preceding fiscal year was not less than the fiscal effort per student, or the aggregate expenditures of such State, for the second preceding fiscal year.

(B) Computation

In computing the fiscal effort or aggregate expenditures pursuant to subparagraph (A), the Secretary shall, at the request of the State, exclude competitive or incentive-based programs established by the State, capital expenditures, special one-time project costs, and the cost of pilot programs.

(C) Decrease in Federal support

If the amount made available for career and technical education programs under this chapter for a fiscal year is less than the amount made available for career and technical education programs under this chapter for the preceding fiscal year, then the fiscal effort per student or the aggregate expenditures of a State required by subparagraph (A) for the preceding fiscal year shall be decreased by the same percentage as the percentage decrease in the amount so made available.

(D) Establishing the state baseline

For purposes of applying subparagraph (A) for years which require the calculation of the State's fiscal effort per student, or aggregate expenditures of such State, with respect to career and technical education for the first full fiscal year following July 31, 2018, the State may determine the State's fiscal effort per student, or aggregate expenditures of such State, with respect to career and technical education for such first full fiscal year by-

- (i) continuing to use the State's fiscal effort per student, or aggregate expenditures of such State, with respect to career and technical education, as was in effect on the day before July 31, 2018; or
- (ii) establishing a new level of fiscal effort per student, or aggregate expenditures of such State, with respect to career and technical education, which is not less than 95 percent of the State's fiscal effort per student, or the aggregate expenditures of such State, with respect to career and technical education for the preceding fiscal year.

(2) Failure to meet

(A) In general

The Secretary shall reduce the amount of a State's allotment of funds under this chapter for any fiscal year in the exact proportion by which the State fails to meet the requirement of paragraph (1) by falling below the State's fiscal effort per student or the State's aggregate expenditures (using the measure most favorable to the State), if the State failed to meet such requirement (as determined using the measure most favorable to the State) for 1 or more of the 5 immediately preceding fiscal years.

(B) Special rule

No such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

(3) Waiver

The Secretary may waive paragraph (2) due to exceptional or uncontrollable circumstances affecting the ability of the State to meet the requirement of paragraph (1) such as a natural disaster or an unforeseen and precipitous decline in financial resources. No level of funding permitted under such a waiver may be used as the basis for computing the fiscal effort or aggregate expenditures required under this section for years subsequent to the year covered by such waiver. The fiscal effort or aggregate expenditures for the subsequent years shall be computed on the basis of the level of funding that would, but for such waiver, have been required.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	84.425R COVID-19 Coronavirus Response and Relief Supplemental Appropriations Act, Emergency Assistance to Non-Public Schools (CRRSA EANS) 84.425V COVID-19 American Rescue Plan – Emergency Assistance to Non-Public Schools (ARP EANS) program
Federal Grantor Name:	U.S. Department of Education
Federal Award/Contract Number:	S425D210015; S425R210012; S425U210015; S425V210012; S425W210049
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Components:	Activities Allowed or Unallowed Allowable Costs/Cost Principles Subrecipient Monitoring
Known Questioned Cost Amount:	\$47,322,280
Prior Year Audit Finding:	No

Background

Beginning in March 2020, Congress set aside the Elementary and Secondary School Emergency Relief (ESSER) Fund to address the effect the COVID-19 pandemic has had, and continues to have, on elementary and secondary schools across the nation. Several rounds of funding were distributed to states under the Education Stabilization Fund (ESF) program with the intent to support public and nonpublic schools. The U.S. Department of Education awarded ESF grants to the Office of Financial Management, which then dispersed funds to the Office of Superintendent

of Public Instruction, to pass through to Local Education Agencies (LEAs). The U.S. Department of Education awarded ESF program funds to grantees under multiple subprograms of the ESF. An alphabetic character at the end of the 84.425 Assistance Listing Number was used to delineate the specific subprogram. Each subprogram has its own funding requirements and compliance requirements.

The objective of the CRRSA EANS (84.425R) and ARP EANS (84.425V) subprograms is to provide governors with a reservation of funds to provide services or assistance to eligible nonpublic schools to address the impact the COVID-19 pandemic has had, and continues to have, on nonpublic school students and teachers in the state.

In fiscal year 2024, the state spent more than \$600 million in ESFs federal funding.

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

Description of Condition

The Office did not have adequate internal controls over and did not comply with federal activities allowed and subrecipient monitoring requirements for the ESF program.

After the Office distributed EANS funds to nonpublic schools, there was \$47,322,281 in ESF program funds remaining that went unobligated. Those funds reverted to the Governor's office as CRRSA-GEER funds. After the reversion of these funds, the legislature specifically directed the Office to use the resources to fund Transition to Kindergarten programs.

During this process, the Office distributed funds to 149 public LEAs but did not issue subawards as required. As a result, it failed to clearly communicate these awards' terms and conditions to the subrecipients, including the allowable uses of the 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 believed the information that was sent out through other means would cover the required elements it needed to communicate to the LEAs. The Office did not know the amount each LEA would receive as amounts were not predetermined, and the Office used an apportionment process to allocate funds to meet the legislative intent.

Effect of Condition and Questioned Costs

Without issuing subawards to subrecipients to ensure proper accountability and compliance with federal requirements, the Office cannot ensure all funds were used for allowable activities and properly supported. In addition, without a subaward, the Office could not distribute funds to these subrecipients. Therefore, we are questioning the \$47,322,280 that it distributed to these LEAs.

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:

- Establish effective internal controls to ensure that all federal funds it grants to subrecipients are awarded through a subaward that meets federal requirements
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

Office's Response

We distributed these funds through the apportionment process instead of our grants system due to the nature of how the payments were calculated. Our grants system provides a grant award notification via e-mail when the grant is awarded that contains the federal elements required in CFR 200.332. While we did not provide a formal subaward that included all of these elements in one document, we provided most of them using other formal communication, such as through a Gov Delivery e-mail and the School District Accounting Manual. If we use the apportionment process to distribute funds in the future, we will include all of the required federal elements in a separate subaward. Additionally, our communication to school districts included the use of allowable activities for these funds. Therefore, we do not agree that the funds should be questioned as not being allowable or properly supported.

Auditor's Remarks

The Office asserts the costs should not be questioned for not being allowable or properly supported. However, without a subaward the Office could not distribute federal funds to these subrecipients, therefore we are questioning the costs consistent with criteria established in 2 CFR 200 (Uniform Guidance).

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

Applicable Laws and Regulations

Title 34 U.S. Code of Federal Regulations (CFR) Part 75, Direct grant programs, section 702, Fiscal control and fund accounting procedures, states that a grantee shall use fiscal control and fund accounting procedures that ensure proper disbursement of, and accounting for, Federal funds as required in 2 CFR part 200, subpart D—Post Federal Award 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 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 332, Requirements for pass-through entities, requires that every subaward is clearly identified to the subrecipient as a subaward and includes the federal identification elements.

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 U.S. Code of Federal Regulations (CFR) Part 200.1, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes definitions for questioned costs. Part 200.410 establishes requirements for the collection of unallowable costs.

Title 2 CFR Part 200.403, Uniform Guidance, establishes the factors affecting the allowability of 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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.044 Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers 93.044 COVID-19 Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers 93.045 Special Programs for the Aging – Title III, Part C – Nutrition Services 93.045 COVID-19 Special Programs for the Aging – Title III, Part C – Nutrition Services 93.053 Nutrition Services Incentive Program
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	Various
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-039

Background

The Aging Cluster programs, which include Supportive Services and Senior Centers, Nutrition Services, and the Nutrition Services Incentive Program, provide services and meals to older people.

The Supportive Services program helps states and area agencies on aging (AAAs) facilitate the development and implementation of a comprehensive, coordinated system for providing long-term care in homes and community-based settings in a way that responds to the needs and preferences of older people and their family caregivers. Nutrition Services programs support nutrition services and provide resources incentives to encourage and reward effective and efficient performance delivery of nutritious meals to older people.

The Department of Social and Health Services administers federal programs under the Older Americans Act, including the Aging Cluster programs. In fiscal year 2024, the Department spent about \$37.9 million in Aging Cluster federal funding, including about \$36.9 million paid to 13 AAAs.

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 in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS). The Department must report subawards by the end of the month following the month in which it made the subaward (or subaward amendment). The Act is intended to empower the public with the ability to hold the federal government accountable for spending decisions and therefore reduce wasteful government spending.

The Department issues subawards to AAAs for multiple Older American Act grants in the same contract, including grants that are not a part of the Aging Cluster. When a new subaward is executed, Department staff enter the required reporting information for the subawards in a tracking spreadsheet. Staff use the tracking spreadsheet to submit the required reports in FSRS. The Department had 47 subawards and amendments totaling \$25,092,377 that it was required to report in fiscal year 2024.

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

In the prior audit, we reported 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 prior finding number was 2023-039.

Description of Condition

The Department did not have adequate internal controls to ensure it filed reports timely as required by the Act.

The Department did not follow its written procedures over the reporting process. Specifically, staff did not submit the reports on time.

We used a statistical sampling method and randomly selected and examined 10 subawards out of a total population of 47. We determined that four out of 10 subawards were not submitted on time.

However, the reports were reported accurately, were not missing any of the key elements and the amounts reported were correct.

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

Cause of Condition

The Department had procedures in place to ensure it reported subawards and amendments in FSRS. However, due to management turnover during the previous fiscal year, staff was behind in submitting subawards and amendments in FSRS and is in the process of becoming current.

Effect of Condition

Failing to submit the required reports diminishes the federal government's ability to ensure accountability and transparency of federal spending.

Recommendation

We recommend the Department strengthen internal controls to ensure it reports all first-tier subawards of \$30,000 more in FSRS by the federal deadlines.

Department's Response

The Department concurs with the finding.

Due to management and fiscal staff turnover in fiscal year 2023, staff did not enter information required for Federal Funding Accountability and Transparency Act (FFATA) reporting into the Subawards and Amendments Tracking Spreadsheet when subawards and subaward amendments were executed and did not report any of the subawards in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS) during fiscal year 2023.

Effective January 17, 2024, the Subawards and Amendments Tracking Spreadsheet was created with the required fields to ensure contract information for all current contracts were entered.

Effective January 17, 2024, two fiscal staff were assigned to submit FFATA reports in the FSRS system to ensure reporting activities are completed by federal deadline. By January 19, 2024, the Office Chief or designee started reviewing the Subawards and Amendments Tracking Spreadsheet with FFATA reporting dates monthly to ensure federal deadlines for FFATA reporting are met consistently.

The Fiscal Year 2023 Corrective Action Plan was not completed until March 1, 2024, therefore there were still exceptions during the audit period of July 1, 2023, to June 30, 2024.

The Finance and Contract Units will work in collaboration to streamline notification of contract execution dates by June 30, 2025, ensuring that fiscal staff are aware of executed contracts and submitting FFATA reports timely.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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.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.

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.044 Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers 93.044 COVID-19 Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers 93.045 Special Programs for the Aging – Title III, Part C – Nutrition Services 93.045 COVID-19 Special Programs for the Aging – Title III, Part C – Nutrition Services 93.053 Nutrition Services Incentive Program
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	Various
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-040

Background

The Aging Cluster programs, which include the Supportive Services and Senior Centers, Nutrition Services, and the Nutrition Services Incentive Program, provide services and meals to older people.

The Supportive Services program helps states and area agencies on aging (AAAs) facilitate the development and implementation of a comprehensive, coordinated system for providing long-term care in home and community-based settings in a way that responds to the needs and preferences of older people and their family caregivers. The Nutrition Services programs support nutrition services and provide resource incentives to encourage and reward effective and efficient performance in the delivery of nutritious meals to older people.

The Department of Social and Health Services administers federal programs under the Older Americans Act, including the Aging Cluster programs. In fiscal year 2024, the Department spent about \$37.9 million in Aging Cluster federal funding, including about \$36.9 million it paid to 13 AAAs.

Federal regulations require the Department to ensure that every subaward is clearly identified to the subrecipient as a subaward and includes 14 federal identification elements. These elements include the subrecipient's unique entity identifier, the Federal Award Identification Number (FAIN), name of the federal awarding agency, the program's Assistance Listing Number, title and more. The Department is required to communicate this information at the time of the subaward and, if any of these elements change, include the changes in a subsequent subaward modification. In addition, the Department is responsible for communicating all requirements it has imposed on its subrecipients so that they use the federal award in accordance with federal statutes, regulations, and the terms and conditions of the 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 the prior audit we reported the Department did not have adequate internal controls over and did not comply with federal award identification element requirements. The prior finding number was 2023-040.

Description of Condition

The Department 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.

We used a nonstatistical sampling method to randomly select and examine five of 11 subawards to determine if every subaward was clearly identified to the subrecipient as a subaward and included all 14 federal identification elements. We found that all five subawards did not include the following four required federal identification elements:

- FAIN
- Federal award date

- Name of federal award agency, pass-through entity and contact information for awarding official of the pass-through entity
- Indirect cost rate for the federal award

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

Cause of Condition

The Department communicated the four excluded identification elements in the Notice of Award (NOA) that was posted on its intranet. The Department wanted to simplify the procedure of notifying AAAs about the NOAs but, while the process was being developed, it did not communicate the required information to the AAAs in the subawards. This required information and its location were not referenced in the subaward.

Effect of Condition

By not clearly identifying the required information in the subaward, the Department cannot ensure it adequately informed its subrecipients of the program requirements for each federal award.

Recommendation

We recommend the Department strengthen internal controls and ensure it communicates all required information in future subawards, as required by law.

Department's Response

The Department concurs with the finding.

This is a repeat finding because the corrective action plan for same issue in FY2023 was not completed until July 2024.

Effective July 2024, Initial Notices of Award (NOA), with all 14 federal identification elements, were included for each funding source in the initial subaward as Exhibit D. Language was added to the subaward informing AAAs that future NOAs will be posted online. In addition, the Department's fiscal staff notify inform all AAA fiscal staff via email when new NOAs are posted. Contracts staff will ensure Exhibit D is attached to the initial subaward before signing the contract.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, section 352, Requirements for pass-through entities, establishes federal award identification requirements for subawards.

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.044 Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers 93.044 COVID-19 Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers 93.045 Special Programs for the Aging – Title III, Part C – Nutrition Services 93.045 COVID-19 Special Programs for the Aging – Title III, Part C – Nutrition Services 93.053 Nutrition Services Incentive Program
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	Various
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-041

Background

The Aging Cluster programs, which include the Supportive Services and Senior Centers, Nutrition Services, and the Nutrition Services Incentive Program, provide services and meals to older people.

The Supportive Services program helps states and area agencies on aging (AAAs) facilitate the development and implementation of a comprehensive, coordinated system for providing long-term care in home and community-based settings in a way that responds to the needs and preferences of older people and their family caregivers. The Nutrition Services programs support nutrition services and provide resource incentives to encourage and reward effective and efficient performance in the delivery of nutritious meals to older people.

The Department of Social and Health Services administers federal programs under the Older Americans Act, including the Aging Cluster programs. In fiscal year 2024, the Department spent about \$37.9 million in Aging Cluster federal funding, including about \$36.9 million it paid to 13 AAAs.

Federal regulations require the Department to monitor its subrecipients' activities. This includes:

- Verifying that subrecipients obtain a single audit if they spend \$750,000 or more in federal awards during a fiscal year
- Following up and ensuring that subrecipients take timely and appropriate action on all deficiencies pertaining to the federal award
- Issuing a management decision to the subrecipient, within six months, for applicable audit findings pertaining to the federal 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 the prior audit we reported the Department did not have adequate internal controls over and did not comply with single audit tracking requirements. The prior finding number was 2023-041.

Description of Condition

The Department did not have adequate internal controls to ensure subrecipients of the Aging Cluster Programs obtained required single audits.

The Department's process to monitor compliance is to use Excel spreadsheets to track subrecipients' single audits. However, during the audit period, the Department did not adequately perform this process. The Department did not regularly check to ensure every subrecipient obtained a single audit when it was due.

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

Cause of Condition

Due to management turnover, staff were behind on monitoring whether the Department's subrecipients obtained their required single audits. The Department developed procedures to ensure all subrecipients received a single audit, but did not implement the procedures until after the audit period.

Effect of Condition

Without establishing adequate internal controls, the Department cannot ensure that all subrecipients requiring a single audit obtain one, that timely and appropriate action is taken for subrecipients that did not obtain a single audit, and that subrecipients with audit findings receive required management decisions timely.

Recommendations

We recommend the Department strengthen internal controls to ensure:

- Subrecipients obtain a single audit if they spend \$750,000 or more in federal awards during a fiscal year
- Subrecipients take timely and appropriate action on all deficiencies pertaining to the federal award
- It issues all required management decisions to subrecipients, within six months, for applicable audit findings pertaining to the federal award

Department's Response

The Department concurs with the finding.

This is a repeat finding because the corrective action plan for the same issue in FY2023, was not completed until October 2024.

Effective September 2024, a reminder process was implemented for all AAAs to submit their audits six months after the subrecipient fiscal year-end close. Email reminders will be sent until single audits are received or once the AAA has communicated an estimated audit completion date. Communication will be documented in the Tracker system.

Effective October 2024, the Single Monitor Tracking Sheet was updated to document the dates of audit requests, receipts, date of review, confirmation of FAC audit receipt, date of communication with AAA, when a management letter is sent, and the AAA responses.

Effective October 2024 and ongoing, the AAA & Grants Unit Manager or Office Chief will review the Single Monitor Tracking Sheet nine months after the sub-recipient fiscal year-end close to ensure that all Single audits are received timely. Follow up will occur monthly on outstanding audits and timing of management letters.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, section 352, Requirements for pass-through entities, establishes federal award identification requirements for subawards.

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, 2023 through June 30, 2024

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.

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 NH23IP922619-02-00; 6 NH23IP922619-02-03; 6 NH23IP922619-02-04; 6 NH23IP922619-02-06; 6 NH23IP922619-04-01; 5 NH23IP922619-05-00; 6 NH23IP922619-05-01; 6 NH23IP922619-05-02; 6 NH23IP922619-05-03; 6 NH23IP922619-05-04
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:	\$464,473
Prior Year Audit Finding:	Yes, Finding 2023-044

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. The program places emphasis on

populations at highest risk for under-immunization and disease, including children eligible under the Vaccines for Children program. In fiscal year 2024, the Department spent more than \$41.7 million in federal program funds, about \$11.3 million of which it disbursed to subrecipients. The Department also received more than \$110.5 million in noncash 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.

The Department awards federal funds to subrecipients 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 and supplies
- Meals
- Outreach materials
- Travel
- Training
- Contracts
- Sub-subrecipients
- Indirect costs

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 accounting unit emailed the requests 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.

In prior audits, we reported the Department did not have adequate internal controls over to ensure payments to providers were allowable, met cost principles and were within the period of performance for the program. The prior finding numbers were 2022-031 and 2023-044.

Description of Condition

The Department 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 program.

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 program staff had reviewed and approved these expenditures.

We used a statistical sampling method to randomly select and examine 64 out of 483 provider payments. Additionally, we judgmentally reviewed three individually significant payments that exceeded \$550,065 each. In total, we examined more than \$7.8 million in provider payments as part of the audit. Of the 64 payments examined, we identified seven payments (11%) and three individually significant payments that did not have the required supporting documentation for the subrecipients' assigned risk level. In addition to not having adequate supporting documentation, of the seven payments randomly selected:

- Two (3%) subrecipient payments utilized a higher indirect rate than the approved rate and the error was not identified at the time of approval
- One (2%) incorrectly charged \$25,954 in expenditures for another federal program

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

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 period of performance, and adequately supported. Furthermore, program management did not ensure staff followed the existing review procedures and fiscal management did not ensure staff properly charged the program.

The Department also did not ensure it maintained access to the documents reviewed during the audit period.

Effect of Condition and Questioned Costs

Without establishing adequate internal controls, the Department cannot reasonably ensure it uses federal funds for allowable purposes and within the period of performance. 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 10 payments for which the Department did not have adequate supporting documentation from subrecipients totaled \$464,473 in known questioned costs. Based on these results, we estimate that the total amount of likely improper payments using federal funds to be \$465,976.

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% 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 45 CFR 75 516(a)(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
- Ensure that it retains documentation reviewed and approved for payment for audit review
- Improve internal controls to ensure program staff review, approve and communicate approval expenditures to those issuing payment to verify they are for allowable activities and within the period of performance prior to payment
- Ensure fiscal staff charge the correct federal programs
- Consult with the grantor to discuss whether it should repay the questioned costs identified in the audit

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. The Department partially concurs with the finding.

While the Department has taken steps to ensure payments to providers contain proper support in line with our A19 matrix for risk assessed of our subrecipients, we continue to disagree with SAO's assessment of a material weakness in internal controls over the consolidated contract provider payment process. As noted in the finding, program staff document their review and approval of consolidated contract reimbursement requests. If the payment has no issues or concerns, the total payment is logged in a spreadsheet with documented review and approval 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 or an error, program Immunization 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.

The defined process of consolidated contract payments has been in place for well over a decade and was implemented 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 partially agree with the exceptions and questioned costs identified. The Department did approve payment with the use of an incorrect indirect rate that was applied to a payment. This was identified as an error through the department's internal controls during the audit period and that overpayment was corrected. The department stands that this should not have been an exception. The department maintains that its internal policies are held to a higher standard than federal requirements, and 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 at the time of review. This, along with the following additional overall internal monitoring and policy processes support our overall assurance of the allowability of payments:

- The Immunization 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 refer to the federal Immunization Program Operations Manual (IPOM) to determine allowable costs, purchase, and procurement procedures.*
- The Fiscal Monitoring Unit 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.*
- The Immunizations program provides technical assistance, policies, and training to Immunization subrecipients related to both allowability and compliance.*

- *The Immunizations program has continued to strengthen processes to ensure that the backup documentation received is in alignment with the agency's documentation matrix for sub-recipients per their risk level.*

Auditor's Remarks

While management has implemented a new procedure for program staff to document their review and approval of subrecipient reimbursement requests, this approval is not communicated to fiscal staff before payments are issued. As a result, approval is assumed and not verified by fiscal staff when no response is received from the program staff. The amount of supporting documentation submitted by a subrecipient utilizing consolidated contracts is extensive and often covers multiple reimbursement requests for more than one federally funded program. In our judgment, this increases the risk that a proper review is not performed before payments are issued.

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

45 U.S. Code of Federal Regulations (CFR) Part 75, section 2, Definitions, includes the definition of improper payment.

Title 45 CFR Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

45 CFR Part 75, section 403, Factors Affecting Allowability of Costs

45 CFR Part 75, section 410, 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.

Washington State Department of Health A-19 Documentation Matrix

Approved by FMU 7/1/22

This is the backup documentation required based on the determined risk level. More supporting documentation may be requested by programs at any time regardless of risk category. Please review your statement of work to determine if there are additional documentation requirements.

Expenditure Category	Low-Risk	Moderate-Risk	High-Risk
Salaries and Benefits	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: <ul style="list-style-type: none"> • Employee name • Salaries & Wages 	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: <ul style="list-style-type: none"> • Employee name • Salaries & Wages 	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: <ul style="list-style-type: none"> • Employee name • Salaries & Wages • Hours worked
	Example: Salary Bob Smith \$5,324.75 Ann Brown \$1,245.52	Example: Salary Bob Smith \$5,324.75 Ann Brown \$1,245.52	Example: Salary Bob Smith \$5,324.75 (168 hrs.) Ann Brown \$1,245.52 (34 hrs.)
	Benefits \$1,750.35	Benefits \$1,750.35	Benefits \$1,750.35
	Note: Salaries and benefits must be broken out as separate line items.	Note: Salaries and benefits must be broken out as separate line items.	Note: Salaries and benefits must be broken out as separate line items.
Equipment (\$5,000 or more)	A-19 and a detailed GL expenditure report.	A-19 and a detailed GL expenditure report with DOH preapproval.	A-19 and a detailed GL expenditure report with DOH preapproval and copy of the invoice.
Materials and Supplies	A-19 and a detailed GL expenditure report.	A-19 and a detailed GL expenditure report. Copies of invoices for transactions over \$2,500. Note: If the subrecipient has a petty cash fund, they must supply 100% of the supporting documentation.	A-19 and detailed GL expenditure report. Copies of invoices for transactions over \$1,000. Note: If the subrecipient has a petty cash fund, they must supply 100% of the supporting documentation.

Meals	A-19 and a detailed GL expenditure report and receipt.	A-19 and a detailed GL expenditure report with receipt and number of participants or meeting invite.	A-19 and a detailed GL expenditure report with receipt, number of participants and sign in roster.
Outreach Materials- All outreach materials must be allowable according to grant terms and conditions.	A-19 and a detailed GL expenditure report.	A-19 and a detailed GL expenditure report. Pre-approval required for all outreach materials in excess of \$2,500.	A-19 and a detailed GL expenditure report. Pre-approval required for all outreach materials in excess of \$1,000: AND <ul style="list-style-type: none"> • Sample of Outreach materials
Travel	A-19 and a detailed GL expenditure report.	A-19 and a detailed GL expenditure report and purpose of travel.	A-19 and a detailed GL expenditure report and purpose of travel: AND <ul style="list-style-type: none"> • Pre-approval for out of state travel.
Training	A-19 and a detailed GL expenditure report.	A-19 and a detailed GL expenditure report and receipt for training.	A-19 and a detailed GL expenditure report and receipt for training: AND <ul style="list-style-type: none"> • Agenda

Contracts (If the DOH subrecipient is contracting out with an agency to perform work charged to the grant)	A-19 and a <u>detailed</u> GL expenditure report.	A-19 and a <u>detailed</u> GL expenditure report that provides: AND <ul style="list-style-type: none"> • Invoices for individual transactions over \$5,000. 	A-19 and a <u>detailed</u> GL expenditure report that provides: AND <ul style="list-style-type: none"> • Invoices for individual transactions over \$1,000.
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Sub-Sub recipients (If the DOH subrecipient is passing funds through to another agency as a subrecipient)	A-19 and a <i>detailed</i> GL expenditure report.	A-19 and a <i>detailed</i> GL expenditure report. <ul style="list-style-type: none"> • A copy of all invoices over \$5,000 with a detailed GL report. 	A-19 and a <i>detailed</i> GL expenditure report. <ul style="list-style-type: none"> • A copy of all invoices over \$1,000 with a detailed GL report.
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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
- If the subrecipient is using 10% de minimis they must complete DOH de minimis certification.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington
July 1, 2023 through June 30, 2024

2024-033 The Department of Health did not have adequate internal controls over cash management and reporting requirements 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 NH23IP922619-02-00; 6 NH23IP922619-02-03 6 NH23IP922619-02-04; 6 NH23IP922619-02-06 6 NH23IP922619-04-01; 5 NH23IP922619-05-00 6 NH23IP922619-05-01; 6 NH23IP922619-05-02 6 NH23IP922619-05-03; 6 NH23IP922619-05-04
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Cash Management Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The Department of Health administers the Immunization Cooperative Agreements (Immunization) program. The objective of the program is to reduce and ultimately eliminate vaccine-preventable

diseases by increasing and maintaining high immunization coverage. The program places emphasis on populations at highest risk for under-immunization and disease, including children eligible under the Vaccines for Children program. In fiscal year 2024, the Department spent more than \$41.7 million in federal program funds, about \$11.3 million of which it disbursed to subrecipients. The Department also received more than \$110.5 million in noncash assistance from the federal grantor in the form of vaccines.

Immunization is not subject to the Cash Management Improvement Act and is not included in the Treasury-State Agreement for Washington. Programs not covered by a Treasury-State Agreement are subject to the provisions of Title 31 of the U.S. Code of Federal Regulations, Part 205, Subpart B, which specifies how funds transfers from the federal government must be processed. The Department has federal revenue bimonthly draw procedures to request reimbursements in line with the Department's payroll pay dates.

In addition, the Department is required to submit an annual SF-425 financial report for each open grant. This report contains information on revenue as well as direct and indirect expenditures for each open award.

The Department maintains the Grant Management System (GMS) that is used agency-wide to calculate cash draw amounts and pull financial data needed to complete the SF-425. The Department uses this system as one of its tools to manage all its federal grants. Daily, federal grant revenue and expenditures are automatically uploaded from the Department's accounting system into its AFRS Data Distribution Services (ADDS) database. Department staff can pull data from ADDS by running queries in GMS. To ensure that the data is properly uploaded, Department staff perform a manual reconciliation between ADDS and the accounting system every workday. Also, indirect expenditures are calculated through the Cost Allocation System (CAS) that the Department maintains. The Department also maintains a chart of accounts (COA) system that feeds coding information into GMS and CAS to instruct these systems how to allocate grant expenditures.

Department staff generate a Grant Draw Report from GMS that provides the necessary information to complete a cash draw and SF-425 report. This report includes calculations for the cash draw amount performed by GMS using expenditure and revenue data received from the ADDS system.

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 cash management and reporting requirements for the Immunization program.

Since the Department's internal controls reviewed are a centralized process, our testing included all its federal programs we reviewed for this audit.

Daily Manual Reconciliation

We used a statistical sampling method to randomly select and examine 24 out of a total population of 250 workdays during the fiscal year. We found that the Department did not complete a reconciliation of the accounting system and ADDS data for three of the 24 days (13%). We also determined that the daily reconciliation included reconciling expenditure data, but not revenue data. Apart from the three instances, our testing discovered that incorrect reporting criteria was used for ADDS reporting, resulting in blank ADDS reports being generated from the system for the first 20 days of fiscal year 2024.

GMS Automated Draw Calculation

We judgmentally selected three cash draws and found the following issues:

- One instance in which the GMS incorrectly calculated the draw amount, resulting in an overdraw of \$145,103
- Expenditures charged to valid program project codes did not show on the GMS draw report, resulting in funds being underdrawn by \$700,819
- Indirect expenditures were incorrect in the GMS resulting in an overdraw of \$153,312
- We also examined the Department's controls over updating the COA to determine if the coding associated with each award entered in GMS and CAS was accurate. Our review found:
 - Users could update the COA without review or approval directly in the COA system
 - There was no formal process to track the identification and resolution of COA coding errors
 - The Department did not correct COA coding errors in a timely manner
 - The COA system did not produce and retain audit logs of changes made

These issues are also noted in finding 2024-036.

Due to the issues noted above, we determined that the GMS Grant Draw Report used to complete the SF-425 is not adequately supported. Therefore, we reviewed the data directly from the accounting system and the cost allocation system as support for amounts reported on the SF-425. We examined five of the 10 reports submitted during the fiscal year and did not identify any discrepancies.

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 Department did not have adequate internal controls to ensure the data used to complete cash draws and SF-425 reporting is accurate and complete. The Department also does not have adequate controls in place to detect coding errors that would result in incorrect data being input and pulled from the GMS and CAS.

The Department was not able to provide an explanation for why GMS incorrectly calculated the cash draw amount.

Effect of Condition

By not implementing adequate internal controls, the Department risks reporting inaccurate information on its SF-425 reports, overdrawing federal revenue and having to repay the grantor.

Recommendations

We recommend the Department ensure it:

- Performs daily reconciliations between ADDS and AFRS
- Has adequate internal controls in place over the accuracy of the chart of accounts
- Has adequate controls in place to properly calculate cash draw amounts in GMS

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. The Department partially concurs with the finding.

While the Department has taken steps to ensure adequate internal controls over cash management and reporting requirements for the Immunization program, we partially agree with SAO's assessment of a material weakness in internal controls over the cash management and reporting process.

Daily Manual Reconciliation

The Department disagrees with this assessment. Our internal controls identified a concern with the ADDs reporting criteria. The Department partnered with our IT department and identified the cause of the report errors. This was corrected within the audit period which allowed us to go back to using this internal control to verify totals.

GMS Automated Draw Calculation

The Department agrees with this assessment and the Department is working diligently to correct the issue.

Chart of Account Updates

The Department disagrees with this assessment. The Chart of Accounts (COA) errors were due to OFM giving the Department the incorrect EA schedule. The 23-25 Biennium EA schedule released from OFM on 06/21/2023 showed the appropriation as 984, which was incorrect. The Departments' coding structure was set up based on the initial EA schedule provided by OFM. The EA schedule that was released on 10/18/2023 had the correct appropriation of 985. The Department had already set up the COA with incorrect appropriation. After receiving the new EA schedule in October, the Department had to set up all new master index codes with the correct

appropriation and JV all expenditures from the old master index codes to the new ones. Therefore, in order to change the existing COA to the correct COA structure with the new EA schedule, the Department had to update the COA structure outside of normal procedures. The Department tracked changes via excel spreadsheets and developed additional internal control processes due to the nature of changes made outside of normal procedures. The Department addressed the COA errors as timely as possible.

Auditor's Remarks

Daily Manual Reconciliation

We appreciate the Department acknowledging that the system was not generating a report with the correct criteria for 20 days. In addition to this issue, we found three (13%) of the 24 days tested outside of this period were also not reconciled.

Chart of Account Updates

While changes to the COA that resulted in some of the errors were made at the direction of OFM, it was not the cause for all issues identified in the audit. We reaffirm the lack of internal controls within the Department over COA updates resulted in incorrect draw amounts.

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

Applicable Laws and Regulations

Title 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 31 CFR Part 205.33, How are funds transfers processed?, states in part:

A state must minimize the time between the Drawdown of Federal Funds from the Federal government and their disbursement for Federal Program Purposes. A federal Program Agency must limit a fund transfer to a State to the minimum amount needed by the State and must time the disbursement to be in accord with the actual, immediate cash requirements of the State in carrying out a federal assistance program or project. The timing and amount of funds transfers must be close as is administratively feasible to a State's actual cash outlay for direct program costs and proportionate share of any allowable indirect costs. States should exercise sound cash management in funds transfers to subgrantees in accordance with OMB Circular A-102 (For availability, see 5 CFR 1310.3)

CDC General Terms and Conditions for Research Grant and Cooperative Agreements, states in part:

Annual Federal Financial Report (FFR, SF-425): The Annual Federal Financial Report (FFR) SF- 425 is required and must be submitted no later than 90 days after the end of the budget period in the Payment Management System.

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

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington
July 1, 2023 through June 30, 2024

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.

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 NH23IP922619-02-00; 6 NH23IP922619-02-03 6 NH23IP922619-02-04; 6 NH23IP922619-02-06 6 NH23IP922619-04-01; 5 NH23IP922619-05-00 6 NH23IP922619-05-01; 6 NH23IP922619-05-02 6 NH23IP922619-05-03; 6 NH23IP922619-05-04
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-045

Background

The Department of Health administers the Immunization Cooperative Agreements (Immunization) program. The objective of the program is to reduce and ultimately eliminate vaccine-preventable diseases by increasing and maintaining high immunization coverage. The program places

emphasis on populations at highest risk for under-immunization and disease, including children eligible under the Vaccines for Children program. In fiscal year 2024, the Department spent more than \$41.7 million in federal program funds, about \$11.3 million of which it disbursed to subrecipients. The Department also received more than \$110.5 million of vaccines as noncash assistance from the federal grantor.

The Federal Funding Accountability and Transparency Act (Act) requires the Department to collect and report information on each subaward of federal funds more than \$30,000 in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS). The Department must report subawards by the end of the month following the month in which it made the subaward (or subaward amendment). The Act is intended to empower those with the ability to hold the federal government accountable for spending decisions and therefore reduce wasteful government spending.

When the Department makes a new subaward or amendment, staff update a spreadsheet throughout the month with the subaward information required for reporting. Staff then send the spreadsheet to management for approval before submitting the report. The Department was required to report 16 subawards and amendments in fiscal year 2024, totaling \$1,316,302.

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 filed reports required by the Act for the Immunization program. The prior finding numbers were 2023-045 and 2022-032.

Description of Condition

The Department did not have adequate internal controls to ensure it filed on-time reports required by the Act for the Immunization program.

During the audit period, 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. Management reviewed the spreadsheet and asked the Fiscal Analyst to approve the submission of the report. We used a nonstatistical sampling method to randomly select and examine management approvals for five of the 12 spreadsheets that corresponded with each month in the state fiscal year. We found that two of the five months (40%) did not have management approval.

We used a nonstatistical sampling method to randomly select and examine nine out of the 16 total subawards and amendments the Department was required to report during the state fiscal year. We found that the Department reported four of the six subawards and amendments (67%) late.

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

Cause of Condition

The Department did not retain documentation to support management review and approval of the monthly FFATA worksheets. Additionally, Department management asserted the late submission of the report for the four subawards was because the contract account coding for the Department's accounting system was not created at the time of the contract execution. The Department's process requires this coding to identify reportable information such as the grant Federal Award Identification Number. As soon as the coding information is updated, staff can then submit the items to FSRS.

Effect of Condition

Without performing an adequate review, management cannot ensure the Department submits accurate, complete and on-time reports. Further, failing to submit reports on time diminishes the federal government's ability to ensure accountability and transparency of federal spending.

Lastly, the federal award's terms and conditions 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:

- Ensure it documents management reviews in writing and retains them for audit review
- Review its FFATA reporting procedure to ensure it submits reports on time

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. The Department will evaluate current process to ensure timely review and submission of the FFATA reports.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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.

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.

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, 2023 through June 30, 2024

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.

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 NH23IP922619-02-00; 6 NH23IP922619-02-03 6 NH23IP922619-02-04; 6 NH23IP922619-02-06 6 NH23IP922619-04-01; 5 NH23IP922619-05-00 6 NH23IP922619-05-01; 6 NH23IP922619-05-02 6 NH23IP922619-05-03; 6 NH23IP922619-05-04
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Known Questioned Cost Amount:	Special Tests and Provisions – Control, Accountability, and Safeguarding of Vaccines Special Tests and Provisions – Record of Immunization
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The Department of Health administers the Immunization Cooperative Agreements (Immunization) program. The objective of the program is to reduce and ultimately eliminate vaccine-preventable diseases by increasing and maintaining high immunization coverage. The program places emphasis on populations at highest risk for under-immunization and disease, including children eligible under the Vaccines for Children (VFC) program. In fiscal year 2024, the Department spent more than \$41.7 million in federal program funds, about \$11.3 million of which it disbursed to subrecipients. The Department also received more than \$110.5 million of vaccines as noncash assistance from the federal grantor.

The Department works with providers that administer vaccines to eligible children. The Department is required to ensure providers comply with the requirements of the VFC program. This includes ensuring vaccines are adequately safeguarded, used solely for authorized purposes and are only administered to VFC program-eligible children.

The U.S. Centers for Disease Control and Prevention requires the Department to conduct site visits of each provider once every 24 months. Additionally, the Department reviews monthly reports for vaccine doses administered outside the age range (DOAR), vaccine storage temperature logs and inventory reconciliation reports before approving vaccine orders to ensure providers are compliant with these VFC requirements.

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

Description of Condition

The Department did not have adequate internal controls to ensure providers maintained immunization records, control, accountability and safeguarding of vaccines for the Immunization Program.

On-site Visits

We used a nonstatistical sampling method to randomly select 56 providers that received a site visit out of the total 502 provider visits completed during the state fiscal year. We found that the Department conducted two (3.6%) provider site visits about two months after the 24-month period.

Ongoing Monitoring

The Department uses a tracking spreadsheet to document the review of the DOAR report, temperature logs and inventory reconciliation report along with any necessary follow-up with providers before approving vaccine orders. We used a statistical sampling method and randomly selected 57 providers out of a total of 570 and examined the review of the submitted reports. We

found the Department did not review the DOAR report for two providers (3.5%) and did not track subsequent follow-up on corrective measures in the spreadsheet. Further, we found four providers (7%) had issues on its DOAR report, but the Department approved vaccine orders without receiving the provider's questionnaire to address the deficiency noted in the report. We did not identify any issues for the temperature logs or the inventory reconciliation reports.

We consider these internal control deficiencies to be a significant deficiency, which did not lead to material noncompliance.

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

Cause of Condition

Department management said excessive staff workload and providers' requests to delay visits resulted in the Department not completing on-site visits within the required 24 months. Department management said that inadequate ongoing monitoring of the reports was due to staff oversight.

Effect of Condition

Without conducting on-site visits every 24 months and without adequate review of the DOAR report and the questionnaire response, the Department risks approving vaccine orders for providers that may not be compliant with VFC program requirements.

By not ensuring it completes on-site visits every 24 months and properly performs reviews of reports, the Department could be subject to sanctions by the grantor.

Recommendations

We recommend the Department ensure:

- That it conducts compliance visits every 24 months
- That it adequately reviews the DOAR report and completes follow-up procedures according to internal policies and procedures

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. The Department has already taken steps to evaluate current processes to ensure providers maintain immunization records, control, accountability and safeguarding of vaccines for the Immunization Program.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Center for Disease Control and Prevention Vaccines for Children Operations Guide, Page 57 states in part:

Requirement: Awardees must conduct and record VFC compliance site visits, covering areas of provider details, eligibility, documentation, storage and handling (per unit and sitewide), and inventory management with each VFC provider every 24 months.

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, 2023 through June 30, 2024

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.

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:	Too numerous to list
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Cash Management Activities Allowed or Unallowed Allowable Costs / Cost Principles
Known Questioned Cost Amount:	\$298,415
Prior Year Audit Finding:	No

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 many specific infectious disease programs and projects, and it provides special appropriations in response to infectious disease emergencies. The Department spent more than \$126.6 million in federal grant funds during fiscal year 2024.

The ELC program is subject to the Cash Management Improvement Act (CMIA) and is included in the Treasury-State Agreement for Washington. The primary purpose of the CMIA agreement is to ensure states request federal funds when they are needed so that no interest is gained or lost by either the federal or state governments. The agreement specifies the funding technique the Department should use when requesting federal funds. The Department shall draw funds semi-monthly, according to the state payroll schedule.

The Department maintains the Grant Management System (GMS) that is used to calculate cash draw amounts. The Department also utilizes the Cost Allocation System (CAS) to calculate indirect costs associated with expenditures. The Department uses these systems as agency-wide tools to manage all its federal grants. Daily, federal grant revenue and expenditures are automatically uploaded from the Department's accounting system into its AFRS Data Distribution Services (ADDS) database. Department staff can pull data from ADDS by running queries in GMS and CAS.

To ensure that the data is properly uploaded, Department staff perform a manual reconciliation between ADDS and the accounting system every workday. The Department also maintains a chart of accounts (COA) system that feeds coding information into GMS and CAS to instruct these systems how to allocate grant expenditures.

Department staff generate a Grant Draw Report from GMS that provides the necessary information to complete a cash draw. This report includes calculations for the cash draw amount performed by GMS, as well as indirect costs calculated by CAS, using expenditure and revenue data received from the ADDS system.

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 cash management and allowable cost requirements for the ELC program.

Since the Department's internal controls reviewed are a centralized process, our testing included all its federal programs we reviewed for this audit.

Daily Manual Reconciliation

We used a statistical sampling method to randomly select and examine 24 out of a total population of 250 workdays during the fiscal year. We found that the Department did not complete a reconciliation of the accounting system and ADDS data for three of the 24 days (13%). We also determined that the daily reconciliation included reconciling expenditure data, but not revenue data. Apart from the three instances, our testing discovered that incorrect reporting criteria was

used for ADDS reporting, resulting in blank ADDS reports being generated from the system for the first 20 days of fiscal year 2024.

GMS Automated Draw Calculation

We judgmentally selected three cash draws and found the following issues:

- One instance in which the GMS incorrectly calculated the draw amount, resulting in an overdraw of \$145,103
- Expenditures charged to valid program project codes did not show on the GMS draw report, resulting in funds being underdrawn by \$700,819
- Indirect expenditures were incorrect in the GMS resulting in an overdraw of \$153,312
- We also examined the Department's controls over updating the COA to determine if the coding associated with each award entered in GMS and CAS was accurate. Our review found:
 - Users could update the COA without review or approval directly in the COA system
 - There was no formal process to track the identification and resolution of COA coding errors
 - The Department did not correct COA coding errors in a timely manner
 - The COA system did not produce and retain audit logs of changes made

These issues are also noted in finding 2024-033.

Cash Management Improvement Act Testing

The CMIA for the ELC program states that cash draws are to be made one day before scheduled pay days throughout the year. We reviewed the timing of ELC cash draws made during the fiscal year to ensure they were in keeping with CMIA timing requirements. We determined that for expenditures incurred in fiscal year 2024, no cash draws were made during the first five payroll periods of the year. We also identified nine cash draws that correspond to a payroll period, but were not made one day before the scheduled pay day as the CMIA requires. Additionally, there was one cash draw that we determined to be noncompliant as it was in the middle of a payroll period.

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

These issues were not reported as a finding in the prior audit.

Cause of Condition

The Department did not have adequate internal controls to ensure the data used to complete cash draws was accurate and complete and that the timing of draws was in compliance with the CMIA requirements. The Department also does not have adequate controls in place to detect coding errors that would result in incorrect data being input and pulled from the GMS and CAS. Coding errors

in the chart of accounts resulted in indirect expenditures being overcharged to the grant. The Department was unable to provide an explanation as to the cause of the chart of account errors.

The Department was not able to provide an explanation for why GMS incorrectly calculated the cash draw amount.

Effect of Condition and Questioned Costs

By not implementing adequate internal controls, the Department overdrew indirect expenditures by \$298,415, which we are reporting as questioned costs. Overdraws can result in the Department having to repay the grantor.

Violations of the CMIA can result in the grantor denying the state payment or credit for the resulting federal interest liability or other sanctions. Delaying federal draw-down requests also results in state funds being advanced longer than necessary and potentially losing interest revenue for the state.

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 ensure it:

- Performs daily reconciliations between ADDS and AFRS
- Has adequate internal controls in place over the updating of the chart of accounts
- Has adequate controls in place to properly calculate cash draw amounts in GMS
- Performs cash draws on the schedule specified in the CMIA agreement

Department's Response

We appreciate the State Auditor's Office audit of the ELC grant. DOH is committed to ensuring our programs comply with federal regulations. The Department partially concurs with the finding.

While the Department has taken steps to ensure adequate internal controls over cash management and allowable cost requirements for the ELC program, we partially disagree with SAO's assessment of a material weakness in internal controls over the cash management and allowable cost requirements for the ELC program.

Daily Manual Reconciliation

The Department disagrees with this assessment. Our internal controls identified a concern with the ADDs reporting criteria. The Department partnered with our IT department and identified the cause of the report errors. This was corrected within the audit period which allowed us to go back to using this internal control to verify totals.

GMS Automated Draw Calculation

The Department agrees with this assessment and the Department is working diligently to correct the issue.

Chart of Account Updates

The Department disagrees with this assessment. The Chart of Accounts (COA) errors were due to OFM giving the Department the incorrect EA schedule. The 23-25 Biennium EA schedule released from OFM on 06/21/2023 showed the appropriation as 984, which was incorrect. The Departments' coding structure was set up based on the initial EA schedule provided by OFM. The EA schedule that was released on 10/18/2023 had the correct appropriation of 985. The Department had already set up the COA with incorrect appropriation. After receiving the new EA schedule in October, the Department had to set up all new master index codes with the correct appropriation and JV all expenditures from the old master index codes to the new ones. Therefore, in order to change the existing COA to the correct COA structure with the new EA schedule, the Department had to update the COA structure outside of normal procedures. The Department tracked changes via excel spreadsheets and developed additional internal control processes due to the nature of changes made outside of normal procedures. The Department addressed the COA errors as timely as possible.

CMA

The Department disagrees with this assessment. The Department performed draws for ELC using the prior periods MI codes. The Department spends on a first in, first out method. The Department uses the previous year's code for all expenditures that occurred in the allowable period and the funding has a 90-day period to process all previous year's expenditures. There will always be expenditures and draws for a previous budget year in the first couple months of the new year due to the timing of invoices and processing. The department also ensures we are drawing in line with CMA funding techniques and the payroll cycle. The states payroll cycle results in money leaving the treasury account prior to the 10th and the 25th. DOH ensures we draw funds after the cycle has ended and by state pay dates. This ensures the state is made whole in a timely manner.

Auditor's Remarks

Daily Manual Reconciliation

We appreciate the Department acknowledging that the system was not generating a report with the correct criteria for 20 days. In addition to this issue, we found three (13%) of the 24 days tested outside of this period were also not reconciled.

Chart of Account Updates

While changes to the COA that resulted in some of the errors were made at the direction of OFM, it was not the cause for all issues identified in the audit. We reaffirm the lack of internal controls within the Department over COA updates resulted in incorrect draw amounts.

CMIA

We agree that funding for expenditures occurring at the close of a fiscal year can be drawn during the next fiscal year due to the timing of invoices and processing. However, the Department did not complete cash draws for expenditures incurred during July and August of fiscal year 2024, as required by the CMIA. Additionally, nine cash draws completed by the Department during the fiscal year were completed earlier than allowed by the approved terms of the CMIA.

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

Applicable Laws and Regulations

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75 section 2 establishes definitions for questioned costs.

Title 45 CFR Part 75 section 403 establishes the factors affecting the allowability of costs.

Title 45 CFR Part 75 section 410 establishes requirements for the collection of unallowable costs.

Title 31 CFR Part 205, Rules and Procedures for Efficient Federal-State Funds Transfers, section 11, What requirements apply to funding techniques?, states in part:

- (a) A State and a Federal Program Agency must minimize the time elapsing between the transfer of funds from the United States Treasury and the State's payout of funds for Federal assistance program purposes, whether the transfer occurs before or after the payout of funds.
- (b) A State and a Federal Program Agency must limit the amount of funds transferred to the minimum required to meet a State's actual and immediate cash needs.

Title 31 CFR Part 205.29, What are the State oversight and compliance responsibilities? states in part:

- (d) If a State repeatedly or deliberately fails to request funds in accordance with the procedures established for its funding techniques, as set forth in § 205.11, § 205.12, or a Treasury-State agreement, we may deny the State payment or credit for the resulting Federal interest liability, notwithstanding any other provision of this part.

- (e) If a State materially fails to comply with this subpart A, we may, in addition to the action described in paragraph (d) of this section, take one or more of the following actions, as appropriate under the circumstances:
- (1) Deny the reimbursement of all or a part of the State's interest calculation cost claim;
 - (2) Send notification of the non-compliance to the affected Federal Program Agency for appropriate action, including, where appropriate, a determination regarding the impact of non-compliance on program funding;
 - (3) Request a Federal Program Agency or the General Accounting Office to conduct an audit of the State to determine interest owed to the Federal government, and to implement procedures to recover such interest;
 - (4) Initiate a debt collection process to recover claims owed to the United States; or
 - (5) Take other remedies legally available.

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 Cash Management Improvement Act (CMIA) of 2024, states in part:

6.2.4 The following are terms under which State unique funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Modified Direct Program Costs - Admin, Payroll, Payments to Providers:

The State shall request funds for all direct administrative costs and/or payroll costs, and/or payments made to providers and to support providers. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the funds requested shall be based on the amount of expenditures recorded for direct administrative costs and/or payroll costs and/or payments made to providers or to support providers since the last request for funds. The State payroll cycle is payday twice a month. Draws made the day before payday are for deposit on payday. The draw request will be made in accordance with the cutoff time in Exhibit 1. The amount of the funds requested shall be based on the amount of expenditures recorded for direct administrative costs and/or payroll costs and/or payments made to providers or to support providers since the last request for funds. This funding technique is interest neutral.

6.3.2 Programs

93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

Recipient: Department of Health

% of Funds Agency Receives: 100

Component: Admin, Payroll, Payments to Providers

Technique: Modified Direct Program Costs - Admin, Payroll, Payments to Providers

Average Day of Clearance: 0 Days

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

2024-037 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.

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:	Too numerous to list
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Activities Allowed or Unallowed Allowable Costs / Cost Principles Subrecipient Monitoring
Known Questioned Cost Amount:	\$2,037
Prior Year Audit Finding:	Yes, Finding 2023-046

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 more than \$126.6 million in federal grant funds during fiscal year 2024, more than \$20 million of which it disbursed to subrecipients.

To help carry out the program's objectives, the Department issues consolidated contracts to Local Health Jurisdictions (LHJs) 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 and supplies
- Meals
- Outreach materials
- Travel
- Training
- Contracts and sub-subrecipients
- Administrative/indirect costs

During the audit period, LHJs 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.

Beginning in February 2023, program staff documented their review and approval of the reimbursement request on a spreadsheet. The spreadsheet was only used at the program level, so it was not shared with the fiscal staff to communicate approval prior to issuing payment.

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 year audits, we reported the Department did not have adequate internal controls over and did not comply with fiscal monitoring requirements to ensure subrecipients of the ELC program

only used funds for allowable activities and met cost principles. The prior finding numbers were 2023-046 and 2022-033.

Description of Condition

The Department did not have adequate internal controls to ensure payments to subrecipients were allowable and met cost principles for the ELC program.

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 communicate their approval to the accounting unit that issues payments. As a result, the Department paid the LHJs without knowing whether these expenditures had been reviewed and approved by the program staff.

We used a nonstatistical sampling method to randomly select and examine 25 out of a total population of 280 payments to LHJs. In total, we examined \$548,396 in LHJ subrecipient payments as part of the audit. Of the 25 randomly selected payments examined, we identified two payments (8%) that did not have the required supporting documentation for the subrecipients' assigned risk level.

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

Cause of Condition

The Department's established procedures allowed for paying LHJs 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.

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 LHJs 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 two payments for which the Department did not have required supporting documentation from LHJs totaled \$2,037 in known questioned costs. Based on these results, we estimate the total amount of likely improper payments using federal funds to be \$22,815.

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 it obtains adequate supporting documentation from LHJs 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 audit of the ELC grant. DOH is committed to ensuring our programs comply with federal regulations. The Department partially concurs with the finding.

While the Department has taken steps to ensure payments to providers contain proper support in line with our A19 matrix for risk assessed of our subrecipients, we continue to disagree with SAO's assessment of a material weakness in internal controls over the consolidated contract provider payment process. As noted in the finding, program staff document their review and approval of consolidated contract reimbursement requests. If the payment has no issues or concerns, the total payment is logged in a spreadsheet with documented review and approval 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 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.

The defined process of consolidated contract payments has been in place for well over a decade and was implemented 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 partially agree with the exceptions and questioned costs identified. The Department did approve two payments that did not have the required supporting documentation for the subrecipients' assigned risk level per agency policies. We disagree that these costs were unallowable as staff reviewed them to ensure they met federal cost principles for allowability. This, along with the following additional overall internal monitoring and policy processes support our overall assurance of the allowability of payments:

- *The ELC 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 ELC program refers to the Notice of Funding Opportunity (NOFO), posted guidance, notice of award (NOA), as well as 2 CFR 200, to determine allowable costs, purchase, and procurement procedures.*
- *The Fiscal Monitoring Unit 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.*
- *The ELC program provides technical assistance, policies, and training to ELC subrecipients related to both allowability and compliance.*
- *The ELC program has continued to strengthen processes to ensure that the backup documentation received is in alignment with the agency's documentation matrix for sub-recipients per their risk level.*

Auditor's Remarks

While management has implemented a procedure for program staff to document their review and approval of subrecipient reimbursement requests, this approval is not communicated to fiscal staff before payments are issued. As a result, approval is assumed and not verified by fiscal staff when no response is received from the program staff. The amount of supporting documentation submitted by a subrecipient utilizing consolidated contracts is extensive and often covers multiple reimbursement requests for more than one federally funded program. In our judgment, this increases the risk that a proper review is not performed before payments are issued.

Additionally, the agency utilizes a risk-based approach to ensuring payment requests are adequately supported. Without adhering to the support requirements for high risk subrecipients, the Department cannot reasonably ensure that payments made to that subrecipient are allowable.

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

Applicable Laws and Regulations

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 2, Definitions, includes the definition of improper payment.

45 CFR Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

45 CFR Part 75, section 403, Factors Affecting Allowability of Costs.

45 CFR Part 75, section 410, Collection of Unallowable Costs.

Title 45 CFR Part 75, 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.

Washington State Department of Health A-19 Documentation Matrix

Approved by FMU 7/1/2022

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 <i>detailed</i> GL expenditure report for all employees who are charged to the grant for the period with the following information: Employee name Salaries & Wages</p> <p>Example: Salary Bob Smith \$5,324.75 Ann Brown \$1,245.52</p> <p>Benefits \$1,750.35 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: Employee name Salaries & Wages</p> <p>Example: Salary Bob Smith \$5,324.75 Ann Brown \$1,245.52</p> <p>Benefits \$1,750.35 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: Employee name Salaries & Wages Hours worked</p> <p>Example: Salary Bob Smith \$5,324.75 (168 hrs.) Ann Brown \$1,245.52 (34 hrs.)</p> <p>Benefits \$1,750.35 Note: Salaries and benefits must be broken out as separate line items.</p>

Equipment (\$5,000 or more)	A-19 and a <i>detailed</i> GL expenditure report.	A-19 and a <i>detailed</i> GL expenditure report with DOH preapproval.	A-19 and a <i>detailed</i> GL expenditure report with DOH preapproval and copy of the invoice.
Materials and Supplies	A-19 and a <i>detailed</i> GL expenditure report	A-19 and a <i>detailed</i> GL expenditure report. Copies of invoices for transactions over \$2,500. Note: If the subrecipient has a petty cash fund, they must supply 100% of the supporting documentation.	A-19 and a <i>detailed</i> GL expenditure report. Copies of invoices for transactions over \$1,000. Note: If the subrecipient has a petty cash fund, they must supply 100% of the supporting documentation.
Outreach Materials All outreach materials must be allowable according to grant terms and conditions.	A-19 and a detailed GL expenditure report.	A-19 and a detailed GL expenditure report. Pre-approval required for all outreach materials in excess of \$2,500.	A-19 and a detailed GL expenditure report. Pre-approval required for all outreach materials in excess of \$1,000: AND <ul style="list-style-type: none"> • Sample of Outreach materials
Meals	A-19 and a detailed GL expenditure report and receipt.	A-19 and a detailed GL expenditure report with receipt and number of participants or meeting invite.	A-19 and a detailed GL expenditure report with receipt, number of participants and sign in roster.
Travel	A-19 and a detailed GL expenditure report.	A-19 and a detailed GL expenditure report and purpose of travel.	A-19 and a detailed GL expenditure report and purpose of travel: AND <ul style="list-style-type: none"> • Pre-approval for out of state travel.
Training	A-19 and a detailed GL expenditure report.	A-19 and a detailed GL expenditure report and receipt for training.	A-19 and a detailed GL expenditure report and receipt for training: AND <ul style="list-style-type: none"> • Agenda

Contracts (If the DOH subrecipient is contracting out with an agency to perform work charged to the grant)	A-19 and a detailed GL expenditure report.	A-19 and a detailed GL expenditure report that provides: AND • Invoices for individual transactions over \$5,000.	A-19 and a detailed GL expenditure report that provides: AND • Invoices for individual transactions over \$1,000.
Sub-Sub recipients (If the DOH subrecipient is passing funds through to another agency as a subrecipient)	A-19 and a detailed GL expenditure report.	A-19 and a detailed GL expenditure report. • A copy of all invoices over \$5,000 with a detailed GL report.	A-19 and a detailed GL expenditure report. • A copy of all invoices over \$1,000 with a detailed GL report.

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
- If the subrecipient is using 10% de minimis they must complete DOH de minimis certification

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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:	NU50CK000515-05-04; NU50CK000515-02-07; NU50CK000515-05-00; NU50CK000515-05-05; NU50CK000515-01-08; NU50CK000515-02-04;
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Suspension and Debarment
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-047

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 many specific infectious disease programs and projects, and

it provides special appropriations in response to infectious disease emergencies. The Department spent more than \$126.6 million in federal grant funds during fiscal year 2024.

Federal regulations prohibit grant recipients from contracting with or making subawards to parties that are suspended or debarred. The grantee must verify that all contractors and subrecipients receiving \$25,000 or more in federal funds have not been suspended, debarred or otherwise excluded. They may verify this by obtaining a written certification from the contractor or subrecipient or inserting a clause into the contract where the contractor or subrecipient states it is not suspended or debarred. Alternatively, the grantee may search the federal System for Award Management at SAM.gov to verify the contractor's or subrecipient's suspension and debarment status. This requirement must be met before entering into the contract.

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 suspension and debarment requirements for the ELC program. The prior finding number was 2023-047.

Description of Condition

The Department did not have adequate internal controls over and did not comply with suspension and debarment requirements for the ELC program.

During the fiscal year, the ELC program had 27 newly executed contracts that required a suspension and debarment check. We used a non-statistical sampling method to randomly select and examine eight out of a population of 27 contracts. We found the Department did not include suspension and debarment language and did not perform a suspension and debarment check for two contracts with Educational Service Districts (ESDs) and one vendor contract (38%).

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

Cause of Condition

The Department used contracts that did not include suspension and debarment language and did not document a suspension and debarment check in the System for Award Management. The Department did not have adequate management oversight to ensure the ESD contracts received the required suspension and debarment checks or that corrective actions were completed timely.

During the audit, the Department informed us that system changes to ensure that ESDs are correctly identified as subrecipients were not complete by July 2023, as stated in the Department's corrective action plan for the prior finding.

Effect of Condition

By not performing suspension and debarment checks, the Department cannot ensure all its contractors and subrecipients are allowed to receive federal funds. Without proper checks, the Department could be required to repay the grantor for any payments made to a contractor or subrecipient that is suspended or disbarred.

We verified that none of the eight sampled entities were suspended or debarred and therefore will not question costs.

Recommendation

We recommend the Department establish adequate internal controls to ensure it completes the required suspension and debarment checks before entering into contracts with subrecipients and contractors that will receive \$25,000 or more in federal funds.

Department's Response

We appreciate the State Auditor's Office audit of the ELC grant. DOH is committed to ensuring our programs comply with federal regulations.

During the COVID pandemic DOH operated under a competitive procurement waiver in order to expedite funding to critical partners throughout the state. Efforts to accelerate contracts combined with the misperception that Educational Service Districts (ESDs) are an extension of the Office of Superintendent of Public Instruction (OSPI was named in the IAA as a collaborator for the Learn to Return Playbook), prompted the decision to use an Interagency Agreement and no suspension & debarment check was performed at the time. DOH implemented and corrected this error moving forward with ESD and Vendor contracts as of January 2024, the middle of the next audit cycle. Therefore, the corrections will not be reflected in contracts executed prior to that time frame.

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 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, section 213, Suspension and debarment, states:

Non-federal entities are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR parts 180 and 376. These regulations restrict awards, subawards and contracts with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

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, 2023 through June 30, 2024

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.

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:	NU50CK000515-05-04; NU50CK000515-02-07; NU50CK000515-05-00; NU50CK000515-05-05; NU50CK000515-01-08; NU50CK000515-02-04;
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-048

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 many specific infectious disease programs and projects, and

it provides special appropriations in response to infectious disease emergencies. The Department spent more than \$126.6 million in federal grant funds during fiscal year 2024.

During the audit period, the Department was required to submit various reports to the Centers for Disease Control and Prevention (CDC) for two ELC projects: Enhancing Detection and Enhancing Detection Expansion.

The Department submits quarterly fiscal reports in REDCap, a web-based system used by the CDC to collect data. Reports summarize total quarterly expenses, including salaries, fringe benefits, equipment, travel, supplies and contractual payments.

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 reporting requirements for the ELC program. The prior finding numbers were 2023-048 and 2022-034.

Description of Condition

The Department did not have adequate internal controls over and did not comply with reporting requirements for the ELC program.

Quarterly financial reporting of expenditures and unpaid obligations is required for the Enhancing Detection and Enhancing Detection Expansion projects. The Department submits these reports quarterly in REDCap. Before submission, management reviews the reports and supporting documentation to ensure they are accurate and complete. We examined all 16 reports required during the audit period. Three (18.75%) of the reports were not accurate and complete. Specifically, we found:

- The Department did not submit one report, with almost \$27 million in expenditures, in REDCap
- One report underreported \$263,827 (1.5%) in expenditures in REDCap
- One report had the correct expenditure total in aggregate; however, amounts in specific categories did not match the category totals in the accounting records

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

Cause of Condition

While the Department implemented a review process to correct the prior year finding, management did not ensure the Department submitted all reports to REDCap, and the reviews were inadequate for detecting the errors our audit identified.

Effect of Condition

By not ensuring management adequately reviewed quarterly reports, the Department did not ensure it submitted reports and that they were accurate and complete.

Recommendation

We recommend the Department establish and follow effective internal controls to ensure it submits reports and that they are accurate and complete.

Department's Response

We appreciate the State Auditor's Office audit of the ELC grant. DOH is committed to ensuring our programs comply with federal regulations. The Department will evaluate current process to ensure submitted reports are accurate and complete.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 341, Financial reporting, describes the requirements for auditees to submit financial reports.

Title 45 CFR Part 75, 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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:	Too numerous to list
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-050

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 many specific infectious disease programs and projects, and provides special appropriations in response to infectious disease emergencies. The Department spent more than \$126.6 million in federal grant funds during fiscal year 2024, more than \$20 million of which it disbursed to subrecipients.

Federal regulations require the Department to monitor the activities of subrecipients to ensure they use subawards for authorized purposes and in compliance with federal statutes, regulations, and the terms and conditions of the subaward. This monitoring must include reviewing financial reports and taking timely and appropriate action on all deficiencies pertaining to the federal award.

The Department assigns each subrecipient a compliance risk level based on standardized criteria. The Department's Fiscal Monitoring Unit (FMU) conducts on-site fiscal reviews of each subrecipient every two years. This review includes all federal awards the subrecipient received from the Department for the period under review. Reviewers complete a standardized template to document their work. Using the subrecipient's reimbursement requests, reviewers judgmentally determine how many samples of payroll expenditures and contractor payments to review to ensure there is adequate source documentation. Reviewers also look at internal controls over processes and examine specific award and contract requirements to ensure the subrecipient was in compliance with these 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 fiscal monitoring requirements to ensure subrecipients of the ELC program only used funds for allowable activities and met cost principles. The prior finding numbers were 2023-050 and 2022-033.

Description of Condition

The Department did not have adequate internal controls over and did not comply with fiscal monitoring requirements for the ELC program.

The Department did not accurately identify all of their subrecipients. We requested a list of all contracted subrecipients for the state fiscal year 2024 period. This list did not include nine Educational Service Districts (ESDs) that the Department contracted with as subrecipients. The contracts for these educational service districts did not contain required subaward information in accordance with 45 CFR 75.352.

Additionally, the Department did not complete fiscal reviews for its subrecipients. We identified 35 subrecipients with consolidated contracts, and 20 subrecipients with non-consolidated contracts for a total of 55. Of these, we determined there was no fiscal monitoring performed for the 20 subrecipients with non-consolidated contracts. We also found that fiscal monitoring did not occur for two of the subrecipients with consolidated contracts. This resulted in 40% of subrecipients not receiving fiscal monitoring.

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

Cause of Condition

The Department believed that ESDs are an extension of the Office of Superintendent of Public Instruction and therefore entered into interagency agreements instead of subawards. This resulted in them being omitted from subrecipient fiscal monitoring tracking. These interagency agreements also do not have the DOH Contract Subrecipient Statement of Work included in them, which is used to communicate required federal subaward information to subrecipients.

Additionally, we were informed by the Department that there were significant staff shortages in the Fiscal Monitoring Unit in state fiscal year 2024, and that the timing of reviews had to be modified based on capacity.

Effect of Condition

Without establishing adequate internal controls, the Department cannot reasonably ensure its subrecipients are spending federal funds in accordance with grant requirements. Without adequately monitoring each subrecipient's use of federal funds expended during the period of performance of the subaward, the Department does not have reasonable assurance that the subrecipient has complied with the terms and conditions of the subaward.

Recommendations

We recommend that the Department:

- Ensure all subrecipient contracts are identified correctly and include the appropriate templated language
- Identify and track all subrecipients
- Strengthen internal controls to ensure that fiscal monitoring is completed timely for all subrecipients

Department's Response

We appreciate the State Auditor's Office audit of the ELC grant. DOH is committed to ensuring our programs comply with federal regulations. The Department will evaluate current processes to ensure compliance with fiscal monitoring requirements for the ELC program. DOH had significant staff shortages in the Fiscal Monitoring Unit in SFY2024. Due to the shortage, we had to modify our reviews to ensure programs with a federal requirement for timing of monitoring visits were met (WIC and HIV). We then completed additional reviews based on capacity.

In addition, during the COVID pandemic DOH operated under a competitive procurement waiver in order to expedite funding to critical partners throughout the state. Efforts to accelerate contracts combined with the misperception that Educational Service Districts (ESDs) are an extension of the Office of Superintendent of Public Instruction (OSPI was named in the IAA as a collaborator for the Learn to Return Playbook), prompted the decision to use an Interagency Agreement and therefore some fiscal monitoring reviews were not performed. DOH implemented

and corrected this error moving forward with ESD and Vendor contracts as of January 2024, the middle of the next audit cycle. Therefore, the corrections will not be reflected in contracts executed prior to that time frame.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, section 352, Requirements for pass-through entities, establishes requirements for pass-through entities.

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, 2023 through June 30, 2024

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.

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:	NU50CK000515-05-04; NU50CK000515-02-07; NU50CK000515-05-00; NU50CK000515-05-05; NU50CK000515-01-08; NU50CK000515-02-04
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-049

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 many specific infectious disease programs and projects, and it provides special appropriations in response to infectious disease emergencies. The Department spent more than \$126.6 million in federal grant funds during fiscal year 2024, about \$20 million of which it disbursed to subrecipients.

Federal regulations require the Department 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 to subrecipients, the Department 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 Department-funded program, federal law requires the Department 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.

To monitor its compliance with these requirements, the Department uses an Excel workbook to track subrecipients' single audits.

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.

In the prior audit, we reported the Department did not have adequate internal controls over and did not comply with requirements to ensure subrecipients of the ELC program received required single audits and appropriately followed up on findings and issued management decisions. The prior finding number was 2023-049.

Description of Condition

The Department did not have adequate internal controls over and did not comply with requirements to ensure its subrecipients of the ELC program received required single audits, and that it appropriately followed up on findings and issued management decisions.

The Department did not have written policies or procedures over its process for tracking subrecipients' single audits. To monitor compliance with these requirements, the Department used an Excel spreadsheet to track subrecipients' single audits and the agency's follow-up actions, if necessary. However, after examining the workbook, we found 13 subrecipients that required audit tracking were missing. Additionally, we found that the Department did not check for single audit

requirements for one subrecipient, and that no single audit exists for that subrecipient in the federal audit clearinghouse.

During fiscal year 2024, four subrecipients received an ELC finding, which the Department documented in the tracking workbook. However, the workbook did not document any follow-up with the subrecipient or review of a corrective action plan. In addition, the Department did not issue a management decision letter for any of the findings, and the tracking spreadsheet did not document any management decisions.

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

Cause of Condition

There were no written procedures for the single audit tracking process. Management said there was confusion around the subrecipient single audit process, and that they were working to define the process around the monitoring requirements. In addition, management did not exercise sufficient oversight to ensure staff completed the monitoring.

Effect of Condition

Without establishing adequate internal controls, the Department cannot ensure that all subrecipients requiring a single audit obtain one, and that subrecipients with audit findings receive required management decisions timely.

Recommendations

We recommend the Department strengthen internal controls to ensure:

- All subrecipients receive a single audit, if required
- It issues all required management decisions to subrecipients, within six months, for applicable audit findings pertaining to the federal award
- Subrecipients take timely and appropriate action on all deficiencies pertaining to the federal award

Department's Response

We appreciate the State Auditor's Office audit of the ELC grant. DOH is committed to ensuring our programs comply with federal regulations. The Department will evaluate current processes and provide additional training to staff to monitor if DOH subrecipients of the ELC program received required single audits and take appropriate action based on those single audits. This will include DOH following up on findings and issued management decisions.

In addition, during the COVID pandemic DOH operated under a competitive procurement waiver in order to expedite funding to critical partners throughout the state. Efforts to accelerate contracts combined with the misperception that Educational Service Districts (ESDs) are an

extension of the Office of Superintendent of Public Instruction (OSPI was named in the IAA as a collaborator for the Learn to Return Playbook), prompted the decision to use an Interagency Agreement and therefore some single audits were not tracked. DOH implemented and corrected this error moving forward with ESD's and Subrecipient contracts as of January 2024, the middle of the next audit cycle. Therefore, the corrections will not be reflected in contracts executed prior to that time frame.

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 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, section 352, Requirements for pass-through entities, states, in part:

All pass-through entities must:

- d. Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
 1. Reviewing financial and performance reports required by the pass-through entity.
 2. Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.
 3. Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by section 75.521.
- 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 forth in section 75.501.

- h. Consider taking enforcement action against noncompliant subrecipients as described in section 75.371 and in program regulations.

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, 2023 through June 30, 2024

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.

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:	2301WATANF; 2401WATANF
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:	\$67,698,747
Prior Year Audit Finding:	Yes, Finding 2023-051

Background

The Department of Social and Health Service (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 (the 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. In fiscal year 2024, DSHS paid \$67,698,747 related to child care services.

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 set up coding in the Payment Allocating Model system that looks at the client-level information and then assigns the correct TANF source of funds. Once the source of funds is identified, that information is 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.

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.

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.

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 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 paid with TANF funds were allowable and properly supported. The prior finding numbers were 2023-051, 2022-035 and 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.

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, 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 TANF 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.

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. The Department's accounting practices prevent 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 \$67,698,747 in federal program costs for child care payments that DSHS paid 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 Temporary Assistance for Needy Families grant. This consisted of making significant grant level adjustments between allowable grant sources to properly spend grant dollars within the allowable period of performance and ensure level of effort and matching requirements were met. The Department's grant adjustments were processed based on eligible clients and allowable activities.

The State Auditor's Office (SAO) has taken issues in the past several audits and maintained that the program is not auditable without child-level data. The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit for accurately testing compliance. During the audit period, the Department did not have the staff and 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 the SAO.

In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget. The enacted budget included funding to implement the Department's budget request beginning in state fiscal year 2025, specifically:

"Funding in this subsection must be expended with internal controls that provide child-level detail for all transactions, beginning July 1, 2024."

The Department is working with a developer to assist with building out the required databases between the Social Service Payment System and the Agency Financial Reporting System to allow transfers between funding sources to include child-level data related to the expenditures.

The Department looks forward to working with SAO to resolve the child-level data concerns in the audit of the child care grant programs.

Auditor's Remarks

The level of documentation needed to support grant expenditures is not established by our Office but in title 45 of the U.S. Code of Federal Regulations and the state's grant award. Without adequate transactional level payment data, our Office is unable to perform tests to verify the grant adjustments were processed for eligible and allowable expenditures for the TANF grant.

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

Applicable Laws and Regulations

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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.

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, 2023 through June 30, 2024

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.

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:	2103WACCDF; 2103WACCDD; 2303WACCDF; 2303WACCDD; 2403WACCDM; 2403WACCDD; 2103WACDC6; 2103WACSC6; 2103WACCC5; 2301WATANF; 2401WATANF
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Eligibility
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-059

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 2024, the Department spent about \$483.5 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 2024, the Department spent more than \$306 million in CCDF and \$109 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 60% of the state median income at application or 65% 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 wage information, proof of an approved activity under TANF, and family household size and composition.

Once determined to be eligible for the program, a child is eligible for one year unless a change in income causes the household to exceed 85% 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.

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 12 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 2023-059, 2022-036, 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 eligibility requirements for child care services paid with the CCDF and TANF funds.

In response to the prior audit findings, the Department developed the following corrective action plan to address the internal control deficiencies:

- Conduct root cause analysis of internal audit findings, particularly for cases with errors due to household composition and approved activities, and develop appropriate corrective actions as needed
- Develop and deliver updated household composition training for all staff
- Improve and publish the desk aid outlining simplified eligibility determination process that includes procedures for those families who do not have an approved activity

The Department updated some policies and procedures for eligibility in February 2024 and management said they made more policies and procedures after the audit period. Department management also said they updated their child care household composition training after the audit period. Lastly, in April and May 2024, the Department made clarifying changes to its desk aid and updated its eligibility process flow.

While the Department partially implemented corrective actions, they did not encompass the entire audit period and some occurred after the audit period.

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

Cause of Condition

In response to the prior audit findings, the Department developed a corrective action plan to address the internal control deficiencies. However, the Department did not fully implement the corrective action plan during the audit period.

Effect of Condition

By not implementing adequate internal controls, the Department is at higher risk of paying providers for child care services when clients are ineligible.

Recommendation

We recommend the Department improve its internal controls over determining client eligibility to ensure only eligible people receive benefits.

Department's Response

During the fiscal year 2024 (FY24) audit period, the Department determined 36,413 families were eligible for child care. The State Auditor's Office (SAO) selected samples and examined 61 of these determinations. In all instances, they found the Department properly made eligibility determinations before authorizing services.

The Department partners with the SAO to complete the annual Statewide Single Audit process. The Department has completed a corrective action plan each year. Due to the timelines of the Statewide Single Audit, the agency's corrective action plan is filed with the Office of Financial Management in the following fiscal year which prohibits the completion of the corrective action plan prior to the start of the following fiscal year. The Department agrees with the auditor's finding that the fiscal year 2023 (FY23) corrective action plan was not completed prior to the start of FY24. The Department completed the FY23 corrective action plan as scheduled and recognizes this partnership with the SAO has led to our second year in a row with \$0 questioned costs and for FY24 no case exceptions.

The Department will continue to partner with the Administration for Children and Families (ACF) and follow our program integrity plan.

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 45 U.S. Code of Federal Regulations (CFR) Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.563 Child Support Services
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2301WACSES; 2201WACSES; 2401WACSES
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The Department of Social and Health Services (DSHS) administers the Child Support Services program (CSS), which aims to locate absent parents, establish paternity, obtain child and spousal support, and enforce support obligations owed by noncustodial parents. During fiscal year 2024, the Department spent more than \$129 million in federal program funds, about \$23 million of which it paid to subrecipients.

The Department administers and awards CSS funding to all counties through various court offices, including county clerks, county commissioners and county prosecutors.

Federal regulations require the Department to monitor the activities of subrecipients to ensure the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and terms and conditions of the subaward, and that subaward performance goals are achieved. This includes reviewing financial and performance reports required by the passthrough entity.

Department procedures require the Department to implement a statewide court hearing rate every calendar year. This rate is used by the subrecipient courts to determine the total allowable CSS share of direct costs. The process of implementing this rate begins by reviewing court hearing data from the current year from five sample counties. The counties submit two months of Commission hearing data from the current calendar year. The Department requires each sample county to provide the case number, party names, hearing date, and the start and end times of each hearing. The County Fiscal Liaison selects a sample from the total number of hearings and the counties review the hearings to determine if they were child support related and identifies the total number of minutes in the hearing. After it has been determined that a case is CSS related, a review is completed to determine if the parties in the hearing have a Title IV-D case. The review is documented on the Department's sampling worksheet, which calculates the rate based on the actual minutes related to the program divided by the total minutes of the hearings.

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 the statewide court hearing rate assessment was performed for subrecipients of the CSS program.

According to the Division of Child Support Court Commissioner sample process document, program staff are required to review court hearing data from five sample counties in the state to determine the statewide hearing rate for the year. We found the Department did not perform the rate assessment to ensure that the statewide rate established during the fiscal year was based on current case load data of the subrecipient courts. As a result, the Department continued using the previously determined hearing rate, which the courts then used to determine their reimbursement claim amounts for the fiscal year. The Department was unable to provide documentation to demonstrate this action was discussed, what rationale was used to determine this course of action or that management approved it.

We consider this internal control deficiency 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

Management did not establish sufficient internal controls to ensure the annual rate assessment was completed and accurate. The Department asserted it did not have sufficient court hearing data from participating counties at the time of the annual rate assessment. In addition, management asserted that it could not replace counties selected for analysis that experienced data errors in reporting

child support caseloads to the state. Therefore, management opted not to complete the rate assessment. However, the Department did not document the rationale for its decision, nor management's approval to continue using the previously established court hearing rate.

Effect of Condition

Without conducting the rate assessment, the Department cannot ensure the CSS hearing rate is an accurate representation of court caseloads for the program. This increases the risk of the Department reimbursing the courts at an excessive rate based on the child support cases heard.

Recommendations

We recommend the Department:

- Improve internal controls to ensure it performs required county hearing rate assessments based on its policies and procedures
- Establish internal controls sufficient to ensure it performs annual rate assessments to ensure hearing rates the courts use are based on accurate and complete data

Department's Response

The Department partially concurs with the auditor's finding.

The Department has an established written process for conducting a sample of five counties to determine the statewide hearing rate for the fiscal year. Two of the five counties contacted us two weeks after the due date with technical issues and concerns that their data may not be accurate and requested that we use other counties' data as part of the sampling process.

Since the Department was already into State Fiscal Year (SFY) 24 and the courts needed the rate for their reimbursement requests, it was not realistic with such short notice to find two other counties that could pull two months of court hearings data from the prior year. DCS management made the decision to carry over the certified rate from the prior fiscal year's sampling process rather than use potentially inaccurate data to update the court hearing rate. The difference in the sampling rates between SFY 22 (6.35%) and SFY 23 (6.58%) was so small we determined that a carryover of the SFY 23 rate given the circumstances would provide the most accurate representation of court caseloads and would mitigate the risk of the Department reimbursing the courts at an excessive rate.

The Department provided the auditor documentation from the two counties that communicated their inability to participate in the SFY 24 sampling process as well as the Department's communication to all the court administrators. This communication explained that due to unforeseen circumstances, the Department was not able to complete the state sampling process for SFY 24 and that it used the certified rate from SFY 23 to set a SFY 24 hearing rate. In addition, the Department provided the approved SFY 23 rate and sampling data. The auditor stated that since the SFY 23 rate was signed in April 2023, it was outside the scope of the audit period. The

Department disagreed with the auditor because the SFY 23 rate was carried over for SFY 24, which made the sampling process and data within scope of the audit period.

For the SFY 25 rate, the Department has found a new county to participate in the sampling process and the other county has resolved their system issues.

The Department will update procedures to ensure decisions and approvals are documented when alternate methodologies are required.

Auditor's Remarks

The Department asserts it communicated to participating counties that it would not re-assess the hearing rate for the year 2024 child support cases and instead carry forward the rate approved from 2023. This communication was provided to our Office in the form of an email, sent by the County Fiscal Liaison, which did not have any recipients listed. In addition, the Department did not provide documentation to demonstrate that management reviewed and approved the decision to carry forward the previously certified child support hearing rate, including what factors were considered that would allow the previous rate to be used and still be compliant with child support services monitoring requirements.

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

Applicable Laws and Regulations

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR part 75, section 352, Requirements for pass-through entities, establishes the requirements for pass-through entities.

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.

Division of Child Support Court Commissioner Sample Process Instructions, states in part:

“....Notify sample counties in July or August that it's time to pull their samples. Current sample counties are: Chelan, Lewis, Pend Oreille, Spokane, and Grays Harbor. Email each sample county and request they provider their sample data”

“ To pull the sample –

9. Using the Access Sample Program – pull a sample of 275-350 hearings. This number was determined by E-Maps statisticians to be an acceptable number of hearings based on having less than 5,000 hearings total. (*There is also a program that will provide you with a statistically sound sample number based on the total number of hearings you enter. You can use this or choose a number somewhere between 275-350.)
10. Set up your sample worksheets to include a column titled ‘Child Support?’ and one titled ‘IV-D?’, and one titled ‘Qualified Number of Minutes’.
11. Print this out so you have a hard copy to work from. These you will fill in as you review each hearing. If the hearing gets both a YES under the Child Support and the IV-D, then you’ll enter the number of minutes of that hearing in the last column.”
12. Review each and every hearing to determine if it is child support related.”

“Calculating the sample IV-D percentage rate –

Using your ‘Final Data Totals’ worksheet:

20. Cell F6 - Enter number of minutes for all “Other” than 3 & 5 case types.
21. Cell F7 - Enter number of minutes for all Type 3 + Type 5 case types.
22. Total of all hearings minutes will be automatically calculated and entered in Cell F8.
23. Cell F11 - Enter the total number of minutes in the sample.
24. Cell F13 - Enter the total of IV-D qualified minutes in the sample.
25. The system will calculate the IV-D sample percentage from those two figures and enter it in Cell F15.
26. Cell G6 - Enter the percentage of all “other” case types that are IV-D (this will always be 0).
27. Cell G7 – The system will enter the percentage of all Type 3 + Type 5 cases that are IV-D. (This is simply copied from Cell F15.)
28. Cell H7 – The system will enter the Total IV-D Minutes for Type 3 and Type 5 cases using the total Type 3 + Type 5 minutes (Cell F7) multiplied by the percentage of IV-D minutes per the sample (Cell G7).
29. That number (Cell H8) is then divided by the total of minutes of ALL hearings submitted (Cell F8) and the resulting percentage is your Hearings Sample IV-D

Percentage Rate to be used by all counties statewide for their Court Commissioner reimbursements.”

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.563 Child Support Services
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2301WACSES; 2201WACSES; 2401WACSES
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The Department of Social and Health Services (DSHS) administers the Child Support Services program (CSS), which aims to locate absent parents, establish paternity, obtain child and spousal support, and enforce support obligations owed by noncustodial parents. During fiscal year 2024, the Department spent more than \$129.7 million in federal program funds, about \$23 million of which it paid to subrecipients.

The Department administers and awards program funding to all counties through various court offices, including county clerks, county commissioners and county prosecutors. Federal regulations require the Department to evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward to determine the appropriate amount and type of subrecipient monitoring required to ensure they use the subaward for authorized purposes, comply with the terms and conditions of their subawards, and achieve performance goals.

The Department's County Fiscal Liaison completes the annual risk assessment of all counties for the program. The Department's risk assessment contains different risk factors that are answerable by a "yes" or a "no" value and are each assigned a numerical value. The scores are then totaled to determine the overall risk of the subrecipient. This risk score determines the adequate level of monitoring necessary for the subrecipient.

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

Description of Condition

The Department did not have adequate internal controls to ensure risk assessments performed for subrecipients of the program were accurate and complete.

The Department's policies and procedures instruct program staff to conduct annual risk assessments and determine the level of monitoring required for each county subrecipient. Although the County Fiscal Liaison completed risk assessments for county subrecipients during the audit period, Department management did not perform a secondary review of the risk assessments the County Fiscal Liaison completed for completeness and appropriateness. In addition, we determined that only the County Fiscal Liaison participates in the subrecipient risk assessment process. Therefore, we determined the Department does not have adequate internal controls to ensure program staff perform risk assessments, as required by Department policies, and that the results of completed risk assessments are accurate and support the recommended level of monitoring over the subrecipients.

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

Management did not consider performing a secondary review of the County Fiscal Liaison's assessment of each County's risk of noncompliance, and did not monitor the results of risk assessment as it relied on the liaison's judgment.

Effect of Condition

Without monitoring to ensure risk assessments are completed and conducting a secondary review of risk assessments that program staff perform, management cannot ensure that the Department is meeting federal requirements by performing the appropriate level of monitoring to ensure subrecipients comply with program requirements.

Recommendations

We recommend the Department:

- Improve internal controls to ensure it performs required risk assessments
- Establish internal controls to ensure management reviews and approves risk assessments to ensure they are complete, accurate and performed timely to ensure an appropriate level of subrecipient monitoring is performed

Department's Response

The Department partially concurs with the auditor's findings.

The Department has a control in place to discuss risks in real time with management during weekly meetings. Management is appraised of concerns and workloads, including completion of risk assessments. The risk assessment worksheets capture, in writing, the risks and actions taken as discussed with management in the weekly meetings.

For ongoing compliance, the Department's Division of Child Support will update procedures for risk assessments to include documenting management's review and approval.

Auditor's Remarks

We requested and received risk assessment worksheets as part of the audit and found no information indicating the results were provided to or approved by management. In addition, program staff informed our Office that it did not have documentation to demonstrate that risk assessments completed by the County Fiscal Liaison were reviewed by management for appropriateness.

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

Applicable Laws and Regulations

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 352, Requirements for pass-through entities, establishes the requirements for pass-through entities.

Title 45 CFR Part 75, 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.566 Refugee and Entrant Assistance – State Administered Programs
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2301WARCMA-03, 2301WARCMA-04, 2301WARSSS-06, 2301WARSSS-07, 2301WARSSS-08, 2301WARSSS-09, 2401WARCMA-00, 2401WARCMA-01, 2401WARCMA-02, 2401WARSSS-00, 2401WARSSS-01
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-052

Background

The Refugee and Entrant Assistance – State Administered programs provide states and replacement designees with funds to help refugees, asylees, trafficking victims, special immigrants, and certain humanitarian parolees during the first 12 months after their date of arrival, or date of eligibility, in the U.S to attain economic self-sufficiency as soon as possible after their initial placement.

The U.S. Department of Health and Human Services administers this program by providing assistance through Cash and Medical Assistance (CMA) Grants, as well as Refugee Support Services (RSS). Specifically, CMA covers Refugee Cash Assistance, Refugee Medical Assistance,

Unaccompanied Refugee Minor assistance, medical screenings and administrative costs. RSS provides formula funding to assist with facilitating employment and other social services for refugees for up to five years after their date of arrival to the U.S., or date of initial eligibility. In 2022, Congress appropriated additional funding under the Additional Afghanistan Supplemental Appropriations Act, and Additional Ukraine Supplemental Appropriations Act.

In Washington, the Department of Social and Health Services administers the state's Refugee and Entrant Assistance programs. In fiscal year 2024, the Department spent about \$77.9 million in federal program funding. Of that amount, the Department passed through more than \$55.9 million 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 in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). 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 the public with the ability to hold the federal government accountable for spending decisions and, as result, reduce wasteful government spending.

During fiscal year 2024, the Department issued 125 subawards and 122 subaward amendments totaling more than \$111 million to subrecipients that it was required to report in FSRS.

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

In the prior audit, we reported the Department did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Act. The prior finding number was 2023-052.

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.

We used a statistical sampling method and randomly selected and examined 24 subawards out of a total population of 247. We also tested two individually significant subawards. We determined that 12 out of 26 subawards (46%) were not submitted in FSRS during the audit period. The Department reported three of the 12 subawards in FSRS after the audit period ended, however the reports were submitted late.

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

Cause of Condition

The Department did not have written policies and procedures in place to determine which subawards and amendments were required to be reported in FSRS until April 2024. Management said the Department filed overdue reports from prior fiscal years before it could report subawards issued during the audit period. Additionally, management did not ensure that reports were originally submitted, as required.

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, including suspending or terminating the federal award or withholding future awards.

Recommendations

We recommend the Department:

- Establish effective internal controls to ensure it reports all first-tier subawards of \$30,000 or more, as required
- Verify all subawards and subaward amendments are reported in FSRS, as required

Department's Response

The Department concurs with the auditor's findings.

The Department's Office of Refugee and Immigrant Assistance (ORIA) will immediately report the contracts and amendments in question to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS).

For ongoing compliance, ORIA will develop and subsequently implement a process to verify all subawards and subaward amendments were reported as required.

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

45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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.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.

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.566 Refugee and Entrant Assistance – State Administered Programs
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2301WARCMA-03, 2301WARCMA-04, 2301WARSSS-06, 2301WARSSS-07, 2301WARSSS-08, 2301WARSSS-09, 2401WARCMA-00, 2401WARCMA-01, 2401WARCMA-02, 2401WARSSS-00, 2401WARSSS-01
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-054

Background

The Refugee and Entrant Assistance – State Administered programs provide states and replacement designees with funds to help refugees, asylees, trafficking victims, special immigrants, and certain humanitarian parolees during the first 12 months after their date of arrival, or date of eligibility, in the U.S to attain economic self-sufficiency as soon as possible after their initial placement.

The U.S. Department of Health and Human Services administers this program by providing assistance through Cash and Medical Assistance (CMA) Grants, as well as Refugee Support Services (RSS). Specifically, CMA covers Refugee Cash Assistance, Refugee Medical Assistance, Unaccompanied Refugee Minor assistance, medical screenings and administrative costs. RSS

provides formula funding to assist with facilitating employment and other social services for refugees for up to five years after their date of arrival to the U.S., or date of initial eligibility. In 2022, Congress appropriated additional funding under the Additional Afghanistan Supplemental Appropriations Act, and Additional Ukraine Supplemental Appropriations Act.

In Washington, the Department of Social and Health Services' Office of Refugee and Immigrant Assistance (ORIA) administers the State's Refugee and Entrant Assistance programs. During fiscal year 2024, the Department spent about \$77.9 million in federal program funding, more than \$55.9 million of which it passed through to subrecipients.

Federal regulations require the Department to monitor the activities of subrecipients 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. This includes reviewing financial and performance reports required by the pass-through entity.

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 federal requirements to perform fiscal and program monitoring of subrecipients for the Refugee and Entrant Assistance programs. The prior finding number was 2023-054.

Description of Condition

The Department 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.

The Department's administrative policy 19.50.30 - Subrecipient Monitoring requires Department staff to conduct programmatic and fiscal monitoring of subrecipients. We found the Department did not monitor any of its 56 program subrecipients to ensure compliance with federal statutes, regulations, or that subaward performance goals are achieved.

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

Cause of Condition

In response to the prior audit finding, ORIA program management implemented procedures for determining program subrecipients, however these changes did not take effect until the end of this audit period.

The Department did not accurately identify all program subrecipients to develop a comprehensive monitoring plan and did not ensure subrecipients were correctly identified and monitored for compliance, as required by the Uniform Guidance. In addition, management did not effectively

communicate the responsibility for conducting fiscal monitoring of program subrecipients to ORIA staff.

Effect of Condition

Without establishing adequate internal controls, the Department cannot reasonably ensure its subrecipients are spending federal funds in accordance with grant requirements. Without adequately monitoring each subrecipient's use of federal funds expended during the period of performance of the subaward, the Department cannot reasonably ensure that the subrecipient has complied with the terms and conditions of the subaward.

Recommendations

We recommend the Department:

- Establish effective internal controls to ensure all subrecipients are subject to fiscal and program monitoring, as required
- Establish effective internal controls to ensure subrecipients are accurately identified by Department program staff
- Establish internal controls to ensure Department staff review financial and performance-based reports for every subrecipient
- Monitor each subrecipient to obtain reasonable assurance that each subrecipients' use of federal funds complies with federal laws and regulations, and the subaward terms and conditions
- Communicate to subrecipients any deficiencies noted during its review and ensure appropriate corrective action is taken to address the deficiencies

Department's Response

The Department concurs with the auditor's findings.

The Department's Office of Refugee and Immigrant Assistance (ORIA) monitored some of their subrecipients, however, they did not have monitoring reports to provide as evidence. Since the program determined the subrecipients to be low risk, monitoring consisted of a desk review which was documented only on the monitoring screen of the Agency Contracts Database (ACD).

In response to the prior audit 2023-054, ORIA is working with the Division of Finance and Financial Resources (DFFR) to develop and implement effective internal controls and clear written procedures covering program and fiscal subrecipient monitoring requirements. ORIA will train all staff responsible for subrecipient monitoring on the newly established internal controls and written procedures.

To address the significant workload associated with onsite monitoring and the development of monitoring reports, ORIA and DFFR will explore the department's ability to increase staff resources.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, section 352, Requirements for pass-through entities, establishes the requirements for all pass-through entities.

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 Social and Health Services, Administrative Policy 19.50.30, *Subrecipient Monitoring*, states in part:

Policy

- E. Fiscal and programmatic monitoring must be completed. (See Attachment C – Sample DSHS Subrecipient Fiscal Monitoring Site Visit Tool)

Based on the result of the risk assessment, a desk or on-site review must be completed. Each Program has control over the form and content of its risk assessment tools.

1. If the risk assessment shows the entity is of **low to medium risk**, the entity may not require an on-site review. The following items, if available, must be documented in a desk review:
 - a. Entity's invoices and documentation (A-19s).
 - b. Entity's program or service and financial reports.
 - c. Surveys or feedback cards from clients.
 - d. Client complaints.
 - e. Entity's audit or financial report follow up and ensuring all appropriate action has been taken on all items detected through audits, on-site reviews and any other means.

- f. Entity's indirect rate certification (Certificate of Indirect Costs, form 02-568 or plan), if applicable.
 - g. If any of the above are not reviewed within the desk review, supervisor approval and an explanation for the reason the items were unable or immaterial to be reviewed must be included within the desk review assessment tool.
- 2. If the risk assessment shows the entity is a **high risk**, an on-site visit is required. The program/division will assign the appropriate staff to conduct the on-site review. On-site reviews must include all items in a desk review. In addition, on-site reviews may include, as appropriate, the following items:
 - a. A review of the delivery of program services.
 - b. Discussions about the subrecipient's problems and challenges.
 - c. Follow-up on identified problems from previous visits.
 - d. Review of faculty/personnel licensing.
 - e. Review of surveys and inspections performed by outside parties.
 - f. Interview of staff to determine whether they are familiar with the program.
 - g. Inspection of the entity's facilities and operations.
 - h. Review of and compliance with the entity's policies and procedures governing service delivery and financial processes.
 - i. Review of the entity's monitoring/production reports.
 - j. Review of any independent limited scope program audits.
 - k. Verification of performance from outside source (e.g. sub-contractors).
 - l. Review of the entity's self-risk assessment survey.
 - m. Review of internal controls.
 - n. Review of billing practices.
 - o. Review of allocation of costs.
 - p. Review of timesheets or activity reports.
 - q. Review of financial records.
- F. Monitoring must be documented.
 - 1. The ACD must be used to document all subrecipient-related monitoring activities.

2. Assigned staff must document all desk or on-site reviews performed. The program manager overseeing the contract is responsible for making sure that items included in the review are documented in the ACD by the end of the contract period.
3. Each program must maintain contract monitoring documentation per General Administration's retention schedule (Administrative Policy 5.04, Records Retention).

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.**

Assistance Listing Number and Title:	93.566 Refugee and Entrant Assistance – State Administered Programs
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2301WARCMA-03, 2301WARCMA-04, 2301WARSSS-06, 2301WARSSS-07, 2301WARSSS-08, 2301WARSSS-09, 2401WARCMA-00, 2401WARCMA-01, 2401WARCMA-02, 2401WARSSS-00, 2401WARSSS-01
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-053

Background

The Refugee and Entrant Assistance – State Administered programs provide states and replacement designees with funds to help refugees, asylees, trafficking victims, special immigrants, and certain humanitarian parolees during the first 12 months after their date of arrival, or date of eligibility, in the U.S to attain economic self-sufficiency as soon as possible after their initial placement.

The U.S. Department of Health and Human Services administers this program by providing assistance through Cash and Medical Assistance (CMA) Grants, as well as Refugee Support Services (RSS). Specifically, CMA covers Refugee Cash Assistance, Refugee Medical Assistance,

Unaccompanied Refugee Minor assistance, medical screenings and administrative costs. RSS provides formula funding to assist with facilitating employment and other social services for refugees for up to five years after their date of arrival to the U.S., or date of initial eligibility. In 2022, Congress appropriated additional funding under the Additional Afghanistan Supplemental Appropriations Act, and Additional Ukraine Supplemental Appropriations Act.

In Washington, the Department of Social and Health Services administers the state's Refugee and Entrant Assistance programs. In fiscal year 2024, the Department spent about \$77.9 million in federal program funding. Of that amount, the Department passed through more than \$55.9 million to subrecipients.

Federal regulations require the Department 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 or program-specific audit. Furthermore, federal regulations require subrecipients to submit their audits in the Federal Audit Clearinghouse and to the 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 on to its subrecipients, the Department 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 Department-funded program, federal law requires the Department 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.

In the prior audit, we reported the Department 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. The prior finding number was 2023-053.

Description of Condition

The Department 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.

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

- Subrecipients met the audit threshold for federal assistance expended for their fiscal year
- Subrecipients received required audits, if necessary, and appropriate actions were taken if audits were not filed
- Management decisions were required to be issued for subrecipients who received a single audit or program-specific audit

We found the Department did not monitor each of its 56 subrecipients to ensure they received a single audit, if required. Six of these subrecipients received single audits during the audit period.

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

Cause of Condition

The Department used accounting system reports to determine how much it reimbursed subrecipients with Refugee and Entrant Assistance funds. However, management did not monitor subrecipients to ensure they received single audits, as required. Additionally, management did not assign any specific employees the responsibility for reviewing subrecipient audit reports and findings until after the audit period.

Effect of Condition

Without establishing adequate internal controls, the Department cannot ensure all subrecipients that required a single or program-specific audit received one. Furthermore, the Department 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 Department cannot determine whether subrecipients have sufficiently corrected issues identified in audit findings.

Recommendations

We recommend the Department:

- Monitor subrecipients to ensure all required audit reports are submitted and reviewed to determine if any additional subrecipients are required to take corrective action to address audit recommendations
- Establish effective internal controls to ensure it reviews audit reports for its subrecipients and issues written management decisions, as required
- Ensure subrecipients develop and take acceptable corrective actions to adequately address all audit recommendations
- Issue a written management decision for all applicable audit findings, if necessary

Department's Response

The Department partially concurs with the auditor's findings.

The Department's Office of Refugee and Immigrant Assistance (ORIA) monitored their subrecipients for single audit reports by verifying each subrecipient's total federal financial assistance through online tax forms. For subrecipients that met the single audit threshold, ORIA either received the single audit report from the subrecipient or pulled a copy from the single audit online database. However, the Department did not issue management decisions.

As part of our corrective action plan for the prior audit finding (2023-053), ORIA is working with the Department's Division of Finance and Financial Resources (DFFR) to establish and implement effective internal controls and written procedures to ensure ORIA reviews audit reports for their subrecipients and issue written management decisions, as required.

ORIA and DFFR will review all SFY24 completed single audit reports, and for any findings that pertain only to the federal award provided to the subrecipient, ORIA will issue a management decision outlining their determination of the effectiveness of the subrecipients' proposed corrective actions to address the findings and monitor the subrecipient's corrective actions through completion.

Auditor's Remarks

In response to our audit request for internal controls, the Department asserted in writing that its monitoring of single audits of subrecipients during the audit period were not completed during state fiscal year 2024 and that it had no records for us to test to demonstrate monitoring occurred. It further stated that management hopes to demonstrate compliance beginning in state fiscal year 2025.

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

Applicable Laws and Regulations

Title 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, section 352, Requirements for pass-through entities, establishes requirements for pass through entities including monitoring of subrecipients.

Title 45 CFR Part 75, section 501, Audit requirements, establishes the single audit requirements for recipients of federal assistance.

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 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, 2023 through June 30, 2024

2024-049 The Department of Commerce improperly charged \$492,317 to earmarking 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 Energy Assistance Program
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2101WAE5C6; 2101WALIEA
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Earmarking
Known Questioned Cost Amount:	\$492,317
Prior Year Audit Finding:	No

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 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. In fiscal year 2024, the Department spent more than \$96 million in federal funds, about \$89.5 million of which it paid to subrecipients.

Federal regulations require the Department to meet the following earmark requirements:

- No more than 10% of a state's LIHEAP funds may be used for planning and administrative costs

- No more than 15% of LIHEAP funds may be used for low-cost residential weatherization or other energy-related home repairs
- No more than 5% of LIHEAP funds may be used to provide services that encourage and enable households to reduce their home energy needs and therefore their need for energy assistance

To ensure the Department meets the earmark requirements, when a new award is received, staff create an allocation model to calculate the maximum allowable earmarking amounts. Each award is given unique project codes in the accounting system to track expenditures against the earmark amounts.

Description of Condition

The Department of Commerce improperly charged \$492,317 to earmarking requirements for LIHEAP.

We found the Department had procedures to track earmarking requirements and had adequate internal controls to ensure material compliance.

During fiscal year 2024, there were two awards that were required to meet the earmark limits. We found both awards overspent the 15% weatherization earmark as follows:

- For award 2101WAE5C6, the Department overspent the amount by \$287,998.
- For award 2101WALIEA, the Department overspent the amount by \$204,319.

The total questioned cost amount is \$492,317.

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 questioned costs exceeded that threshold.

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

Cause of Condition

When completing the allocation model to determine earmarking amounts, the Department initially allocated 15% of the total award funds to weatherization. However, staff allocated additional subrecipient administrative funds to the initial allocated amount, bringing the weatherization total beyond the allowed earmark. Staff identified this error, but the Department had already obligated funds to subrecipients from this allocation and chose not to correct the subaward amounts.

Effect of Condition and Questioned Costs

We identified \$492,317 in questioned costs on activities that exceeded the weatherization earmark 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.

Recommendation

We recommend the Department consult with the federal grantor to discuss whether it should repay the questioned costs identified in the audit.

Department's Response

The Department appreciates the detailed audit of the earmarking process in use by the Low Income Home Energy Assistance Program (LIHEAP). Following receipt of the audit recommendations, budget and Internal Controls Office staff reviewed the total expenditures used to calculate the questioned costs and determined the amounts reported were accurate. Program staff will seek guidance from the Department of Health and Human Services (HHS) Office of Community Services (OCS) regarding the questioned costs.

To ensure accuracy and compliance of current and future awards, LIHEAP program staff are currently collaborating with budget staff to work towards alignment between divisions with federal requirements. This includes a thorough review of financial records, detailed reconciliations, and adjustments to budgeting procedures to prevent future occurrences.

Moving forward, the Department will implement enhanced internal controls and monitoring processes to ensure accurate budgeting and reporting of earmarked funds. We are committed to maintaining compliance with federal requirements and demonstrating our accountability in managing public funds.

The Department will provide the results of the consultation of HHS during the next scheduled LIHEAP audit or audit follow-up.

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 45 *CFR* Part 75.1, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards* establishes definitions for questioned costs. Part 75.410 establishes requirements for the collection of unallowable costs.

Title 45 *U.S. Code of Federal Regulations (CFR)* Part 75, section 516, *Audit findings*, establishes reporting requirements for audit findings.

Title 42 *United States Code*, Section 8624(k), *Limitations on use of funds; waiver*, establishes that no more than 15% may be used by the State for low-cost residential weatherization or other energy-related home repair for low-income households.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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:	2101WALIEA, 2101WAE5C6, 2101WALWC6, 2101WALWC5, 2201WALIEI, 2201WALIEA, 2201WALIE4
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Period of Performance
Known Questioned Cost Amount:	\$4,409,760
Prior Year Audit Finding:	No

Background

The U.S. Department of Health and Human Services, through the Office of Community Services at the Administration for Children and Families (ACF), 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 U.S. territories.

In Washington, the Department of Commerce administers LIHEAP, which provides financial assistance to low-income households to meet their home energy needs. The Department administers and awards LIHEAP funds under two programs: the energy assistance program and the weatherization program. Subawards are issued to community-based organizations to provide

this assistance. In fiscal year 2024, the Department spent more than \$96 million in federal funds, about \$89.5 million of which it paid to subrecipients.

Federal regulations require the Department to obligate at least 90% of the LIHEAP block grant funds in the first federal fiscal year in which they are awarded. If funds are left over after the end of the first federal fiscal year, the Department must either return those funds or report to the grantor the amount it intends to carry over and reallocate. The Department may carry over up to 10% of the funds payable for obligation no later than the end of the following federal fiscal year. Funds not obligated by the end of the second fiscal year of the award must be returned to ACF. The limits on the period for the expenditure of funds are communicated to award recipients.

LIHEAP awards typically have a two-year project period when the Department may obligate funds to subrecipients through subawards and incur administrative costs to execute the award. The subawards define the period of performance for subrecipients to spend these funds. Departmental administrative costs are considered obligated when the expenditure activity occurs. As such, the period of performance for administrative costs aligns with the project period start and end date. If the Department requires more than one year from the project period end date to liquidate allowable costs, it is required to notify the grantor.

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 period of performance requirements for LIHEAP.

Obligations

During state fiscal year 2024, the Department was required to obligate 90% of funds for the federal fiscal year 2023 award. This amount is reported on the Carryover and Reallotment Report. The Department was unable to provide documentation to support the amount of funds it obligated in the first year of the award. This issue is referenced in finding 2024-051.

Expenditures

During state fiscal year 2024, there were five awards with project end dates. We judgmentally selected and examined 21 expenditures charged to these awards. We found:

- Four (19%) expenditures for which the Department did not provide any documentation to support that the cost occurred during the period of performance
- Three (14%) expenditures for which the documentation the Department provided did not support that the costs occurred during the period of performance

The total costs associated with these seven expenditures are \$1,010,249.

In addition, we analyzed expenditures charged to the awards in the accounting system and identified \$1,346,137 of administrative activities that occurred after the period of performance.

Liquidations

There were two awards with liquidation periods ending during state fiscal year 2024. We judgmentally selected and examined eight expenditures the Department charged to grants that were liquidating funds during the audit period. We found:

- Three (38%) expenditures for which the Department did not provide any documentation to support that the cost occurred during the period of performance
- Two (25%) expenditures for which the documentation the Department provided did not support that the costs occurred during the period of performance

The total costs associated with these five expenditures are \$1,916,227

In addition, we analyzed expenditures charged to the awards and identified \$137,148 of administrative activities that occurred after the 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

The Department misinterpreted the federal regulations, which led management to believe it was compliant with period of performance requirements.

Further, the Department did not provide us with all the documentation to demonstrate that the Department incurred the charges we examined during the period of performance.

Effect of Condition and Questioned Costs

Without establishing adequate internal controls, the Department cannot reasonably ensure it uses federal funds within the period of performance.

We identified \$1,483,285 in known questioned costs for expenditures that occurred outside of the period of performance. We also identified \$2,926,476 in known questioned costs for expenditures that did not have adequate support to determine if they were within the 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:

- Design and implement internal controls to ensure it complies with period of performance requirements
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

Department's Response

The Department agrees with the internal control weaknesses identified in the report. However, for the contract periods included in this audit we were operating off of guidance received by the United State Department of Health and Human Services (HHS) in 2022. Directly following notification of this deficiency for this audit, we reached out to HHS to clarify the closeout year requirements. In December 2024 we received updated guidance on how to apply the closeout year to current awards.

Beginning with the 2024 program year (October 1, 2023), all subrecipient contracts were issued with a two-year period of performance, which will eliminate new expenses being added to the closeout year. This ensures that all LIHEAP awards will be managed within a consistent two-year period of performance, which aligns with the updated HHS guidance. All future LIHEAP awards will follow the same period of performance principle.

The Department will engage with the HHS to determine the appropriate next steps on how to handle the questioned costs.

The Department is committed to addressing the internal control weaknesses identified in the audit and will continue to strengthen its processes to ensure ongoing compliance with period of performance 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 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200.1, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* establishes definitions for questioned costs. Part 200.410 establishes requirements for the collection of unallowable costs.

Title 45 CFR Part 96, section 81, *Carryover and reallocation*, establishes the procedures relating to carryover and reallocation of regular LIHEAP block grant funds.

ACF Supplemental Terms and Conditions, LIHEAP, effective October 1, 2021, states in part:

9. Obligation Deadline:

- a. The two-year funding (project) period for this award is concurrent with the obligation period: from the first day of the FFY for which these funds were awarded through the last day of the following FFY. (i.e., October 1, FFY 1 through September 30, FFY 2.) A maximum of 10 percent of the federal funds awarded under this grant may be held available for obligation in the FFY 2 of the project period. If more than 10 percent of a recipient's federal funds remains unobligated at the end of the FFY in which they were allotted, those excess funds must be returned to HHS and are subject to reallocation among all recipients in the next fiscal year. Any federal funds not obligated by the end of the two-year obligation period will be recouped by the Department.
- b. Federal funds awarded under this grant must be expended for the purposes for which they were awarded and in payment for obligations made within the time period allotted.

10. Liquidation:

All properly obligated federal funds awarded under this grant must be liquidated in accordance with the recipient's own fiscal control and funds control procedures. If the recipient requires more than 1 year from the project period end date to liquidate allowable costs, it shall notify the Grants Management Officer identified on its latest Notice of Award. The notification shall include the reason for the delay and the anticipated timeframe for liquidation. Any federal funds from this award not liquidated by the date required under the recipient's own fiscal control procedures, which may not exceed five years following the fiscal year of award, will be recouped by this Department.

ACF-OCS-LIHEAP-IM-2024-04 LIHEAP Obligations, Expenditures, and Refunds, states in part:

Federal appropriations accounting law at 31 U.S.C. § 1502(a) states that the balance of an appropriation or fund limited for obligation to a definite period is available only for payment of expenses properly incurred during the period of availability or to complete contracts properly made within that period of availability. Grant recipients may not incur new expenditures beyond the period of performance unless necessary to liquidate obligations made during the period of performance under active agreements or subawards with partnering agencies. Grant recipients must liquidate obligations according to the same rules, including the timeframe, required of its own non-federal funding.

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, 2023 through June 30, 2024

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.

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:	2301WALIEA; 2301WALIEE; 2301WALIEI
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

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 U.S. territories.

In Washington, the Department of Commerce 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. In fiscal year 2024, the Department spent more than \$96 million in federal funds, about \$89.5 million of which it paid to subrecipients.

The LIHEAP Carryover and Reallotment Report is used to indicate the amount expected to be carried forward for obligation in the following fiscal year and the planned use of those funds. The

federal grantor specified there were two key lines items on the report that contained critical information: the carryover amount and the reallocation amount

In the first federal fiscal year after a grant is awarded, the Department must obligate at least 90% of the LIHEAP block grant funds. If funds are left over after the end of the first federal fiscal year, the Department must either return those funds or report the amount it intends to carry over and reallocate. The Department must submit this report by August 1, indicating the amount it expects to carry forward for obligation in the following fiscal year and its planned use of those funds.

To complete this report, the Department's budget unit staff is responsible for reviewing the support and compiling the reported amounts. They are also responsible for completing, reviewing, and approving the report. Program staff are responsible for submitting the 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.

Description of Condition

The Department did not have adequate internal controls over and did not comply with reporting requirements for LIHEAP.

The Department reported that there were no funds for reallocation and there was \$6,033,389 for carryover from the fiscal year 2023 award. The Department created a spreadsheet with manual inputs to calculate the carryover amount. However, the Department was unable to provide the source documentation to support the amounts on the spreadsheet. As a result, the Department was unable to demonstrate that this reported amount was accurate.

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 stated they experienced turnover with key staff responsible for preparing the report. Specifically, the budget staff who had prepared the report in past years left the Department. Instead of budget staff preparing and submitting the report, the program manager, who is not normally involved in this process, was tasked with completing and submitting this report without adequate guidance or oversight by management. The Department stated the staffing changes, combined with duties not being assigned, led to process changes from previous years which resulted in the deficiencies identified.

The Department also did not have written policies or procedures on how to prepare, review and submit this report.

Effect of Condition

Since the Department did not retain supporting documentation and source data for the reports, we were unable to verify whether the amounts the Department reported to the federal grantor were 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
- Ensure management reviews reports before submission
- Establish written policies and procedures on how to complete the report
- Retain adequate supporting documentation for the report
- Consult with the federal grantor to determine if it should revise and resubmit the report

Department's Response

The Department agrees with this finding, and is taking the following actions in response:

- *Developing procedural documents that articulate roles and responsibilities, and documentation retention requirements.*
- *Escalation processes that support resolution of any discrepancies in data.*
- *Implementing a recurring reconciliation processes to find and adjust errors as necessary.*
- *Updating agency policy to reflect uniform standards that are consistent with a singular interpretation of federal guidance.*

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Office of Management and Budget, *2024 Compliance Supplement*, Assistance Listing 93.568 Low-Income Home Energy Assistance Program, describes the compliance requirements for special and performance reporting.

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

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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:	2101WALIEA, 2101WAE5C6, 2101WALWC6, 2101WALWC5, 2201WALIEI, 2201WALIEA, 2201WALIE4, 2301WALIEA, 2301WALIEE, 2301WALIEI, 2401WALIEA, 2401WALIEI
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

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 U.S. territories.

In Washington, the Department of Commerce administers LIHEAP, which provides financial assistance to low-income households to meet their home energy needs. Subawards are issued to community-based organizations to provide this assistance. In fiscal year 2024, the Department spent more than \$96 million in federal funds, about \$89.5 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 \$30,000 in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS). The Department must report subawards by the end of the month following the month in which it executed the subaward (or subaward amendment). The Act is intended to empower the public with the ability to hold the federal government accountable for spending decisions and, as a result, reduce wasteful government spending.

The Department has two units – energy assistance and weatherization – that administer two different program activities. Each unit is responsible for complying with this reporting requirement and have similar processes for completing the reports. When a new or amended subaward is executed, program staff enter its information into the Department’s Contract Management System (CMS). Program staff use the information in the CMS to complete the report. There were a total of 115 awards and amendments that the Department was required to report in fiscal year 2024, totaling \$102,300,556.

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

Description of Condition

The Department did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Act.

During the audit period, the Department was required to report 115 new and amended subawards totaling about \$102 million in program funds. We used a nonstatistical sampling method to randomly select and examine 17 out of the total population of 115 subawards. We found that:

- The Department did not report three out of 17 (18%) subawards in FSRS. The Department asserted it submitted the subawards included in one Federal Funding Accountability and Transparency Act report, but did not retain a copy of the report and was unable to retrieve it from FSRS. We attempted to locate these three subawards at USAspending.gov to verify submission but were unable to do so.
- One out of 17 (6%) subawards reported an incorrect subaward amount
- Two out of 17 (12%) subawards reported the incorrect subrecipient name and unique entity identifier

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 did not have adequate processes in place to ensure it reported the correct information and retained documentation for audit purposes.

For the three subawards not retained, Department management said another staff member submitted this report instead of the program manager. This person no longer works at the Department and the program manager does not have access to their FSRS account.

For the three subawards with incorrect information, internal controls were insufficient to ensure the Department correctly entered the information into the CMS.

Effect of Condition

Failing to properly submit the required reports diminishes the federal government's ability to ensure accountability and transparency of federal spending.

Recommendations

We recommend the Department:

- Establish effective internal controls to ensure it accurately reports all first-tier subawards of \$30,000 or more in FSRS by the federal deadlines
- Ensure it retains copies of completed reports after submitting
- Ensure it correctly enters subaward details into the CMS

Department's Response

Commerce concurs with the finding and will work with budget staff to ensure that Notice of Funding Available (NOFA) information is entered into CMS accurately when it is received.

Program staff enter dollar amounts for contracts and amendments into CMS and budget staff enter the Federal Awards information from the NOFA into CMS. Department staff will look into this process and evaluate updating the data entry process to eliminate the possibility of errors in the entry process.

The FFATA Sub Reporting System (FSRS) does not allow users to review reports that were submitted by other users without the request of account migration. The reports could not be provided due to this restriction of the system. The FSRS system is currently being removed and updated to a different site. In the meantime, Department staff will request account migration of previous users to gain access to previously submitted reports.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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.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 obligatory action that the submission instructions posted at <https://www.fsrs.gov> specify.

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, 2023 through June 30, 2024

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.

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:	2101WALIEA,2101WAE5C6, 2101WALWC6, 2101WALWC5, 2201WALIEI, 2201WALIEA, 2201WALIE4, 2301WALIEA, 2301WALIEE, 2301WALIEI, 2401WALIEA, 2401WALIEI
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Finding 2023-055

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 U.S. territories.

In Washington, the Department of Commerce administers LIHEAP, which provides financial assistance to low-income households to meet their home energy needs. The Department administers and awards LIHEAP funds under two programs: the energy assistance program and the weatherization program. Subawards are issued to community-based organizations to provide this assistance. In fiscal year 2024, the Department spent more than \$96 million in federal funds, about \$89.5 million of which it paid to subrecipients.

The Department is required to collect and report program information through various reports.

LIHEAP Performance Data Form

The LIHEAP Performance Data Form has two modules. Module 1 is the Grant Recipient Survey that collects and reports data on sources and uses of LIHEAP funds. Module 2 is the performance measures used to report data on energy burden targeting and reduction, as well as the continuity of home energy services. The Grant Recipient Survey obligation amounts should be compared with the Carryover and Reallotment and SF-425 reports. This reconciliation is needed to ensure the obligated balances for the program year being tested are accurate.

The key line items include:

- “Uses of Funds” represent a state’s obligation of federal LIHEAP funds, not expenditure of federal LIHEAP funds. In some cases, obligated funds are not actually expended until after the end of the federal fiscal year.
- The total “Uses of Funds” (shown in Item 45 of Section IV) should equal the total “Sources of Funds” (shown in Item 16 of Section III).
- “Other LIHEAP assistance” would include federal LIHEAP funds used to provide “other crisis assistance,” such as furnace or air conditioner repairs or replacements.

Annual Report on Households Assisted by LIHEAP

The Annual Report on Households is used to report data on the number, income levels and demographic information on both households assisted 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 of 2021 (ARPA).

Quarterly Performance and Management Report

The Quarterly Performance and Management Report requires the Department to report aggregated data on total households assisted, performance management metrics and estimated uses of LIHEAP funds, along with some narrative information about program implementation and support.

The Department maintains a LIHEAP database that stores recipient information used to complete many sections of these reports. Department staff rely on reports with preset criteria from this database to pull necessary information.

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 reporting requirements for LIHEAP. The prior finding numbers were 2023-055, 2022-039 and 2021-032.

Description of Condition

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

To ensure the data pulled from the LIHEAP database is accurate and complete, we reviewed the stored procedures for generating the reports. We found that there were errors in the logic that caused these reports to not capture the correct program data that should have been reported to the federal grantor.

We reviewed the LIHEAP Performance Data Form and Annual Report on Households Assisted for the federal fiscal year ending September 30, 2023. In addition, we reviewed the four Quarterly Performance and Management Reports that the Department submitted during the audit period. We examined each report and attempted to recalculate the information reported using the supporting documentation used to prepare the reports and data from the LIHEAP database.

We identified the following discrepancies:

LIHEAP Performance Data Form

In Module 1 Estimated Uses of LIHEAP Funds, 15 of the 21 fields had discrepancies:

- Eight of 21 (38%) fields were inaccurate. The range of variance on what was reported and what was supported was between -\$5,699,151 and \$96,661.
- The Department was unable to provide support for seven of 21 (33%) fields

Furthermore, we found a discrepancy of \$1,945,675 between the total source of funds in section III and the total use of funds in section IV where these amounts should match.

Lastly, the amount reported for obligations on the Performance Data Form did not reconcile to the amounts reported on both the Carryover and Reallotment and the SF-425 reports. The Department reported \$99,468,214 in total obligations on the Performance Data Form and \$101,962,464 on the Carryover and Reallotment and SF-425 reports for a difference of \$2,494,250.

Annual Report on Households Assisted by LIHEAP

- Ten of 14 (71%) fields we examined were inaccurate.
- The differences in the amounts reported and data from the LIHEAP database were between 6322 households underreported to 35 households overreported.

Quarterly Performance and Management Report

- Sections 1, Total Households Assisted and 2, Performance Management:

- For 2023 Q3 we determined that three out of three (100%) fields were inaccurate.
 - The difference between values reported and data provided were between 103 to 3924 households underreported.
- For 2023 Q4 we determined that three out of three (100%) fields were inaccurate.
 - The difference between values reported and data provided were between one to 451 households underreported.
- Section 3, Estimated Uses of Funds:
 - For the 2023 Q3 & Q4 reports there was a difference of -\$7,286,259 in the reported amount of funds obligated with the amount in documentation provided.
 - For the 2024 Q1 & Q2 reports there was a difference of -\$8,528,492 in the reported amount of funds obligated with the amount in documentation provided.

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

Cause of Condition

For all three reports, there were errors in the logic used to pull data from the LIHEAP Database that caused sections of these reports to contain inaccurate data. The Department did not detect these errors before the audit. In addition, management did not ensure they properly reviewed and approved these reports before the Department submitted them.

In response to the prior year finding, the Department began to retain source documentation used at the time of completing these reports. However, for the Quarterly Performance Management Report, the Department had already completed two of the quarterly reports before implementing this new process. Therefore, current data from the LIHEAP database was used to test these two quarters and since this is real-time data that can change over time without the ability to track changes, the data used to verify the reported amounts has changed since the time of report submission.

Department officials also said the agency is understaffed and experienced turnover among key personnel, including management, who are involved in preparing and submitting the reports.

Effect of Condition

By not establishing proper logic to pull data from the LIHEAP database, the Department cannot ensure the amounts reported to the federal grantor were complete and accurate.

Additionally, by not retaining supporting documentation and source data for the Quarterly Performance Management Report, management was unable to demonstrate the amounts the Department reported to the federal grantor were complete and accurate.

Finally, 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 reports are accurate and complete
- Establish effective internal controls to ensure that the LIHEAP Database reports are accurate and complete
- Ensure management reviews reports before submission
- Ensure it retains supporting documentation and real-time data used to prepare the reports
- Ensure all amounts reported align with reporting requirements and methodologies
- Consult with the federal grantor to determine if revision and resubmission of the reports are necessary to correct amounts reported

Department's Response

We concur with the audit finding and are committed to implementing corrective actions to address the identified discrepancies. Program staff will work with the Financial Services Division (FSD) staff to enhance internal controls and ensure accurate reporting by requiring that all sections completed by budget staff be reviewed and approved by the Budget Manager for completeness and accuracy prior to submission to the program for entry into the Federal Reporting System. Additionally, budget and accounting staff and managers will ensure Module 1 of the LIHEAP Performance Data Form reconciles to the amounts reported on both the Carryover and Reallotment, and the SF-425 reports to prevent reporting inconsistencies.

As a result of the deficiencies identified, information technology (IT) staff conducted a thorough review of the LIHEAP Admin Report 706 – LIHEAP AT 2024 HHR Long Form FY 24 and identified errors affecting data accuracy. System updates were implemented to correct these issues and ensure alignment with the federal reporting guidelines. IT staff will continue to monitor and refine data processes to improve accuracy and consistency. These efforts will ensure that LIHEAP reports remain complete, accurate, and compliant with federal reporting requirements.

It is important to note that quarterly reports are point-in-time counts and can change throughout the program year. The inaccuracies in the quarterly reports were due to the omission of LIHEAP Weatherization obligations. Following guidance from the U.S. Department of Health and Human Services program staff will include LIHEAP-Weatherization obligations for all future reporting.

To better explain some of the deficiencies reported, the period of performance audited is the state fiscal year which presents challenges in immediately implementing corrective actions. Each SAO audit covers two overlapping federal award periods which restricts our ability to make required changes until the next program cycle, as contracts and NOFA information are already executed when findings are issued. Despite this, the program is committed to integrating necessary corrections at the start of each new program year to improve the accuracy and completeness of LIHEAP reporting.

Auditor's Remarks

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

Applicable Laws and Regulations

Title 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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 of Management and Budget, *2024 Compliance Supplement*, Assistance Listing 93.568 Low-Income Home Energy Assistance Program, describes the compliance requirements for special and performance reporting.

The U.S. Department of Health and Human Services, Division of Energy Assistance, Office of Community Services, Administration of Children and Families, provides the following reporting instructions:

- *Instructions for the LIHEAP Performance Data Form for FFY 2023*
- *Instructions for the LIHEAP Household Report for FFY 2023 – Long Form*
- *Instructions for Completion of the Quarterly Performance and Management Report for the Low-Income Home Energy Assistance Program*

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, 2023 through June 30, 2024

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.

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:	2101WALIEA, 2101WAE5C6, 2101WALWC6, 2101WALWC5, 2201WALIEI, 2201WALIEA, 2201WALIE4, 2301WALIEA, 2301WALIEE, 2301WALIEI, 2401WALIEA, 2401WALIEI
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, 2023-056

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 U.S. territories.

In Washington, the Department of Commerce 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. In fiscal year 2024, the Department spent more than \$96 million in federal funds, about \$89.5 million of which it paid to subrecipients.

The Department administers and awards LIHEAP funds under two programs: the energy assistance program and the weatherization program. During the audit period, the energy assistance program allocated funds to 26 subrecipients to assist low-income households with their energy costs, and the weatherization program allocated funds to 24 subrecipients for construction projects to increase the energy efficiency of homes and apartments. About 85% of LIHEAP funds go to the energy assistance program, with no more than 15% allocated for weatherization activities. Each program makes separate subawards to subrecipients.

Federal regulations require pass-through entities to ensure that every subaward is clearly identified to a subrecipient as a subaward, and that it includes 14 federal award identification elements. These elements include the subrecipient's unique entity identifier, the Federal Award Identification Number, name of the federal awarding agency, the program's Assistance Listing Number and title, and more. The contract unit creates and maintains contract and subaward templates that programs use to draft contracts and subawards but is not involved in reviewing these subawards for compliance prior to execution. LIHEAP program management prepare and review subawards prior to execution to ensure all elements are included in 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 Department did not have adequate internal controls over and did not comply with federal requirements to ensure subawards for LIHEAP contained the federal award identification elements. The prior finding number was 2023-056.

Description of Condition

The Department did not have adequate internal controls over and did not comply with federal requirements to ensure subawards for LIHEAP are clearly identified as subawards.

During the audit period, the Department executed 63 LIHEAP subawards for the energy assistance and weatherization programs. The Department uses the same process for these two programs to ensure the 14 federal award identification elements are included in the subawards. We used a nonstatistical sampling method to randomly select and examine 12 out of a total population of 63.

We found that seven subawards (58%) for energy assistance did not clearly identify the subaward as such to the subrecipient. On the face sheet of these subawards there are boxes to identify if the agreement is for a subrecipient or contract. For these seven awards, the Department identified it was for a contractor instead of a subrecipient even though the fields on the face sheet use the term "grantee." In addition, for these seven agreements, the page following the face sheet in the agreement is a sheet titled "Contract Information Sheet." This sheet refers to the subrecipient as a contractor and continues to use the terms contract and contractor throughout the remainder of the agreement.

All seven of the agreements are also titled as “Federal Client Service Contract.” Washington state law has specific guidance and requirements related to client service contracts that are not consistent with requirements for subawards.

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

Cause of Condition

The program manager for energy assistance believed these award recipients to be contractors instead of subrecipients. In addition, the contract and subaward templates created by the contract unit at the Department use consistent language throughout, but the program manager edited the templates, resulting in inconsistent language.

Effect of Condition

By not correctly identifying the award as a subaward, the Department cannot ensure the subrecipient will comply with federal subrecipient requirements.

Recommendation

We recommend the Department establish policies and procedures and provide training for staff to ensure subawards are clearly identified as such to subrecipients. In addition, we recommend the Department consider incorporating the contracts unit when reviewing draft contracts and subawards.

Department’s Response

The Department acknowledges the SAO finding but clarifies that the terminology used in subawards was not the result of a program manager’s independent modifications, the term “contractor” is included in Department contracts to refer to the entity the Department is contracting with, it was not used to designate the federal recipient type. Department templates used for subrecipient awards have been updated to include a designation of contractor or subrecipient.

For all future contracts, the LIHEAP program will ensure the applicable contract templates are used to include the federal recipient type and all of the requirements for pass through entities.

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 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, section 352, Requirements for pass-through entities, states, in part:

All pass-through entities must:

- a. Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. ...

Title 45 CFR Part 75, section 2, Definitions, state, in part:

These are the definitions for terms used in this part. Different definitions may be found in Federal statutes or regulations that apply more specifically to particular program or activities. These definitions could be supplemented by additional instructional information provided in in governmentwide standard information collections.

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward (see *Subaward*).

Contractor means an entity that receives a contract as defined in *Contract*.

Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

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

Title 39 *Revised Code of Washington*, Chapter 39.26, Procurement of Goods and Services, contains guidance on the procurement of goods and services, including for client service contracts.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.**

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:	2101WALIEA, 2101WAE5C6, 2101WALWC6, 2101WALWC5, 2201WALIEI, 2201WALIEA, 2201WALIE4, 2301WALIEA, 2301WALIEE, 2301WALIEI, 2401WALIEA, 2401WALIEI
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

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 U.S. territories.

In Washington, the Department of Commerce administers LIHEAP, which provides financial assistance to low-income households to meet their home energy needs. The Department administers and awards LIHEAP funds under two programs: the energy assistance program and the weatherization program. Subawards are issued to community-based organizations to provide

this assistance. In fiscal year 2024, the Department spent more than \$96 million in federal funds, about \$89.5 million of which it paid to subrecipients.

Federal regulations require the Department to monitor its subrecipients' activities. This includes verifying that its subrecipients that spend \$750,000 or more on 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 to subrecipients, the Department 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 Department-funded program, federal law requires the Department 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.

To monitor its compliance with these requirements, the Internal Control Office uses an Excel workbook to track subrecipients' single audits along with identifying any program-funded findings. The subrecipients included on this list are provided to the Internal Control Office by program staff.

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

Description of Condition

The Department did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the LIHEAP received required single audits, and that it appropriately followed up on findings and issued management decisions.

During the audit period, the spreadsheet used to monitor compliance with these requirements included seven LIHEAP subrecipients. By reviewing prior year LIHEAP expenditures, we determined there were 33 LIHEAP subrecipients that may have been required to receive a single audit. We requested the Department verify this number, but did not receive a confirmation. As a result, we concluded the Department did not properly track 26 out of these 33 subrecipients to review the subrecipients' audits for program-funded findings and completion of required management decisions, if applicable.

In addition, we found one subrecipient received a LIHEAP finding requiring a management decision letter. This subrecipient was not tracked on the spreadsheet and no letter was issued by

the end of the audit period, 14 months after the report was accepted into the Federal Audit Clearinghouse.

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 Internal Control Office staff responsible for ensuring compliance received a list of subrecipients from program staff, but did not verify that the list was complete. Therefore, the list provided by program staff was tracked, but not the remaining subrecipients.

Effect of Condition

Without establishing adequate internal controls, the Department cannot ensure that all subrecipients received single audits when they were required. Further, the Department cannot ensure it follows up on subrecipient single audit findings and communicates required management decisions to subrecipients. By failing to ensure subrecipients establish corrective actions and that management monitors them for effectiveness when required, the Department cannot determine whether its subrecipients have sufficiently corrected issues identified in audit findings.

Recommendations

We recommend the Department:

- Monitor subrecipients to ensure all required audit reports are submitted and reviewed to determine if any additional subrecipients are required to take corrective action to address audit recommendations
- Establish effective internal controls to ensure it reviews audit reports for its subrecipients and issues written management decisions, as required
- Ensure subrecipients develop and take acceptable corrective actions to adequately address all audit recommendations
- Issue a written management decision for all applicable audit findings, if necessary

Department's Response

The Department appreciates the review of the single audit verification process but respectfully disagrees with information reported in the finding. The Internal Controls Office (ICO) implemented strong internal controls in 2022 to monitor and verify single audit reporting. This is supported by fiscal year 2023 opinions issued which found no deficiencies. During the current audit the auditor in charge changed three times leading to issues in understanding of the monitoring process. Additionally, a total of eight subrecipients were selected for testing of management decisions, however, seven of those selected were drawn inaccurately and not applicable for testing at Commerce.

The process to identify, review, verify and document subrecipients who meet the federal single audit reporting requirements is comprehensive but relies on information provided from internal programs. ICO staff generate a Contracts Management System (CMS) report, an Agency Financial Reporting System (AFRS) report to identify federally funded subrecipients then confirm then with program staff. The process largely relies on our program partners to confirm their list of subrecipients.

As referenced in the current year LIHEAP finding for subrecipient monitoring subaward language, most of the subrecipients were identified as contractors who are exempt from federal reporting resulting in the ICO receiving an incomplete list of subrecipients to verify. A total of eight LIHEAP recipients were verified as they received funding and were confirmed as subrecipients of other programs. After receiving the updated list of subrecipients in October 2024, ICO staff verified all but three, of those, two did not meet the reporting threshold and one report we are requesting to obtain from the entity. The Department acknowledges internal controls need to be strengthened in the determination of recipient type.

As a result of staffing shortages, the management decision letter tested was not issued within the six month requirement. We have worked on addressing the staffing shortages and will continue to strengthen controls and compliance when deficiencies are identified.

Auditor's Remarks

The original testing selections sent to the Department did include seven Department subrecipients that did not have findings related to the LIHEAP program, but these were removed from the testing population once this was identified during the normal audit process and they were not included in our reported results.

We appreciate the Department acknowledges that it did not monitor the single audit requirement for all LIHEAP subrecipients during the audit period and that the only subrecipient with a LIHEAP finding did not receive a management decision letter. We also appreciate the Department's commitment to strengthening its control processes to ensure it has a full population of subrecipients that are required to be monitored for compliance.

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

Applicable Laws and Regulations

Title 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, section 352, Requirements for pass-through entities, states, in part:

All pass-through entities must:

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
 - 2. Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.
 - 3. Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by § 75.521.
- (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 forth in § 75.501.
- (h) Consider taking enforcement action against noncompliant subrecipients as described in § 75.371 and in program regulations.

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, 2023 through June 30, 2024

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.

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:	2103WACCDF; 2103WACCDD; 2303WACCDF; 2303WACCDD; 2403WACCDM; 2403WACCDD; 2103WACDC6; 2103WACSC6; 2103WACCC5; 2024WACCDD
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:	\$415,579,473
Prior Year Audit Finding:	Yes, Finding 2023-058

Background

The Department of Children, Youth, and Families 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 2024, the Department spent about \$483.5 million in federal funding.

The Department is responsible for establishing policies to ensure payments to providers for child care services are allowable. In fiscal year 2024, the Department spent more than \$415 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 client's eligibility. 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 to have accounting procedures that are sufficient for tracing grants to a level of expenditure adequate to show that they have used them 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 childcare providers were allowable and properly supported. We have reported this condition since 2005. The most recent audit finding numbers were 2023-058, 2022-041, 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 at the fund level more than once, making the underlying data increasingly unreliable with each transfer.

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

Cause of Condition

The Department is required to maintain sufficient documentation for each payment it makes with federal dollars. The Department's accounting practices prevent 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 and Questioned Costs

By not complying with federal law requirements to maintain adequate supporting documentation for expenditures, the Department 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 the Department made with federal CCDF funds in the audit period was \$415,579,473. The Department also partially funded these payments with an additional \$208,098,727 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 \$415,579,473 in federal program costs it 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 it should repay the questioned costs identified in the audit

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 and did not include child-level data as required by SAO.

The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) which states:

“the ACF noted that the auditor raised concern about the Department's accounting procedures and efforts made to trace expenditures at the transaction-level. As the basis for the finding, the auditor used CFRs (200.53, 200.303, 200.403, 200.410) that do not apply to CCDF. Federal regulations allow Lead Agencies to expend and account for CCDF funds in accordance with their own procedures.”

In addition, ACF did not sustain the disallowance of questioned costs and stated:

“Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities.”

The ACF recommended, “that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations.”

The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit that can be used to accurately test compliance. The SAO maintained that the program is not auditable without child-level data. During the audit period, the Department did not have the staff and resources 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 auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget.

The enacted 2024 supplemental budget included funding to implement the Department's budget request for funding beginning in state fiscal year 2025 and specified:

"Funding in this subsection must be expended with internal controls that provide child-level detail for all transactions, beginning July 1, 2024"

Upon receiving funding, the Department is working with a developer to assist with building out the required databases between the Social Service Payment System (SSPS) and the Agency Financial Reporting System (AFRS) to allow transfers between fundings sources to include the child-level data related to the expenditures. The Department looks forward to working with SAO to resolve the child-level data concerns and move forward with auditing the CCDF grant programs.

Auditor's Remarks

The level of documentation needed to support grant expenditures is not established by our Office, but in title 45 of the *U.S. Code of Federal Regulations* and the state's grant award. During the February 2022 meeting with HHS that the Department referenced in its response, the grantor stated the specific federal law the Department's accounting procedures were noncompliant with was 45 CFR 98.67.

We agree with the HHS management decision that our references to 2 CFR 200.53, 200.303, 200.403 and 200.410 in the 2021 finding were not correct. However, HHS adopted these **same** requirements in 45 CFR 75.2, 75.303, 75.403 and 75.410, respectfully. These requirements were all in place during the audit period. The proper references were included in the prior year finding and are included in this finding as well.

Without adequate transactional level payment data, our Office is unable to perform tests to verify the Department met these requirements. In addition, we also are unable to verify whether the Department complied with matching, level of effort and earmarking requirements, or that required financial information reported to the federal government was accurate. These matters are referenced in separate findings in our report.

In its response, the Department references a management decision letter issued October 3, 2023. The finding was partially sustained because the questioned costs identified in the audit would not be disallowed. The management decision states:

"The ACF partially sustains the finding and recommendation. The ACF agrees with the auditor that the Department should strengthen internal controls to ensure payments to child care providers are allowable and properly supported."

"The ACF does not sustain a disallowance for the questioned costs in the amount of \$271,353,409 representing the entire amount of the CCDF grant award. Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."

We are not aware of what procedures ACF performed to conclude expenditures reported by the Department for fiscal year 2024 were spent only for allowable activities, were for allowable costs and met federal cost principles. We questioned all expenditures because, in our judgment, they were unauditable.

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

Applicable Laws and Regulations

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 2, Definitions, includes the definition of improper payment.

45 CFR Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

45 CFR Part 75, section 403, Factors Affecting Allowability of Costs.

45 CFR Part 75, section 410, Collection of Unallowable Costs

45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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.

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, 2023 through June 30, 2024

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.

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:	2103WACCDF; 2103WACCDD; 2303WACCDF; 2303WACCDD; 2403WACCDM; 2403WACCDD; 2103WACDC6; 2103WACSC6; 2103WACCC5; 2024WACCDD
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Matching, Level of Effort, Earmarking
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-060

Background

The Department of Children, Youth, and Families 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 2024, the Department spent about \$483.5 million in federal funding.

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 to have accounting procedures that are sufficient for tracing grants to a level of expenditure adequate to show that they have used them 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 2023-060, 2022-042, 2021-036, 2020-040 and 2019-037.

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 2024-056.

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. The Department's accounting practices prevent it from meeting this requirement.

In fiscal year 2021, the Department informed our Office that it had 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 requirements to maintain 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 and did not include child-level data as required by SAO.

The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) which states:

"the ACF noted that the auditor raised concern about the Department's accounting procedures and efforts made to trace expenditures at the transaction-level. As the basis for the finding, the auditor used CFRs (200.53, 200.303, 200.403, 200.410) that do not apply to CCDF. Federal regulations allow Lead Agencies to expend and account for CCDF funds in accordance with their own procedures."

In addition, ACF did not sustain the disallowance of questioned costs and stated:

"Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."

The ACF recommended,

"that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations."

The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit that can be used to accurately test compliance. The SAO maintained that the program is not auditable without child-level data. During the audit period, the Department did not have the staff and resources 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 auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget.

The enacted 2024 supplemental budget included funding to implement the Department's budget request for funding beginning in state fiscal year 2025 and specified:

"Funding in this subsection must be expended with internal controls that provide child-level detail for all transactions, beginning July 1, 2024"

Upon receiving funding, the Department is working with a developer to assist with building out the required databases between the Social Service Payment System (SSPS) and the Agency Financial Reporting System (AFRS) to allow transfers between fundings sources to include the child-level data related to the expenditures. The Department looks forward to working with SAO to resolve the child-level data concerns and move forward with auditing the CCDF grant programs.

Auditor's Remarks

The level of documentation needed to support grant expenditures is not established by our Office, but in title 45 of the *U.S. Code of Federal Regulations* and the state's grant award. During the February 2022 meeting with HHS that the Department referenced in its response, the grantor stated the specific federal law the Department's accounting procedures were noncompliant with was 45 CFR 98.67.

We agree with the HHS management decision that our references to 2 CFR 200.53, 200.303, 200.403 and 200.410 in the 2021 finding were not correct. However, HHS adopted these **same** requirements in 45 CFR 75.2, 75.303, 75.403 and 75.410, respectfully. These requirements were all in place during the audit period. The proper references were included in the prior year finding and are included in this finding as well.

Without adequate transactional level payment data, our Office is unable to perform tests to verify the Department met these requirements. In addition, we also are unable to verify whether the Department complied with matching, level of effort and earmarking requirements, or that required financial information reported to the federal government was accurate. These matters are referenced in separate findings in our report.

In its response, the Department references a management decision letter issued October 3, 2023. The finding was partially sustained because the questioned costs identified in the audit would not be disallowed. The management decision states:

"The ACF partially sustains the finding and recommendation. The ACF agrees with the auditor that the Department should strengthen internal controls to ensure payments to child care providers are allowable and properly supported."

"The ACF does not sustain a disallowance for the questioned costs in the amount of \$271,353,409 representing the entire amount of the CCDF grant award. Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."

We are not aware of what procedures ACF performed to conclude expenditures reported by the Department for fiscal year 2024 were spent only for allowable activities, were for allowable costs and met federal cost principles. We questioned all expenditures because, in our judgment, they were unauditable.

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

Applicable Laws and Regulations

45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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 tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the provisions of this part.

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

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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:	2103WACCDF; 2103WACCDD; 2303WACCDF; 2303WACCDD; 2403WACCDM; 2403WACCDD; 2103WACDC6; 2103WACSC6; 2103WACCC5; 2024WACCDD
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Period of Performance
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-061

Background

The Department of Children, Youth, and Families 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 2024, the Department spent about \$483.5 million in federal funding.

Each federal grant specifies a performance period during which recipients must obligate and liquidate program costs. These periods typically align with the federal fiscal year of October 1 through September 30. Payments for costs charged before a grant's beginning date or after the ending date are not allowed without the grantor's prior approval.

The CCDF consists of three distinct funding sources: Discretionary Fund, Mandatory Fund, and Matching Fund. Each of these funds has specific period of performance requirements established in federal regulation (45 CFR § 98.60(d)). Recipients must obligate:

- Discretionary funds by the end of the succeeding fiscal year after award and must expend them by the end of the third fiscal year after award
- Mandatory funds by the end of the fiscal year in which they are awarded if the state also requests matching funds. If the state does not request matching funds for the fiscal year, then the Mandatory Funds are available until liquidated.
- Matching funds by the end of the fiscal year in which they are awarded and must liquidate them 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 and the Coronavirus Response and Relief Supplemental Appropriations 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 used them 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 2023-061, 2022-043, 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. We also referenced this condition in audit finding 2024-056.

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. The Department's accounting practices prevent 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 requirements to maintain 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 and did not include child-level data as required by SAO.

The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) which states:

"the ACF noted that the auditor raised concern about the Department's accounting procedures and efforts made to trace expenditures at the transaction-level. As the basis for the finding, the auditor used CFRs (200.53, 200.303, 200.403, 200.410) that do not apply to CCDF. Federal regulations allow Lead Agencies to expend and account for CCDF funds in accordance with their own procedures."

In addition, ACF did not sustain the disallowance of questioned costs and stated:

"Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."

The ACF recommended,

"that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations."

The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit that can be used to accurately test compliance. The SAO maintained that the program is not auditable without child-level data. During the audit period, the Department did not have the staff and resources 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 auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget.

The enacted 2024 supplemental budget included funding to implement the Department's budget request for funding beginning in state fiscal year 2025 and specified:

"Funding in this subsection must be expended with internal controls that provide child-level detail for all transactions, beginning July 1, 2024"

Upon receiving funding, the Department is working with a developer to assist with building out the required databases between the Social Service Payment System (SSPS) and the Agency Financial Reporting System (AFRS) to allow transfers between fundings sources to include the child-level data related to the expenditures. The Department looks forward to working with SAO to resolve the child-level data concerns and move forward with auditing the CCDF grant programs.

Auditor's Remarks

The level of documentation needed to support grant expenditures is not established by our Office, but in title 45 of the *U.S. Code of Federal Regulations* and the state's grant award. During the February 2022 meeting with HHS that the Department referenced in its response, the grantor stated the specific federal law the Department's accounting procedures were noncompliant with was 45 CFR 98.67.

We agree with the HHS management decision that our references to 2 CFR 200.53, 200.303, 200.403 and 200.410 in the 2021 finding were not correct. However, HHS adopted these **same** requirements in 45 CFR 75.2, 75.303, 75.403 and 75.410, respectfully. These requirements were all in place during the audit period. The proper references were included in the prior year finding and are included in this finding as well.

Without adequate transactional level payment data, our Office is unable to perform tests to verify the Department met these requirements. In addition, we also are unable to verify whether the Department complied with matching, level of effort and earmarking requirements, or that required financial information reported to the federal government was accurate. These matters are referenced in separate findings in our report.

In its response, the Department references a management decision letter issued October 3, 2023. The finding was partially sustained because the questioned costs identified in the audit would not be disallowed. The management decision states:

"The ACF partially sustains the finding and recommendation. The ACF agrees with the auditor that the Department should strengthen internal controls to ensure payments to child care providers are allowable and properly supported."

"The ACF does not sustain a disallowance for the questioned costs in the amount of \$271,353,409 representing the entire amount of the CCDF grant award. Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."

We are not aware of what procedures ACF performed to conclude expenditures reported by the Department for fiscal year 2024 were spent only for allowable activities, were for allowable costs and met federal cost principles. We questioned all expenditures because, in our judgment, they were unauditable.

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

Applicable Laws and Regulations

45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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.

(4) 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 tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the provisions of this part.

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

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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:	2103WACCDF; 2103WACCDD; 2303WACCDF; 2303WACCDD; 2403WACCDM; 2403WACCDD; 2103WACDC6; 2103WACSC6; 2103WACCC5; 2024WACCDD
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-062

Background

The Department of Children, Youth, and Families 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 2024, the Department spent about \$483.5 million in federal funding.

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 CCF 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 used them 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 financial reporting requirements for the CCDF program. The prior finding numbers were 2023-062, 2022-044 and 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 fund 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. We also referenced this condition in audit finding 2024-056.

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 using federal dollars. The Department's accounting practices prevent it from meeting this requirement.

In fiscal year 2021, the Department informed our Office that it had 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 them. 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 requirements to maintain adequate supporting documentation for expenditures, the Department created a condition that made it impossible for our Office to audit the CCDF program 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 and did not include child-level data as required by SAO.

The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) which states:

"the ACF noted that the auditor raised concern about the Department's accounting procedures and efforts made to trace expenditures at the transaction-level. As the basis for the finding, the auditor used CFRs (200.53, 200.303, 200.403, 200.410) that do not apply to CCDF. Federal regulations allow Lead Agencies to expend and account for CCDF funds in accordance with their own procedures."

In addition, ACF did not sustain the disallowance of questioned costs and stated:

"Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."

The ACF recommended,

"that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations."

The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit that can be used to accurately test compliance. The SAO maintained that the program is not auditable without child-level data. During the audit period, the Department

did not have the staff and resources 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 auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget.

The enacted 2024 supplemental budget included funding to implement the Department's budget request for funding beginning in state fiscal year 2025 and specified:

"Funding in this subsection must be expended with internal controls that provide child-level detail for all transactions, beginning July 1, 2024"

Upon receiving funding, the Department is working with a developer to assist with building out the required databases between the Social Service Payment System (SSPS) and the Agency Financial Reporting System (AFRS) to allow transfers between fundings sources to include the child-level data related to the expenditures. The Department looks forward to working with SAO to resolve the child-level data concerns and move forward with auditing the CCDF grant programs.

Auditor's Remarks

The level of documentation needed to support grant expenditures is not established by our Office, but in title 45 of the *U.S. Code of Federal Regulations* and the state's grant award. During the February 2022 meeting with HHS that the Department referenced in its response, the grantor stated the specific federal law the Department's accounting procedures were noncompliant with was 45 CFR 98.67.

We agree with the HHS management decision that our references to 2 CFR 200.53, 200.303, 200.403 and 200.410 in the 2021 finding were not correct. However, HHS adopted these **same** requirements in 45 CFR 75.2, 75.303, 75.403 and 75.410, respectfully. These requirements were all in place during the audit period. The proper references were included in the prior year finding and are included in this finding as well.

Without adequate transactional level payment data, our Office is unable to perform tests to verify the Department met these requirements. In addition, we also are unable to verify whether the Department complied with matching, level of effort and earmarking requirements, or that required financial information reported to the federal government was accurate. These matters are referenced in separate findings in our report.

In its response, the Department references a management decision letter issued October 3, 2023. The finding was partially sustained because the questioned costs identified in the audit would not be disallowed. The management decision states:

"The ACF partially sustains the finding and recommendation. The ACF agrees with the auditor that the Department should strengthen internal controls to ensure payments to child care providers are allowable and properly supported."

“The ACF does not sustain a disallowance for the questioned costs in the amount of \$271,353,409 representing the entire amount of the CCDF grant award. Although the Department’s internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities.”

We are not aware of what procedures ACF performed to conclude expenditures reported by the Department for fiscal year 2024 were spent only for allowable activities, were for allowable costs and met federal cost principles. We questioned all expenditures because, in our judgment, they were unauditable.

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

Applicable Laws and Regulations

45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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.

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, 2023 through June 30, 2024

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.

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:	2103WACCDF; 2103WACCDD; 2303WACCDF; 2303WACCDD; 2403WACCDM; 2403WACCDD; 2103WACDC6; 2103WACSC6; 2103WACCC5
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:	None
Prior Year Audit Finding:	Yes, Finding 2023-064

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 2024, the Department spent about \$483.5 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 nonrelative FFN providers to complete health and safety training within 90 days of their subsidy payment begin 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 nonrelative FFN providers within a year of subsidy approval. During these visits, an FFN specialist reviews health and safety requirements and reminds the provider of the ongoing training 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 nine 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 2023-064, 2022-045, 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 6,416 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 16 instances (27%) in which the licensor did not conduct the appropriate follow-up visit on noncompliance issues within the required time frame.

Nonrelative FFN provider ongoing training and annual technical visits

The Department asserted that it uses the FFN Household CCDF Monitoring Report in WA Compass to determine if the FFN meets all training requirements. After reviewing this report, we determined that while the report contains information on current training requirements, it does not contain information for training that has already occurred during the audit period.

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

Department officials said the agency did not conduct 16 of the 59 monitoring follow-up visits within the required timeframe that we reviewed because it was unable to maintain the necessary level of staffing. Additionally, management did not ensure monitoring follow-up visits on identified noncompliance occurred, as the CCDF program requires.

Nonrelative FFN provider ongoing training and technical visits

Department staff remove FFNs from the personal tracking spreadsheets once training is completed, and the information is not maintained in the WA Compass system, which prevented our Office from fully auditing the Department's monitoring activities during the audit period for ensuring that training requirements for FFNs were completed timely.

Effect of Condition

Licensed provider annual monitoring and noncompliance follow-ups

By not following up on noncompliance in a timely manner, the Department did not have assurance that providers met health and safety requirements, which can put children in jeopardy of harm, neglect and unhealthy environments.

Nonrelative FFN provider ongoing training and technical visits

By not retaining documentation of monitoring activities, the Department could not demonstrate that it was performing monitoring.

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
- Improve documentation of internal controls to support that it performed monitoring activities during the audit period

Department's Response

The Department is strongly committed to ensuring the health, safety, and well-being of all children in care. As to the State Auditor's Office (SAO) specific findings, the Department partially concurs and offers the following detail:

Licensed provider annual monitoring and noncompliance follow-ups

The Department concurs that follow up visits were not completed timely for the cases identified by SAO. Given the Department's limited staffing resources and high volume of providers, the Department was unable to complete all follow up visits within the timelines required. During state fiscal year 2024 the Department took the following actions to strengthen internal controls and increase recruitment of licensing staff:

- *Developed and implemented a monitoring recheck tool in the WA Compass system assist with tracking and monitoring requirements are completed prior to cases being marked complete within the system.*
- *Created the option to document on the monitoring checklist when a non-compliance item is Corrected On-site during the monitoring visit.*
- *Created a new unit of licensing staff in King County to assist with caseload increases in the fastest growing provider area in Washington.*
- *Established new licensing staff positions to create a pathway for advancement to assist with staff recruitment efforts.*
- *Implemented new recruitment and training plans for child care licensors. Recruited and trained licensors were able to complete monitoring visits at the same rate as experienced licensing staff.*

During state fiscal year 2024 the Department completed 100% of on-site monitoring visits. Of the cases identified by SAO, the average follow up visit is delayed by 11 business days. Although the follow up visits were not completed within the timelines required, 100% of the follow up visits occurred. The Department is focused on strengthening internal controls around all health and safety requirements and is confident that corrective actions taken will improve this area moving forward.. As part of its quality improvement initiative, the Department has implemented data-driven decisions to assist providers and their staff to meet health and safety requirements and prioritized monitoring visits to come back into compliance.

Nonrelative FFN provider ongoing training and technical visits

The Department partially concurs with the audit finding. The State Auditor's Office (SAO) selected samples and examined 44 nonrelative providers that received child care payments during the audit period. In all instances, SAO found no issues of noncompliance or exceptions, all providers had their required trainings and technical visits as outlined in the Departments applicable health and safety WACs.

The MERIT system and the WA Compass system are monitored by staff to ensure providers comply with health and safety requirements. The current WA Compass reports are real-time dashboards to assist staff with determining requirements that are due within 30, 60, 90 days. MERIT is the system of record for individual providers training requirements. Staff perform monitoring activities outlined in the reports to verify compliance, to include checking training completion dates in MERIT and updating WA Compass with the information. Once requirements are met in WA Compass the completed tasks are no longer reflected on the dashboard. The SAO maintained that the program is not auditable without the historical data showing compliance due dates to document monitoring activities including training requirements.

The Department is committed to collaborating with SAO to determine an appropriate methodology that identify a sampling unit that can be used to accurately test internal controls around monitoring activities. Staff will continue to track and monitor FFN health and safety requirements with available tools and determine how to retain documentation to demonstrate this compliance for SAO.

Auditor's Remarks

Regarding Nonrelative FFN provider ongoing training and technical visits, we selected and tested ongoing training and technical visits for 13 nonrelative FFN providers.

Because the Department's FFN Household CCDF Monitoring Report only contains information on current training requirements, and the Department could not provide other support for its monitoring control activities, we could not determine if monitoring occurred during the audit period.

We appreciate the Department's commitment to improve its monitoring and compliance with health and safety requirements. 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

45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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 Part 98.41, *Health and safety requirements*, states:

- (a) Each Lead Agency shall certify that there are in effect, within the State (or other area served by the Lead Agency), under State, local or tribal law, requirements (appropriate to provider setting and age of children served) that are designed, implemented, and enforced to protect the health and safety of children. Such requirements, which are subject to monitoring pursuant to § 98.42, shall:

- (1) Include health and safety topics consisting of, at a minimum:

- (i) The prevention and control of infectious diseases (including immunizations); with respect to immunizations, the following provisions apply:

- (A) As part of their health and safety provisions in this area, Lead Agencies shall assure that children receiving services under the CCDF are age-appropriately immunized. Those health and safety provisions shall incorporate (by reference or otherwise) the latest recommendation for childhood immunizations of the respective State, territorial, or tribal public health agency.

- (B) Notwithstanding this paragraph (a)(1)(i), Lead Agencies may exempt:

- (1) Children who are cared for by relatives (defined as grandparents, great grandparents, siblings (if living in a separate residence), aunts, and uncles), provided there are no other unrelated children who are cared for in the same setting.

- (2) Children who receive care in their own homes, provided there are no other unrelated children who are cared for in the home.

- (3) Children whose parents object to immunization on religious grounds.

- (4) Children whose medical condition contraindicates immunization.
- (C) Lead Agencies shall establish a grace period that allows children experiencing homelessness and children in foster care to receive services under this part while providing their families (including foster families) a reasonable time to take any necessary action to comply with immunization and other health and safety requirements.
- (1) The length of such grace period shall be established in consultation with the State, Territorial or Tribal health agency.
 - (2) Any payment for such child during the grace period shall not be considered an error or improper payment under subpart K of this part.
 - (3) The Lead Agency may also, at its option, establish grace periods for other children who are not experiencing homelessness or in foster care.
 - (4) Lead Agencies must coordinate with licensing agencies and other relevant State, Territorial, Tribal, and local agencies to provide referrals and support to help families of children receiving services during a grace period comply with immunization and other health and safety requirements;
- (ii) Prevention of sudden infant death syndrome and use of safe sleeping practices;
 - (iii) Administration of medication, consistent with standards for parental consent;
 - (iv) Prevention and response to emergencies due to food and allergic reactions;
 - (v) 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 Pediatric first aid and cardiopulmonary resuscitation; (xi) Recognition and reporting of child abuse and neglect, in accordance with the requirement in paragraph(e) of this section; and
 - (xii) May include requirements relating to:
 - (A) Nutrition (including age-appropriate feeding);
 - (B) Access to physical activity;
 - (C) Caring for children with special needs; or
 - (D) Any other subject area determined by the Lead Agency to be necessary to promote child development or to protect children's health and safety.
- (2) Include minimum health and safety training on the topics above, as described in § 98.44.
- (b) Lead Agencies may not set health and safety standards and requirements other than those required in paragraph (a) of this section that are inconsistent with the parental choice safeguards in § 98.30(f).
 - (c) The requirements in paragraph (a) of this section shall apply to all providers of child care services for which assistance is provided under this part, within the area served by the Lead Agency, except the relatives specified at §98.42(c).
 - (d) Lead Agencies shall describe in the Plan standards for child care services for which assistance is provided under this part, appropriate to strengthening the adult and child relationship in the type of child care setting involved, to provide for the safety and developmental needs of the children served, that address:
 - (1) Group size limits for specific age populations;
 - (2) The appropriate ratio between the number of children and the number of caregivers, in terms of age of children in child care; and
 - (3) Required qualifications for caregivers in child care settings as described at §98.44(a)(4).
 - (e) Lead Agencies shall certify that caregivers, teachers, and directors of child care providers within the State or service area will comply with the State's, Territory's, or Tribe's child abuse reporting requirements as required by section 106(b)(2)(B)(i) of the Child Abuse and

Prevention and Treatment Act (42 U.S.C. 5106a(b)(2)(B)(i)) or other child abuse reporting procedures and laws in the service area.

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, 2023 through June 30, 2024

2024-061 Edmonds College did not have adequate controls over reporting for its Head Start Program.

Assistance Listing Number and Title:	93.600 Head Start
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	10HE000919-01-03; 10CH012034-03-01 10CH012034-03-02; 10CH012034-03-03 10CH012034-03-00
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The U.S. Department of Health and Human Services, through the Office of Head Start at the Administration for Children and Families, administers the Head Start and Early Head Start Programs. Head Start offers free, federally funded programs designed to promote school readiness for low-income children by enhancing children's cognitive, social and emotional development.

In Washington, Head Start funding is provided directly to various community colleges, including Edmonds College, which administers this program in Snohomish County. Its programs provide center-based programs for three- and four-year olds as well as home-based programs for infants and toddlers. In fiscal year 2024, the College spent \$7,241,517 in Head Start funds.

The College is required to submit a SF-425 federal financial report to the federal grantor every six months for an open grant award and also at the closing of a grant award. This report includes information like the federal grant number, the recipient organization, grant period, reporting period end date, basis of accounting, a summary of revenue and expenditures and recipient share of expenditures related to the grant during the award period.

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

Description of Condition

The College did not have adequate controls over reporting for its Head Start Program.

During the fiscal year, the College submitted six SF-425 reports. The Executive Director for the College's Head Start program compiled and submitted the SF-425 reports without additional review by other College staff.

We used a nonstatistical sampling method to randomly select and examine four out of a total population of six reports. We found that for two of the reports, the recipient share was underreported by \$1,981 (less than 1% of the recipient share of expenditures) and \$28,187 (3% of the recipient share of expenditures).

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

The Executive Director for the program believed that a secondary review of the report was unnecessary. Additionally, the College did not retain the documentation to support the recipient share of expenditures reported at the time of the report submission. This amount is comprised of data received from each childcare site and some data was not received timely, causing the amounts to not match the reported amount on the SF-425 report.

Effect of Condition

Without adequate internal controls, the College risks not submitting accurate and complete SF-425 reports. Inaccurate reports could affect future funding from the federal grantor.

Recommendations

We recommend the College:

- Establish internal controls over the preparation and submission of the SF-425 report to ensure compliance
- Retain documentation it used at the time to complete the SF-425 report

College's Response

Edmonds College thanks the State Auditor's Office (SAO) and acknowledges the finding of inadequate controls over the Head Start Program's Federal Financial Reporting (FFR) submissions, and commits to documenting and strengthening internal controls and the retaining of the back-up documentation for submitted SF-425 reports.

Prior to the government's requirement for 2FA and biometric authentications in order to access Payment Management Services (PMS) SF-425 reports were compiled and submitted by college business office personnel who did not pursue these additional authentications and subsequently lost access to PMS. In the absence of college business office personnel to compile and submit these reports and in an effort to submit timely reports, the Executive Director sought and acquired access to PMS and compiled and submitted the reporting in the same manner as had previously been done.

While the College acknowledges that a final review was not completed prior to the electronic certification and submission of these reports, there were a series of reviews of the data provided to, and used by, the Executive Director in populating the SF-425 reporting.

Due to the constraints of the database that is used to report the non-federal share, the reports used are dynamic and cumulative and the College did not have a process in place to maintain a point in time copy. This led to a mismatch between what the College could provide at the time of the audit and what was reported in the SF-425. The College acknowledges the need to retain the point in time reports that support what is reported in the SF-425 and commits to doing so moving forward.

Auditor's Remarks

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

Applicable Laws and Regulations

Title 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, section 341, Financial reporting, states:

Unless otherwise approved by OMB, the HHS awarding agency may solicit only the standard, OMB-approved government-wide data elements for collection of financial information (at time of publication the Federal Financial Report or such future collections as may be approved by OMB and listed on the OMB Web site). This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes, and preferably in coordination with performance reporting.

Federal Reporting of Standard Forms 425 and 428, ACF-PI-OHS-24-01, states in part:

Submission of Federal Financial Report SF-425

All Head Start recipients are required to submit financial reports detailing the expenditures incurred for their awards. Filing requirements for most recipients are satisfied using the Federal Financial Report SF-425. Recipients currently submit three SF-425 reports for a 12-month budget period.

Generally, awards are for a 12-month budget period. Semi-annual and annual reports are cumulative, covering either 6 or 12 months of expenditures, respectively.

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.600 Head Start
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	10HE000919-01-03
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Test and Provisions - Protection of Federal Interest in Real Property and Facilities
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The U.S. Department of Health and Human Services, through the Office of Head Start at the Administration for Children and Families, administers the Head Start and Early Head Start Programs. Head Start offers free, federally funded programs designed to promote school readiness for low-income children by enhancing children's cognitive, social and emotional development.

In Washington, Head Start funding is provided directly to various community colleges, including Edmonds College, which administers this program in Snohomish County. Its programs provide center-based programs for three- and four-year olds as well as home-based programs for infants and toddlers.

To protect federal interest in real property and facilities, federal regulations require a notice of federal interest to be included in property lease agreements and for it to be recorded in the official real property records for the county where the facility is located. The College works with the Department of Enterprise Services (DES) to draft and execute these lease agreements.

Furthermore, DES typically files these agreements to be recorded in the official real property records for the proper county.

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

Edmonds College did not have adequate internal controls over and did not comply with protection of federal interest requirements for its Head Start program.

During the fiscal year, the College executed one new lease with major renovations utilizing Head Start funds. We determined the lease agreement contained the proper information for the notice of federal interest. However, the College fully executed the lease agreement on January 3, 2024, but did not file it with the official real property records by the end of the fiscal year, almost six months later.

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 College did not have a process in place to ensure it filed the notice of federal interest in the official real property records. College management said DES files these quarterly; however, due to staff shortages, DES is behind in filing them.

Effect of Condition

The purpose of filing the lease agreement with the notice of federal interest with the official real property records is to help protect the grantee's interest as well as the federal government's interest in a real property. The College put this at risk when it did not ensure the lease agreement was properly filed.

Recommendation

We recommend the College establish adequate internal controls to ensure the notice of federal interest is filed in the official real property records.

College's Response

Due to staff turnover at both the Department of Enterprise-DES (WA State Real Estate Services) and Edmonds College, the lease was not submitted to the proper jurisdiction for recording of federal interest.

On December 28, 2023, the Head Start Executive Director received an unsigned copy of the final lease for a major renovation project with the Office of Head Start Lease Rider attached as exhibit C in the lease package from DES. She was asked to do a final review. The lease was signed by Edmonds College President and sent to DES for signing and submission to the recording jurisdiction. Through this audit it was discovered that the lease was never recorded due to a DES backlog. Edmonds College has put a procedure in place, in conjunction with DES, to ensure this does not happen again.

Auditor's Remarks

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

Applicable Laws and Regulations

Title 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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 Part 1303, section 47, Contents of notices of federal interest, states in part:

(b) Facility leased by a grant recipient.

- (1) A notice of federal interest for a leased facility, excluding a modular unit, on land the grant recipient does not own, must be recorded in the official real property records for the jurisdiction where the facility is located and must include:
 - (i) The grant recipient's correct legal name and current mailing address;
 - (ii) A legal description of affected real property;
 - (iii) The grant award number, amount and date of initial funding award or initial use of base grant funds for major renovation;
 - (iv) Acknowledgement that the notice of federal interest includes any Head Start funds subsequently used to make major renovations on the affected real property;
 - (v) A statement the facility and real property will only be used for purposes consistent with the Act and applicable Head Start regulations; and,

- (vi) A lease or occupancy agreement that includes the required information from paragraphs (b)(1)(i) through (v) to serve as a notice of federal interest.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

2024-063 Edmonds College did not have adequate internal controls over and did not comply with program governance requirements for its Head Start program.

Assistance Listing Number and Title:	93.600 Head Start
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	10HE000919-01 10CH012034-03
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions – Program Governance
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The U.S. Department of Health and Human Services, through the Office of Head Start at the Administration for Children and Families, administers the Head Start and Early Head Start Programs. Head Start offers free, federally funded programs designed to promote school readiness for low-income children by enhancing children's cognitive, social and emotional development.

In Washington, Head Start funding is provided directly to various community colleges, including Edmonds College, which administers this program in Snohomish County. Its programs provide center-based programs for three- and four-year olds as well as home-based programs for infants and toddlers.

The College must establish and maintain a formal structure for program governance that includes a governing body and a policy council. The governing body is legally and fiscally responsible for administering and overseeing the College's Head Start program. The governing body for the College is the Board of Trustees. The Board of Trustees has empowered the College's President's

Leadership Team (PLT) to fulfill the responsibilities defined in the Head Start Act. As such, the PLT acts as the governing body for the College's Head Start program.

The policy council is comprised of parents of children enrolled in the College's Head Start program and is responsible for the direction of the program, including program design and operation, and short-term planning goals and objectives.

To assist in these responsibilities, the College is required to share monthly financial statements, including credit card expenditures, with the governing body and policy council. Also, all funding applications, the Head Start annual report, and major expenditures are required to be approved by the governing body. Finally, to effectively oversee program policy, members of both bodies are required to receive training covering, at a minimum, the items in 45 CFR 1302.12(m)(1)(i) through (iii) within 180 days of beginning a term.

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

Edmonds College did not have adequate internal controls over and did not comply with program governance requirements for its Head Start program.

While the College asserted the PLT was the governing body over the College's Head Start program, we determined the PLT does not meet the definition or conflict of interest requirements of the governing body as outlined in the Head Start Act. Instead, the College's Board of Trustees meet this requirement and we performed testing to ensure compliance with the Board of Trustees as the governing body.

We reviewed five out of 12 months of the fiscal year to confirm the College shared the monthly financials and credit card statements as required. We found:

- The Board of Trustees did not receive this information for all five (100%) months.
- The Policy Council did not receive monthly financial statements for three (60%) months and did not receive a credit card statement for one (20%) month.

The College also had written procedures that identify major financial expenditures, but it identified that they are approvable by the PLT, not the Board of Trustees. We identified \$438,594 in major expenditures that the Board of Trustees did not approve. In addition, there was one funding application and one annual report during the audit period approved by the PLT, but not the Board of Trustees.

Also, during the fiscal year, the College did not provide training to the Board of Trustees. For the Policy Council, we determined the population the College provided may not be a complete and

accurate list for active members during the fiscal year. It was decided that we would test the eight members provided and identified five (63%) did not receive the training.

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 College believes the PLT fulfills the requirements as the governing body for Head Start. As such, procedures the College develop require the PLT to receive the monthly financial statements and credit card expenditures, approve major expenditures, funding application, and the annual report.

In addition, the College did not have adequate controls in place to track the new policy council members and ensure all members received the necessary training.

Effect of Condition

The approval of monthly financial information, major expenditures, funding applications, and the annual report with the Board of Trustees and policy council is to ensure proper governance over the College's Head Start program. The lack of compliance over these requirements puts the College and the program at risk of having insufficient fiscal and programmatic oversight.

In addition, the Board of Trustees and Policy Council cannot adequately govern this program without receiving the proper, required training to ensure they are knowledgeable in Head Start policies and procedures and federal regulations to make educated decisions for the program.

Recommendations

We recommend the College establish internal controls to ensure:

- The Board of Trustees fulfills all requirements of the governing body, including receiving and approving:
 - The required monthly financial and credit card statements every month
 - The required major financial expenditures when approval is needed
 - Any funding applications
- The Policy Council receives and approves the required monthly financial and credit card statements every month
- All new members of the Board of Trustees and policy council receive training within the required 180 days

College's Response

Edmonds College thanks the State Auditor's Office (SAO) for their time and acknowledges the finding of inadequate controls over and noncompliance with program governance requirements for its Head Start program.

Since at least 2011 Edmonds College's Head Start's "Leadership Council Bylaws and Governance Manual" has been in place and has described the relationship by and between the College's Board of Trustees (BOT) and the PLT (which was previously known as President's Cabinet in that manual) as it relates to the delegation of the responsibilities of the Governing Body. As a result of the SAO's recent audit, SAO's concerns about the delegation of the responsibilities of the Governing Body to the PLT and the resulting conflict of interest (COI) was brought to light. The College now wishes to take the opportunity to explore their options as to the Governing Body and the resulting COI.

After exploring options the College will take all necessary steps to fully comply with program governance requirements for its Head Start program.

Auditor's Remarks

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

Applicable Laws and Regulations

Title 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 1302, section 12, Determining, verifying, and documenting eligibility, establishes requirements for training on eligibility for the governing body and policy council.

Title 42 U.S Code 9837, Powers and Functions of Head Start Agencies, state in part:

- (c) Program Governance - Upon receiving designation as a Head Start agency, the agency shall establish and maintain a formal structure for program governance, for the oversight of quality services for Head Start children and families and for making decisions related to program design and implementation. Such structure shall include the following:

- (1) GOVERNING BODY

- (C) Conflict of interest Members of the governing body shall—

- (i) not have a financial conflict of interest with the Head Start agency (including any delegate agency);
- (ii) not receive compensation for serving on the governing body or for providing services to the Head Start agency;
- (iii) not be employed, nor shall members of their immediate family be employed, by the Head Start agency (including any delegate agency) ; and
- (iv) operate as an entity independent of staff employed by the Head Start agency.

(E) RESPONSIBILITIES- The governing body shall—

(iv) be responsible for other activities, including--

- (II) establishing procedures and criteria for recruitment, selection, and enrollment of children;
- (III) reviewing all applications for funding and amendments to applications for funding for programs under this subchapter;
- (VII) approving financial management, accounting, and reporting policies, and compliance with laws and regulations related to financial statements, including the--
 - (aa) approval of all major financial expenditures of the agency;

(d) Program Governance Administration-

(2) CONDUCT OF RESPONSIBILITIES- Each Head Start agency shall ensure the sharing of accurate and regular information for use by the governing body and the policy council, about program planning, policies, and Head Start agency operations, including-

A. monthly financial statements, including credit card expenditures;

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.600 Head Start
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	10CH011185-04; 10CH011185-05; 10WH000017-01
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions – Program Governance
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The U.S. Department of Health and Human Services, through the Office of Head Start at the Administration for Children and Families, administers the Head Start and Early Head Start Programs. Head Start offers free, federally funded programs designed to promote school readiness for low-income children by enhancing children's cognitive, social and emotional development.

In Washington, Head Start funding is provided directly to various community colleges, including Skagit Valley College, which administers this program in Skagit County. Its programs provide center-based programs for three- and four-year olds as well as home-based programs for infants and toddlers.

The College is required to establish and maintain a formal structure for program governance that includes a governing body and a policy council. The governing body is legally and fiscally responsible for administering and overseeing the College's Head Start program. The governing body for the College is the Board of Trustees. The policy council is comprised of parents of

children enrolled in the College's Head Start program and is responsible for the direction of the program, including program design and operation, and short-term planning goals and objectives.

To assist in these responsibilities, the College is required to share monthly financial statements, including credit card expenditures, with the governing body and policy council. Also, to effectively oversee program policy, members of both bodies are required to receive training covering, at a minimum, the items in 45 CFR 1302.12(m)(1)(i) through (iii) within 180 days of beginning a term.

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 College did not have adequate internal controls over and did not comply with program governance requirements for its Head Start program.

We reviewed all 12 months of the fiscal year to confirm if the College shared the monthly financial and credit card statements as required. We found the Board of Trustees did not receive this information for five (42%) months. The College communicated the monthly financial statements for the prior month during the seven monthly Board meetings held during this year. However, it did not provide the required monthly financial and credit card statements to the Board of Trustees for the five months in which the Board did not meet. We confirmed the College provided the information to the policy council for all 12 months.

During the fiscal year, one member was added to the Board of Trustees. College management confirmed this member did not attend a training but said they received the training material covering the required topics within the 180-day requirement. However, the College was not able to provide documentation to support this.

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

College management incorrectly believed providing the monthly financial statements to one Board member, who is a liaison to the policy council, each month fulfilled its requirement to share the financial information to the entire Board.

In addition, the College did not maintain documentation to support that the new Board member received the necessary training.

Effect of Condition

The purpose of sharing monthly financial information and training with the Board of Trustees is to ensure that these members are knowledgeable in Head Start policies and procedures and federal regulations to make educated decisions for the program. This puts the College and the Head Start program at risk of having insufficient fiscal oversight.

Recommendations

We recommend the College establish adequate internal controls to ensure:

- The Board receives the required monthly financial and credit card statements every month
- All new Board members receive training within the required 180 days

College's Response

We acknowledge and accept the auditor's findings regarding program governance for the Head Start program. SVC has reviewed and strengthen current internal controls to ensure the Board receives the required monthly financial and credit card statements every month and all new Board Members receive training within the required 180 days. The delayed financial reporting was a result of aligning submission timelines with the Board's bi-monthly meeting schedule, rather than a failure to provide the necessary documentation. All required financial reports and credit card statements were prepared and available during the period in question but were formally transmitted according to the Board's meeting schedule. Recognizing the need for more frequent updates, we have already implemented a revised reporting procedure to ensure that monthly reports are provided to the Board, regardless of scheduled meetings. Additionally, adjustments have been made to strengthen the Board member training process, ensuring compliance with governance requirements. These corrective actions, as detailed in the attached document, have been fully implemented as of February 2025.

Auditor's Remarks

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

Applicable Laws and Regulations

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 1302, section 12, Determining, verifying, and documenting eligibility, establishes requirements for training on eligibility for the governing body and policy council.

42 U.S. Code 9837(d), Program governance administration, states in part:

(2) CONDUCT OF RESPONSIBILITIES- Each Head Start agency shall ensure the sharing of accurate and regular information for use by the governing body and the policy council, about program planning, policies, and Head Start agency operations, including –

A. monthly financial statements, including credit card expenditures;

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, 2023 through June 30, 2024

2024-065 The Community Colleges of Spokane did not have adequate controls over and did not comply with program governance requirements for its Head Start program.

Assistance Listing Number and Title:	93.600 Head Start
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	10CH012101-02, 10CH012101-03
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions – Program Governance
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The U.S. Department of Health and Human Services, through the Office of Head Start at the Administration for Children and Families, administers the Head Start and Early Head Start Programs. Head Start offers free, federally funded programs designed to promote school readiness for low-income children by enhancing children's cognitive, social and emotional development.

In Washington, Head Start funding is provided directly to various community colleges, including the Community Colleges of Spokane (CCS), which administers this program in Spokane County. Its programs provide center-based programs for children 6-weeks through 5-years old, as well as limited home-based services for infants and toddlers.

CCS must establish and maintain a formal structure for program governance that includes a governing body and a Policy Council. The governing body is legally and fiscally responsible for administering and overseeing the CCS's Head Start program. The governing body for CCS is the Board of Trustees. The Policy Council is comprised of parents of children enrolled in the CCS's Head Start program and is responsible for the direction of the program, including program design

and operation, and short-term planning goals and objectives. The Policy Council elects alternates that may act on behalf of absent Policy Council members at its monthly meetings. In the absence of a voting member, an alternate will be included when determining if quorum is met and will vote on Head Start matters. A Trustee is appointed to serve as liaison to the Policy Council during their meetings and reports back to the Board at its next meeting.

To assist in these responsibilities, CCS is required to share monthly financial statements, including credit card expenditures, with the governing body and Policy Council. Also, to effectively oversee program policy, members of both bodies are required to receive training covering, at a minimum, the items in 45 CFR 1302.12(m)(1)(i) through (iii) within 180 days of beginning a term. This training was offered to the Policy Council in October and May during 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

CCS did not have adequate internal controls over and did not comply with program governance requirements for its Head Start program.

Sharing monthly financial statements, including credit card expenditures

We used a nonstatistical sampling method to randomly select and examine five months of the fiscal year to confirm if CCS shared the monthly financial statement and credit card expenditures. Also, since the Policy Council does not meet in the summer months, we judgmentally selected and reviewed these three months. We found for all eight (100%) months for the Policy Council and five (100%) months for the Board of Trustees, that the financial information provided did not include a monthly financial statement and did not include credit card expenditures. Instead, a year-to-date financial statement was provided with a detailed expenditure report from the CCS's accounting system that did not clearly define new monthly expenditures.

Training

During the fiscal year, one new member was appointed to the Board of Trustees and 25 members were voted into the Policy Council, including 8 alternates. We reviewed these 26 members and found:

- Seven (28%) members of the Policy Council did not receive any training during the period
- Of these, two were regular Policy Council members, and five were alternates
- One (100%) member of the Board of Trustees did not receive any training during the period
- Two (8%) members of the Policy Council did not receive the training within 180 of the start of their term

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

Head Start program Management did not have adequate controls in place to monitor the training requirement for the Policy Council members, including alternates. CCS did not believe alternates required this training.

In addition, CCS believes that providing training to the Policy Council liaison, who is a Board of Trustees member, fulfilled this requirement for the entire Board.

CCS also believes the year-to-date financial information provided to the Board of Trustees and the Policy Council is sufficient to meet this requirement.

Effect of Condition

The purpose of sharing monthly financial information and training with the Board of Trustees is to ensure that these members are knowledgeable in Head Start policies and procedures and federal regulations to make educated decisions for the program. This puts CCS and the Head Start program at risk of not having sufficient fiscal oversight.

Recommendations

We recommend CCS establish adequate internal controls to ensure:

- The Board and Policy Council receive the required monthly financial and credit card statements every month
- All new Board of Trustees members and Policy Council members receive training within the required 180 days

Community Colleges of Spokane's Response

We disagree with the auditor's finding that Community Colleges of Spokane (CCS) has not established a formal structure for program governance to oversee the legal and fiscal responsibilities of the Head Start program. CCS specifically engages their Policy Council and governing board through regular meetings and trainings. The governance model provides for adequate internal controls to meet program requirements.

The model of governance includes an appointed Board of Trustees (BOT) member who regularly attends Policy Council meetings and trainings that address program oversight and fiscal requirements. Additionally, detailed financial, enrollment, and program updates are included as a formal agenda item at the regularly scheduled meetings of the CCS Board of Trustees. The board agenda item provides the board an opportunity review, ask questions and consider approval of the

information supplied by program administration. The model of governance employed by CCS provides adequate internal controls to ensure program requirements are met.

The auditors identified exception to our training model and documentation of required trainings. While we agree with the general observation of the auditors regarding missed attendance by some Policy Council members, the more detailed evidence provided to the auditors illustrates our commitment to and evidence of comprehensive trainings that comply with program standards. Specific evidence is provided below.

Compliance with Head Start Program Performance Standards (HSPPS) Training Requirements: Policy Council Training

1. Training Was Provided in Accordance with 45 CFR §1305.2

- The Head Start Program Performance Standards (HSPPS) require that training be made available to the governing body and Policy Council members, ensuring they understand eligibility requirements, including verification and certification procedures.*
- The regulations do not explicitly require that every individual member be present at a single training session, but rather that the program ensures members have the opportunity to receive and understand the training content.*

2. Training was offered and is accessible

- Our program provided training during scheduled Policy Council meetings, ensuring that members in attendance received the required information.*
- Meeting minutes and handouts were provided to all elected representatives and alternates following the meetings, ensuring that any member unable to attend still had access to the information.*

3. Policy Council minutes are shared with parents.

- To maintain transparency and engagement, Policy Council meeting minutes are made available to all parents after each meeting. This practice ensures that information, including training topics, is widely disseminated to both representatives and the broader parent community.*

4. No specific mandate for universal attendance in a single training session

- **45 CFR §1301.3(e)** requires that the program ensure Policy Council members understand their roles and responsibilities, including eligibility. However, it does not mandate that every individual receives the necessary training in a single training session.*

- *Our program followed best practice by making the training accessible through multiple means, ensuring that all members had access to eligibility training information.*

5. *Commitment to continuous improvement*

- *In our opinion, we met the regulatory requirements and have adequate controls over program governance. Moreover, we acknowledge the importance of clear documentation and tracking of Policy Council member participation in training sessions and meetings. Therefore, we intend to enhance our internal processes to further document training completion for all members, including those who receive materials after meetings.*

Compliance with HSPPS Training Requirements: Board of Trustees Liaison Model

*We disagree with the finding that our Board of Trustees (BOT) “Liaison Model” does not meet program requirements. Based on their assertion, we sought clarification from the **Office of Head Start** (OHS), who clarified that:*

“This policy should be interpreted to mean that if all governing body members who have a role in determining eligibility are properly trained, OHS would consider the program to be in compliance with this regulatory requirement.”

- *Consistent with OHS guidance, our program has ensured that all BOT members involved in eligibility decisions have received the required training.*

1. *BOT Liaison Model and Training Implementation*

- *Our program uses a liaison model, where a designated BOT member receives Head Start-specific training and serves as a communication bridge between the full Board and the Policy Council.*
- *This model ensures that a fully trained representative engages with eligibility topics while the broader BOT remains informed through regular updates and formal Board of Trustees meeting agendas.*

2. *Program Governance Responsibilities and Compliance*

- ***45 CFR §1301.2** outlines the governance structure, requiring that governing body members understand their oversight role, including eligibility training. The liaison model is consistent with OHS guidance, ensuring that eligibility responsibilities are understood and met by trained decision-makers.*

3. *Commitment to Continuous Training and Documentation*

- *As confirmed by OHS, our model is compliant. However, in response to the auditor’s recommendations, we plan to enhance the availability and*

documentation of training. To that end, additional access to eligibility training materials and multiple means of training will be available to all BOT members.

*We maintain that our program has fulfilled the training requirements established in **CFR 1302.12**. Given the OHS clarification, and the comprehensive nature of our program trainings to the Policy Council and Board of Trustees, CCS maintains a formal structure for program governance that includes a governing body and Policy Council. As such, the recommendations by the auditors are useful suggestions for management; however, they do not accurately represent a material weakness in our program governance models and practice.*

We also disagree with the auditor's finding that CCS did not have adequate internal controls over and did not comply with the program governance requirement relating to "Sharing monthly financial statements, including credit card expenditures." The auditors represent that the "financial information provided did not include a monthly financial statement and did not include credit card expenditures. Instead, a year-to-date financial statement was provided with a detailed expenditure report from the College's accounting system that did not clearly define new monthly expenditures." The auditor's recommendations are that "The Board and Policy Council receive the required monthly financial and credit card statements every month."

The auditor's finding is misleading and incorrect. The Head Start program standards do not prescribe a specific form or format for reporting financial information. Rather, the standards prescribe what should be included in the reports of financial information.

The regular financial reports provided by CCS to the Policy Council and Board of Trustees are comprehensive of all transactions and clearly illustrate all funding available to the program, including all program related expenditures. The financial report is comprehensive and easy to understand. Specifically, the monthly report reconciles to the Head Start financial award (budget), the grant award period, actual expenditures year-to-date for each category of expenditures, and percent of budget spent for the award period. The report is updated monthly to reflect current month spending. Due to the complete nature of the report, all expenditures, including items purchased by credit card, are included in the expenditure line-item totals. Additionally, a note is included on the face of the report that states, "Both a report listing credit card expenditures and a report with greater budget detail are regularly provided to the HS/EHS Board of Trustees liaison and the Policy Council Treasurer. These reports are also available upon request." The availability and access to this additional information provides additional oversight to CCS' monthly financial reporting. In addition to the financial reports the auditors received for their test of controls, CCS provided the detailed list of credit card transactions for the audit period. It is our understanding that no exceptions were found in the support of credit card transactions provided to the auditors. All transactions were properly authorized and substantiated with supporting receipts. CCS has extensive internal controls over the authorization, use, reconciliation of credit card expenditures, and incorporates all such expenditures in their regular monthly financial reports.

We contend that the auditor's finding of material weakness in internal controls is unfounded and incorrect. It appears the auditor's approach was to identify exception to a specific form of report rather than to consider the substantial compliance with the standards, including the substance of the financial report contents and completeness.

We acknowledge and respect the auditor's responsibilities to test controls over the program governance requirements of the Head Start program. However, we believe their internal control finding and recommendations illustrate reasonable direction for management to improve and enhance existing practices of the program. The items identified by the auditors do not reflect material weaknesses in internal controls that lead to material noncompliance with program requirements.

Based on our review of the auditor's recommendations, our commitment to continuous improvement and strong program governance, CCS will enhance documentation of training provided to all BOT members, and additional opportunities will be available for all members to access eligibility training materials. Additionally, CCS will add a current month expenditure column to their existing financial report so both current-month and year-to-date information is presented in the monthly reports. The financial report will also include a supplemental report of credit card expenditures to highlight how credit card expenditures are part of total expenditures presented on the face of the financial report. CCS does not believe it is appropriate to attach program credit card statements to the financial report as recommended by the auditors.

CCS appreciates the thorough review of our Head Start program and adherence to program compliance. In summary, we do not believe that a material weakness in program governance exists; however, management has reviewed the auditor's recommendations for improvement. CCS is committed to strong program governance. We will maintain adequate controls over the program to ensure CCS continues to meet all Head Start compliance standards.

Auditor's Remarks

We appreciate CCS's commitment to comply with federal regulations. CCS stated we found it had not established a formal structure for program governance to oversee the legal and fiscal responsibilities of the Head Start program. This is not an assertion made in the finding. However, we do disagree on CCS's interpretation of the regulations and its conclusion that CCS is compliant.

Training Requirements

In its response, CCS references training requirements in 45 CFR 1301 and 1305. However, our finding references 45 CFR 1302.12(m), which is clear in stating "a program must train all governing body, policy council, management, and staff who determine eligibility on applicable federal regulations and program policies and procedures." The BOT and policy council are integral in determining eligibility requirements and developing program policies and procedures for the

Head Start program at CCS. We disagree that the CCS's BOT liaison model fulfills these requirements.

Our testing found that the appointed BOT member did not attend the required training and not all policy council members received the required training during the audit period, as required in 45 CFR 1302.12(m). In determining compliance, we considered all training sessions that included the original and make up session. Also, during the audit, CCS did not assert that sending training material to those not in attendance fulfilled this compliance requirement, therefore, this was not reviewed.

Sharing monthly financial statements, including credit card expenditures

While CCS asserts that each month it provided a year-to-date financial statement and associated expenditures, the financial statement does not include a current month expenditure column. Additionally, the detailed expenditures do not easily identify the current month expenditures or credit card expenditures.

CCS also asserts that we reviewed credit card transactions as part of our testing. We did not review CCS's use of credit cards as part of our audit.

We reaffirm our finding and will review the status of CCS's corrective action during our next audit. Since CCS interprets certain governance requirements different than our Office, we encourage the College to engage with the Department of Health and Human Services (HHS) during the audit finding resolution process.

Applicable Laws and Regulations

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 1302, section 12, Determining, verifying, and documenting eligibility, establishes requirements for training on eligibility for the governing body and Policy Council.

42 U.S. Code 9837(d), Program governance administration, states in part:

- (2) CONDUCT OF RESPONSIBILITIES- Each Head Start agency shall ensure the sharing of accurate and regular information for use by the governing body and the Policy Council, about program planning, policies, and Head Start agency operations, including –
 - (A) monthly financial statements, including credit card expenditures;

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, 2023 through June 30, 2024

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.

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:	2302WAFOST 2402WAFOST
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:	\$6,000
Prior Year Audit Finding:	Yes, Finding 2023-066

Background

The federal Foster Care Title IV-E 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 adults who are involved in the 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 2024, the Department spent about \$164 million in federal grant funds, including about \$12.8 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 a system called FamLink.

When the Department needs contracted family time services, it 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, 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 system creates an invoice containing billable services and rates. To catch errors and ensure quality assurance, Sprout reports and invoices are reviewed and approved by the contracted service provider administrator or manager. The Department pays the provider solely based on the summary-level information entered 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 prior audits, we reported the Department did not have adequate internal controls to ensure payments to providers for family visits were allowable and adequately supported for the Foster Care program. The prior finding numbers were 2023-066, 2022-048 and 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.

We used a statistical sampling method to randomly select and examine 58 out of 1,084 foster care payments for travel and family time visits. Of the payments examined, we identified four payments costing \$6,000 that lacked adequate documentation to support the amount of travel and family time visits being reimbursed.

We also found the Department did not follow its procedures for performing fiscal monitoring of contracted 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

In response to the prior audit findings, the Department developed a corrective action plan to address the internal control deficiencies. However, the Department did not fully implement the corrective action plan during the audit period.

Effect of Condition and Questioned Costs

By not performing adequate fiscal monitoring, the Department cannot ensure payments for travel and family visits are allowable and adequately supported. We are questioning the \$6,000 in unsupported payments and estimate likely questioned costs to be \$20,277.

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% 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 45 CFR 75.516(a)(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:

- Follow its fiscal monitoring procedures to ensure payments to providers for travel and family visits are allowable and adequately supported
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

Department's Response

The Department is committed to strengthening internal controls and complying with grant requirements. 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.

In response to the prior year's audit, the Contracts Compliance Team, hired two new staff in the last half of calendar year 2023 dedicated to reviewing all regional child welfare client service contracts including family time visit payments. The Contracts Compliance Team developed compliance audit plans for child welfare contracts and began reviews of family time visit payments in November 2023. Due to staff resources and the number of contracts, the on-site compliance visits were completed for 44 of the 52 family time contracts in the past two fiscal years. On-site

compliance visits are performed on a four year cycle and the Department strives to have all contracts reviewed in state fiscal year 2025.

The Department implemented a new process for creating Sprout invoices from family time activity data during the prior audit period. This process included utilizing algorithms to identify reimbursement outside of reasonable amounts, requiring providers to submit additional documentation or explanation for flagged invoices, and implementing a re-run process to identify duplicate billings. The Department also implemented additional review and approvals by program staff for the Network Administrator in Eastern Washington for invoices prior to release of payment.

Between January and March 2024, the Department identified and implemented regional program approvals for Western Washington providers and implement fiscal monitoring controls to ensure payments to providers for travel and family visits are allowable and adequately supported. The Department experienced errors from new staff during the roll-out phases and as part of the Plan, Do, Check, Act (continuous quality improvement process) additional steps were added to the process to ensure payments were accurate. The Department will continue to strengthen internal controls around the review and payment for family time activities and invoices.

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 45 U.S. Code of Federal Regulations (CFR) Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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:	2302WAFOST 2402WAFOST
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
Prior Year Audit Finding:	Yes, Finding 2023-067

Background

The federal Foster Care Title IV-E 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 adults who are involved 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 2024, the Department spent about \$164 million in federal grant funds, including about \$12.9 million for foster care maintenance payments to family foster homes.

These monthly maintenance payments help licensed caregivers (foster parents and licensed kinship caregivers) meet the needs of children and youth experiencing foster care. The Department’s

Federal Funding Unit manages each of its Title IV-E foster care cases. Title IV-E Specialists are stationed throughout the state and screen all new foster care cases for Title IV-E Eligibility.

When children or youth are placed in foster care homes, specialists gather information from a variety of sources to determine the support level of the child or youth. To ensure maintenance payments are accurate and allowable, the specialists enter the data gathered into the Foster Care Rate Assessment tool, which calculates the appropriate reimbursement rate to meet a child's needs. Prior to payment, a supervisor reviews the rate in a system called FamLink. These reimbursement rates must be reassessed every six months.

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 monthly foster care maintenance payments to children's caregivers were adequate and accurate for the Foster Care program. The prior finding number was 2023-067.

Description of Condition

The Department 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.

We used a statistical sampling method to randomly select and examine 59 foster care maintenance payments out of a total population of 29,392 made during the audit period to ensure that the payments are allowable and accurate. We found that the Department did not perform six-month reviews of the reimbursement rates for two payments. This prevented the Department from ensuring it can provide accurate monthly maintenance payments to help caregivers meet the needs of every child or youth in foster care.

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

Cause of Condition

In response to the prior audit finding, the Department developed a corrective action plan to address the internal control deficiencies. However, the Department did not implement some internal control improvements until June 2024.

Effect of Condition

By not performing six-month reviews of all reimbursement rates, the Department cannot ensure it provided accurate monthly maintenance payments to help caregivers meet the needs of every child or youth in foster care.

Recommendation

We recommend the Department establish adequate internal controls to ensure it performs all six-month reviews of caregivers' reimbursement rates for the Foster Care program.

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.

To strengthen internal controls and documentation, effective June 2024 and as part of the implementation of the new rate assessment process, the Department took the following actions:

- *Published a new report in FamLink to assist rate assessors in identifying:*
 - *Six-month reviews that have not been performed timely.*
 - *Cases with upcoming rate assessments and due dates for reviews.*
- *Implemented monthly tracking by supervisors to assist with internal controls and compliance.*

The new tracking report has been helpful in identifying when cases are coming due, when they are overdue, and when they are missing. However, there were errors in the functionality of the report that were identified during the first sixth months the report was used. These errors led to placement resources specialists and their supervisors not having an accurate tool to appropriately identify all cases in need of a resource level determination. Placement resources specialists struggled to properly utilize the new report and as part of the Plan, Do, Check, Act (CQI process) additional steps were added to the process to assist with ensuring the reports were accurate and additional training was provided to staff to ensure they were supported.

During the audit period, the Department expanded level determinations to include unlicensed kinship caregivers for the purpose of providing support which increased the number of resource level determinations and substantially increased workload for the placement resources specialists. In addition, when reviewing the number of cases that are missing rate assessments, many of the cases are for Tribal Dependent Youth for Tribes that have made the decision to do their own level determinations. Tribes are sovereign nations, and we partner with them in this space. We continue to work with Tribes to help determine the best way to support them in completing timely rate assessments.

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 45 U.S. Code of Federal Regulations (CFR) Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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.

Washington Administrative Code 110-50-0490, *How often do the foster parent and caseworker meet to complete the rate assessment?*, establishes rate assessment requirements for the program.

Washington Administrative Code 110-50-0440, *Foster care maintenance payment and standardized assessment tool*, establishes rate assessment requirements for the program.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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:	2302 WAFOST 2402WAFOST
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
Prior Year Audit Finding:	Yes, Finding 2023-065

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%, 25% and 40%, respectively, that will total 100%. Records of these bases are kept in workbooks that management reviews and approves before they are uploaded or keyed into AFRS for use.

In fiscal year 2024, the Department allocated about \$21 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.

In prior audits we reported the Department did not have adequate internal controls over and did not comply with certain requirements of its PACAP. The prior finding numbers were 2023-065 and 2022-047.

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 five monthly workbooks completed during the audit period. We found the Department did not complete a workbook for one month of the audit period (August 2023).

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

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. 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.

The Department did not have adequate staffing levels to maintain the business processes for one workbook for the Public Assistance Cost Allocation Plan (PACAP) cost base 100 for the administrative charges during the state and federal fiscal year close deadlines. 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 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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.

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, 2023 through June 30, 2024

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.

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:	2302 WAFOST; 2402 WAFOST
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Eligibility
Known Questioned Cost Amount:	\$3,493
Prior Year Audit Finding:	Yes, Finding 2023-068

Background

The federal Foster Care Title IV-E 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 to 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.

Individuals

To be eligible to receive foster care benefits a child must meet specific eligibility requirements including the former Aid to Families with Dependent Children (AFDC) criteria. To meet the AFDC criteria, the child must be in need and deprived of parental support or have a principal wage earner parent who is unemployed.

The Department performs reviews of Title IV-E specialists' cases to verify that all IV-E cases that are worked, are determined properly. During the audit period the Department had two processes. For the first quarter the Department had supervisors review 2 cases for each Title IV-E specialist they supervised. For the remaining three quarters of our audit period the Department had reimplemented their old process of quarterly peer reviews, where the Title IV-E specialist's review other regions Title IV-E Specialists' cases to verify that specialists are determining eligibility properly.

Background Checks

Prospective foster parents and other out-of-home caregivers, as well as any adults residing in the prospective caregivers' households must pass the background check. During an emergency situation when a child must be placed in out-of-home care due to the absence of appropriate parents or custodians, the Department shall request a federal name-based criminal history record check of each adult residing in the home of the potential placement resource. Upon receipt of the results the name-based check, the Department shall provide a complete set of each adult resident's fingerprints to the Washington state patrol for submission to the federal bureau of investigation within 15 calendar days from the date the name search was conducted. The child shall be removed from the home immediately if any adult resident fails to provide fingerprints and written permission to perform a federal criminal history record check when requested.

To ensure group care facility employees and adults residing in prospective caregivers' households had cleared background checks before having unsupervised access to children the Department verifies that the facility is compliant and that background checks were completed before providing them with a license number.

In Washington, the Department of Children, Youth, and Families administers the Foster Care program. During fiscal year 2024, the Department spent about \$163.9 million in federal grant funds. This included about \$39.1 million for payments to providers for direct client services, with \$1.1 million paid to licensed group care facilities and \$16.9 million paid to foster family homes.

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

In prior audits, we reported the Department did not have adequate internal controls to ensure group care facility employees and adults residing in prospective caregivers' households had cleared background checks before having unsupervised access to children. The prior finding numbers were 2023-068 and 2022-050.

Description of Condition

The Department 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.

Individuals

The supervisor and peer reviews were not in place throughout the audit period and were not working as intended. We found the Department did not retain monthly supervisor reviews for the first quarter for two of its six regions. We also found the Department did not perform peer reviews in the second quarter.

We used a statistical sampling method to randomly select and examine 59 out of a total population of 465 children to determine whether they were eligible for the Foster Care program. We found one child who was not eligible, but for whom the Department paid \$3,493 in benefits on behalf of using Foster Care program funds.

Background Checks

We used a statistical sampling method to randomly select and examine 57 out of a total population of 1,174 foster home new licenses and relicenses. We found that one foster home operated without a valid license for two months.

In addition, we used a statistical sampling method to randomly select and examine 58 out of a total population of 2,064 employees and household members who required background checks and found:

- Two individuals had background checks that were late with one being nine days after placement and the other being six months late
- Four of the individuals were missing fingerprint background checks

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

Cause of Condition

Individuals

The Department did not include all assets of the family's resources when calculating the child's AFDC eligibility resulting in an ineligible client being paid with federal grant funds.

Background Checks

The Department processes over 50,000 background checks annually, with more than 60% processed in an information technology (IT) system that lacks the capability to track an individual's status. The inefficient IT system necessitates staff manually documenting information

across multiple, non-standardized systems, which can create challenges, particularly given the high turnover among field staff.

Additionally, Department management did not monitor to ensure internal controls were sufficient to ensure compliance and that they were being followed.

Effect of Condition and Questioned Costs

Individuals

The Department improperly determined eligibility for one individual leading to known questioned costs of \$3,493. We used a nonstatistical sampling method and estimate likely questioned costs to be \$33,335.

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.

Background Checks

By not ensuring everyone had cleared background checks before having unsupervised access to children, children may be in unsafe environments that affect their health and safety.

Because this finding reports non-compliance with state law, the Office of Financial Management is required by RCW 43.09.312 (1) to submit the agency's response and plan for remediation to the Governor, the Joint Legislative Audit and Review Committee, and the relevant fiscal and policy committees of the Senate and House of Representatives.

Recommendations

We recommend the Department:

- Strengthen its internal controls and ensure everyone has cleared background checks before having unsupervised access to children
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.

Department's Response

The Department is committed to strengthening internal controls and complying with grant requirements. As to the State Auditor's Office (SAO) specific findings, the Department concurs and offers the following detail:

Individuals

The Department concurs that eligibility was improperly determined for one individual during the audit period. Upon notification, the Department processed a correction and returned the federal funds to the grantor. In addition, the Department has made updates to the peer review process to

ensure that a sample of cases are reviewed quarterly and all documentation for the reviews are properly retained.

Background Checks

The Department concurs that six background checks were not conducted as required. As stated in the Cause of Condition, the current information technology (IT) system lacks the capability to track an individual's background check status. The inefficient IT system necessitates staff manually documenting information across multiple, non-standardized systems, which can create challenges, particularly given the high turnover among field staff.

To improve compliance, in January 2024, the Department started shifting its practice to conduct National Crime Information Center (NCIC) background checks for more placements, which will help ensure background checks are completed prior to placement. The Department will continue communication and training for staff on this new process and clarify when this process is applicable. The Department appreciates the SAO's insights and remains committed to strengthening our processes to ensure compliance with all background check 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 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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.

RCW 43.43.837, Fingerprint-based checks – Requirements for applicants and service providers – Shared background checks-Fees-Rules to establish financial responsibility

RCW 74.15.110, Renewal of licenses.

Department of Children, Youth, and Families, Policies and Procedures 6800 – Background Checks.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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:	2302WAFOST 2402WAFOST
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-069

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 2024, about 8,000 children were in Washington's foster care system. In fiscal year 2024, the Department spent about \$164 million in federal program funds.

Within 30 days after each fiscal quarter, the Department of Children, Youth, and Families is required to file the CB-496: Title IV-E Programs Quarterly Financial Report with HHS. This report identifies the Department's 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 provide reports to Congress.

To complete the CB-496, Department management creates a crosswalk by examining the Department's chart of accounts and expenditure-codes in relation to HHS's published CB-496 instructions. This ensures that the reports ran will produce the required information for each line of the CB-496.

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 reporting requirements for the Foster Care program. The prior finding numbers were 2023-069 and 2022-051.

Description of Condition

The Department did not have adequate internal controls over and did not comply with reporting requirements for the Foster Care program.

During our review of all four quarterly crosswalks, we found the Department did not have the correct account coding to report fields correctly. Out of the four quarterly crosswalks, the Department had 126 lines in aggregate, and ten (8%) of the lines were incorrect.

During our review of the four quarterly reports, we found that all of them contained inaccuracies. Of the 161 reported line items we examined, 141 were related to expenditure amounts and the other 20 were related to child counts.

- The Department misreported 16 expenditure line items
 - Eight of these lines were misreported, ranging between (\$4,389) and \$373. Of the eight identified, two lines had incorrect expenditures that reported to the other six lines through subtotals.
 - For the remaining eight expenditure line items, we were unable to determine the accuracy of the reported expenditures.
- The Department also misreported eight line items related to child counts
 - Six of these were input incorrectly ranging between (28) and ten children.
 - For the remaining two line items, we were unable to determine the accuracy of the child count reported.

We consider these internal control deficiencies to be a material weakness which resulted in material noncompliance.

Cause of Condition

When completing the quarterly reports, the Department did not follow HHS's published instructions. The Department did not create accurate crosswalks to ensure reports were run properly and, although there was an established review process, the reviews performed were

insufficient to detect errors in the reports. Management said that due to competing priorities and staffing shortages, the Department had limited capacity to 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

During the audit period, the Department acknowledges errors were made in the quarterly reports and crosswalks. The Department concurs with the SAO findings. As to the Auditor's specific findings, the Department offers the following detail:

Quarterly Crosswalks

The Department concurs that crosswalks were not reflective of the CB-496 instructions by line during the audit period. The crosswalks properly reflected the financial coding to run accurate reports, except for the splitting of administrative costs into separate lines on the report as outlined in the HHS published instructions.

Inaccurate Reports

SAO stated the Department misreported its program expenditures during the audit period. The Department concurs and offers the following:

- *The FFY23 Quarter 4 report was overstated by \$373.*
- *The FFY24 Quarter 1 report was understated by \$4,389.*
- *The FFY24 Quarter 2 and FFY24 Quarter 3 report expenditures were accurate, but the data was not split between the correct administrative reporting lines. This error does not have an effect on the overall administrative expenditures reported to HHS.*

The Department manages reporting for the Title IV-E program of \$164 million per fiscal year. In proportion to the total expenditures reported, the reporting error identified by SAO is

.0025%. *The Department will submit a correction to the federal partner during the next reporting period and is committed to strengthening our internal review processes to ensure quarterly reports are completed 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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 201, *Grants to States for Public Assistance Programs*, establishes applicable requirements for form and manner of submittal of the estimates for public assistance grants.

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.

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, 2023 through June 30, 2024

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.

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:	2302WAFOST 2402WAFOST
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions – Payment Rate Setting and Application
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The federal Foster Care Title IV-E 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 adults who are involved 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 2024, the Department spent about \$164 million in federal grant funds, including about \$15.4 million for foster care maintenance payments.

The Department must establish payment rates for maintenance payments (for example, payments to foster parents, childcare institutions or directly to youth). The Department's state plan approved by the Administration for Children and Families must provide for periodic review of payment rates for foster care maintenance payments at reasonable, specific, time-limited periods established by the Department to ensure the rate's continuing appropriateness for the administration of the Title IV-E program. One of seven levels of maintenance payment amounts are assigned to each child based on a variety of factors such as medical needs. Each of the levels includes an overall increase of \$342.50 from the previous level. In fiscal year 2024, the Department recalculated its Foster Care maintenance payment rates. The different rate level increases were between \$50 and \$1,302 per month.

The Department has established rate structures for regular foster care maintenance payments, Behavioral Rehabilitation Service, and administrative service and management fees. The Department performs an economic analysis every four years to determine rates.

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 Foster Care Maintenance payment rates were properly calculated.

The Department did not have written policies and procedures to ensure it established maintenance payment rates exclusively for allowable, reasonable and necessary activities. During the audit, we reviewed the rate elements the Department used to determine the final maintenance rates. We identified several elements that, in our judgment, appeared to be unnecessary or unreasonable, including:

- Apps/games/ringtones for handheld devices
- Multiple entertainment and recreation costs such as:
 - TV/video/audio
 - Satellite dishes
 - Exercise equipment and gear/game tables
 - Video game software
 - Streaming/downloaded audio
 - Stamp and coin collecting
 - Online gaming services
- Food that did not appear to be suitable for children's activities such as coffee, soda and other carbonated drinks, and sweets
- Baby food included in the calculation for older children

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 have written policies and procedures and had no documentation to demonstrate how each rate element above was reasonable and allowable. In addition, the state plan did not reference any policies, laws or regulations regarding how rates should be calculated; it only referenced a policy stating that rates must be recalculated every four years.

In addition, the Department had a two-year moratorium on policies and procedures for the agency. The Department began working on a policy related to Rates, but this work has been delayed due to staff turnover and available resources.

Effect of Condition

After removing the elements described above, rates for level one payments were roughly \$50 less than what the Department determined. The Basic Rate difference was \$49.79 for children up to five years old, \$50.27 for children aged six to 11 years, and \$52.29 for children aged 12 years and older. Additionally, the Department could not support the overall increase of \$342.50 for each level.

For levels higher than the basic rate, the Department was unable to support the increases, leading to the Department potentially paying more than allowable.

Recommendation

We recommend the Department develop and implement written policies and procedures for setting payment rates to ensure established foster care maintenance payment rates only include allowable costs.

Department's Response

The Department concurs that policies and procedures related to rate setting for Foster Care maintenance payment are not currently established. Due to limited staffing resources, in September 2024, the Department submitted a budget request for the 2025 supplemental budget. The request included funding for a contractor to establish a formal governance process, policies and procedures, and create a public rate setting calendar and feedback structure for Department rate setting activities. This budget request was not funded by the Legislature.

In February 2025, the Department met with the SAO to gather an understanding of concerns and how reasonable and allowable rates could be documented to assist with compliance. The Department is committed to strengthening internal controls and complying with federal requirements and will prioritize establishing policies and procedures for rate setting.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, Subpart E-Cost Principles

Title 45 CFR Part 75, Subpart F-Audit Requirements, establishes standards for obtaining consistency and uniformity among HHS agencies for the audit of non-Federal entities expending Federal awards.

Title 42 *U.S. Code* Chapter 7, *Social Security* Subchapter IV –*Grants to States for Aid and Services to Needy Families with Children and for Child-Welfare Services*. Section 675 Definitions Part 4 states in part:

4. The term “foster care maintenance payments” means payments to cover the cost of (and the cost of providing) food, clothing, shelter, daily supervision, school supplies, a child’s personal incidentals, liability insurance with respect to a child, reasonable travel to the child’s home for visitation, and reasonable travel for the child to remain in the school in which the child is enrolled at the time of placement. In the case of institutional care, such term shall include the reasonable costs of administration and operation of such institution as are necessarily required to provide the items described in the preceding sentence.

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.667 Social Services Block Grant
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2302WASOSR; 2402WASOSR
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:	\$9,098,747
Prior Year Audit Finding:	Yes, Finding 2023-070

Background

The Department of Children, Youth, and Families administers the Social Services Block Grant (SSBG) program to provide services to children, youth and young adults for case management, foster care, protective services, transportation, childcare and other services such as child welfare services, intake and assessment, crisis counseling, family reconciliation and licensing staff. In fiscal year 2024, the Department spent about \$46.7 million in federal funding. Of this amount, the Department paid about \$20.2 million to providers for direct client services.

SSBG gave the Department broad flexibility to design and administer the program based on its approved plan. The Department used the SSBG Pre-Expenditure Report and Intended Use Plan approved by the federal partner to identify activities eligible for the SSBG program. Payments to the providers were initially incurred for other programs then transferred to the SSBG program to align with the amounts allocated in the Pre-Expenditure Report. The Department periodically processed journal vouchers to make these transfers.

Federal law requires recipients to have accounting procedures that are sufficient for tracing grants to a level of expenditure adequate to show that they have been used in accordance with program requirements.

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

In the prior audit, we reported the Department did not have adequate internal controls over and did not comply with requirements to ensure payments to providers were allowable and properly supported for the SSBG. The prior finding number was 2023-070.

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 properly supported for the SSBG.

Department management said it used the approved SSBG Pre-Expenditure Report and Intended Use Plan to identify eligible activities initially charged to the Foster Care program, then periodically transferred them to the SSBG grant to align with the Pre-Expenditure Report. The Department also said management performed monthly reconciliation to verify the expenditures were for allowable activities and within the period of performance.

During our testing, we found the Department used the Pre-Expenditure Report to identify eligible activities for the SSBG program and transferred funds accordingly. However, we found the Department did not perform month reconciliations to verify these expenditures were for allowable activities and within the period of performance.

We examined the Department's accounting records to determine if payments the Department transferred to the SSBG program were for activities that were allowable, authorized, accurate and supported. We identified total provider payments of \$20,211,047 that were transferred to the SSBG program during fiscal year 2024. We analyzed provider payments and requested the Department verify whether it could provide adequate level of expenditure so we could determine whether payments were allowable and supported. Based on our analysis and confirmation from the Department, we categorized the total expenditures into two categories, which we identified in the following table.

Category	Amount
Provider payments for which the Department provided an adequate level of support	\$11,112,849
Provider payments for which the Department could not provide an adequate level of support	\$9,098,198
Total payments to providers	\$20,211,047

Provider payments for which the Department provided an adequate level of support

We used a statistical sampling method to randomly select and examine 119 out of a total population of 12,867 payments.

We reviewed the supporting documentation, description of activities and payment approvals. We found the payments were for activities that were supported, allowable, authorized and accurate.

Provider payments for which the Department could not provide an adequate level of support

We were unable to perform testing on payments totaling \$9,098,198 because the Department was only able to provide summary level information. The Department was unable to provide an adequate level of support for us to determine whether the costs were for activities that were allowable, authorized and within the period of performance.

Period of performance

We analyzed costs recorded to determine if any costs were incurred for the 2024 SSBG grant award prior to the start of the grant period of performance. We found the Department charged \$549 to the 2024 SSBG grant for costs prior to the grant award's performance period began.

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

Cause of Condition

Due to staffing vacancies during the fiscal year, the Department did not perform monthly reconciliations to verify the expenditures were for allowable activities and within the period of performance.

In addition, the Department processed expenditure transfers at the grant level. As a result, the Department could not provide an adequate level of support for 42 % of payments to providers charged to the SSBG program. Therefore, we could not determine whether the payments transferred to SSBG were accurate, for allowable activities, and incurred during the period of performance.

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 some of the federal dollars it transferred to SSBG.

We are questioning \$9,098,747 in federal program costs the Department charged to the SSBG program 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 the funds it transfers to SSBG are supported by transaction-level support sufficient to comply with federal law
- Consult with the grantor to discuss whether it should repay the questioned costs identified in the audit

Department's Response

The Department maintains that funds were not improperly charged to the SSBG grant. This is a two-year grant that the Department spends down in one fiscal year. The Department provided the State Auditor's Office (SAO) with detailed expenditure data reports and email documentation of management reviews of the expenditures being charged to the SSBG grant. As to the SAO's specific findings:

Period of performance

The charges identified by the SAO of \$549 were related to accrued expenditures recorded at year end closing that were not transferred to the proper grant year. No federal funds were drawn on these accruals per Department guidelines and automated internal controls that are built into the Grants Management System that is used for federal draws.

Provider payments for which the Department could not provide an adequate level of support

The Department utilizes grant-level management for all federal funds, including the SSBG grant. 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 are met. The Department allocated the SSBG grants to eligible clients and allowable activities in compliance with 45 CFR 98.67 but did not include the level of data recommended by the SAO for some transfers. The SAO maintained that the program is not auditable without transaction level data.

The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit that can be used to accurately test compliance. In response to the auditor's recommendations related to fiscal year 2023 Child Care and Development Fund findings, the Department submitted a budget request for the 2024 supplemental budget. Funding was provided effective July 2024 to develop and maintain the business process that would allow adjustments to include transaction level data. Upon receiving funding, the Department is working with a developer to assist with building out the required databases between the Social Service Payment System and the Agency Financial Reporting System to allow transfers between funding sources to include transaction level data related to the expenditures. The Department looks forward to working with SAO to resolve the transaction level data concerns and move forward with fully auditing the SSBG grant program.

Auditor's Remarks

Period of Performance

We performed testing to ensure federal awards were charged only for allowable costs within their performance periods. We found the Department improperly charged \$549 to the 2024 SSBG grant for costs incurred before the grant's start date.

Provider payments for which the Department could not provide an adequate level of support

The level of documentation needed to support grant expenditures is not established by our Office but in title 45 of the U.S. Code of Federal Regulations and the state's grant award. Without adequate transactional level payment data, our Office is unable to perform tests to verify the remaining payments were transferred from eligible and allowable expenditures for the SSBG grant.

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

Applicable Laws and Regulations

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR, Section 96.30 – Fiscal and administrative requirements, states in part:

- a. Fiscal Control and accounting procedures. Except where otherwise required by Federal law or regulation, a State shall obligate and expend block grant funds in accordance with the laws and procedures applicable to the obligation and expenditure of its own funds. Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibition of the statute authorizing the block grant.

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.667 Social Services Block Grant
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	2302WASOSR; 2402WASOSR
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-072

Background

The Department of Children, Youth, and Families administers the Social Services Block Grant (SSBG) program to provide services to children, youth and young adults for case management, foster care, protective services, transportation, childcare and other services, such as child welfare services, intake and assessment, crisis counseling, family reconciliation and licensing staff. In fiscal year 2024, the Department spent about \$46.7 million in federal funding.

The Department is required to submit annual SF-425 financial reports for each open SSBG grant. These reports contain information such as the federal grant number, the recipient organization, grant period, reporting period end date, and a summary of expenditures and revenues related to the grant during the reporting period.

The Department is also required to submit annual SSBG Post-Expenditure reports that describe how the Department expended its SSBG grant for each fiscal year. These reports include information such as:

1. The number of eligible people who received services that were fully or partially paid for with SSBG funds

2. The amount of SSBG funds spent on providing each service
3. The method(s) by which each service was provided, showing separately for each service provided by public agencies, private agencies or both
4. The criteria applied in determining eligibility for each service, such as income eligibility guidelines, sliding fee scales, the effect of public assistance benefits, and any requirements for enrollment in school or training programs
5. The state's definition of "child," "adult" and "family"
6. Temporary Assistance for Needy Families funds transferred into SSBG

In its approved state plan, the Department has broad flexibility to design and administer the SSBG program. The Department used the SSBG Pre-Expenditure Report and Intended Use Plan approved by the federal partner to identify activities eligible for the SSBG program. Most of the expenditures charged to the SSBG program were initially incurred for the other programs and transferred to the SSBG program. The Department periodically processed accounting adjustments to make these transfers.

Federal law requires recipients to have accounting procedures that are sufficient for tracing grants to a level of expenditure adequate to show that they have been used in accordance with program requirements.

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

In the prior audit, we reported the Department did not have adequate internal controls over and did not comply with reporting requirements to ensure reports were complete and accurate for the SSBG program. The prior finding number was 2023-072.

Description of Condition

The Department did not have adequate internal controls over and did not comply with reporting requirements to ensure reports were complete and accurate for the SSBG program.

Financial Reporting – SF-425

We selected and examined the two SF-425 reports that the Department was required to submit in state fiscal year 2024. During the audit period, the Department processed expenditure transfers at the grant level. As a result, the Department did not identify the specific transactions, or provide the required level of supporting documentation, for 45% of payments to providers that were charged to the SSBG program. These transactions represented about 20% of total SSBG expenditures. Therefore, we could not rely on the data supporting the Department's reported SF-425 expenditures and could not determine if the reports were accurate and complete. This condition is also reference in audit finding 2024-072.

Performance Reporting – Post-Expenditure Report

Department personnel said they reviewed and approved the Post-Expenditure Report workbook before the information was uploaded into the SSBG portal to ensure the data was complete and accurate. Department personnel then reviewed and approved the Post-Expenditure Report in the SSBG portal to ensure it was complete and accurate before management performed a final review, certified the report and submitted it.

We selected the only SSBG Post-Expenditure Report that the Department was required to submit during the audit period. We found no documented evidence that the appropriate Department personnel reviewed the Post-Expenditure Report Workbook and the SSBG Post-Expenditure Report for accuracy and completeness before management completed the final review and certification of the report.

The unsupported SF-425 expenditures identified above were also included in this report. Therefore, we could not rely on the data supporting the expenditures reported in the Department's SSBG Post-Expenditure Report and could not determine if it was accurate and complete.

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

Cause of Condition

The Department processed expenditure transfers at the grant level and made accounting adjustments without identifying the actual payments that were used to support those adjustments.

Additionally, while management asserted the Post-Expenditure Report Workbook and SSBG Post-Expenditure Report were reviewed before the report was uploaded into the SSBG portal, there was no evidence that this review occurred.

Effect of Condition

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

By not complying with federal law regarding maintaining adequate supporting documentation for expenditures, the Department created a condition that made it impossible to audit some of the federal dollars it transferred to SSBG and reported on the SF-425 financial report and the SSBG Post-Expenditure report.

Recommendations

We recommend the Department:

- Improve internal controls to ensure management reviews reports along with supporting expenditure and revenue data to ensure completeness and accuracy
- Design and implement internal controls to ensure financial and program reports are supported with an adequate level of detail

Department's Response

The Department utilizes grant-level management for all federal funds, including the SSBG grant. 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 are met. The Department allocated the SSBG grants to eligible clients and allowable activities in compliance with 45 CFR 98.67 but did not include the level of data recommended by the State Auditor's Office (SAO) for some transfers. The SAO maintained that the program is not auditable without transaction level data.

The Department maintains that funds were not improperly charged to the SSBG grant. This is a two-year grant that the Department spends down in one fiscal year. The Department provided the SAO with detailed expenditure data reports and email documentation of management reviews of the expenditures being charged to the SSBG grant and changes being requested prior to submission. Management reviewed the expenditure data prior to certifying and submitting the reports in the federal reporting system verifying the requested changes were made. The federal reporting system creates an email after certification which the Department shared with the SAO. The Department was unable to provide email communication between staff and management related to the approval of the changes requested as documentation of the final approval prior to management certifying the report in the federal system as requested by SAO.

The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit that can be used to accurately test compliance. In response to the auditor's recommendations related to fiscal year 2023 Child Care and Development Fund findings, the Department submitted a budget request for the 2024 supplemental budget. Funding was provided effective July 2024 to develop and maintain the business process that would allow adjustments to include transaction level data. Upon receiving funding, the Department is working with a developer to assist with building out the required databases between the Social Service Payment System and the Agency Financial Reporting System to allow transfers between funding sources to include transaction level data related to the expenditures. The Department looks forward to working with SAO to resolve the transaction level data concerns and move forward with fully auditing the SSBG grant program.

Auditor's Remarks

The level of documentation needed to support grant expenditures is not established by our office but in title 45 of the U.S. Code of Federal Regulations and the state's grant award. Without adequate transactional level payment data, our Office is unable to perform tests to verify the remaining payments were transferred from eligible and allowable expenditures for the SSBG grant.

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

Applicable Laws and Regulations

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR, Section 96.30 – Fiscal and administrative requirements, states in part:

- (a) Fiscal Control and accounting procedures. Except where otherwise required by Federal law or regulation, a State shall obligate and expend block grant funds in accordance with the laws and procedures applicable to the obligation and expenditure of its own funds. Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibition of the statute authorizing the block grant.

Title 45 CFR Part 96.74, Annual Reporting Requirements, establishes the reporting requirements for the Pre-Expenditure and Post-Expenditure program reports.

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, 2023 through June 30, 2024

2024-074 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:	2305WA5MAP; 2305WA5ADM; 2305WAIMPL; 2405WA5MAP; 2405WA5ADM; 2205WA5021; 2305WA3002; 2305WA5021; 2405WA5021
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
Prior Year Audit Finding:	Yes, Finding 2023-073

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 2.5 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 about 112,000 children and pregnant people whose families' incomes are too high to qualify for Medicaid. During fiscal year 2024, the Medicaid program spent over \$20.6 billion in federal and state funds and CHIP spent nearly \$179.7 million in federal and state funds.

Managed Care Organizations (MCOs) 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 2024, 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. MCOs must have these audits conducted in accordance with generally accepted accounting principles (GAAP) and generally accepted auditing standards (GAAS).

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 are effective for contract years starting after July 1, 2017. The Authority's contracts with the MCOs began in January 2018, making the first audits required to be completed by December 2020.

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

In prior audits, we reported the Authority did not have adequate internal controls over and did not comply with managed care financial audit requirements. The prior finding numbers were 2023-073, 2022-054 and 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

During the audit period, the Authority's MCO contract language included the option for MCOs to submit audited financial reports in accordance with statutory accounting principles (SAP), which

is not an acceptable accounting method under federal regulations. As a result, the Authority accepted audited financial reports in accordance with SAP from all five MCOs.

Periodic audits

The Authority did not establish consistent internal controls to ensure it complied with the periodic audit requirements of MCO encounter and financial data. The Authority confirmed that its internal control included holding weekly meetings designed to keep the required audits on track for on-time completion. We used a nonstatistical sampling method to randomly select and examine 11 of 52 weekly meeting agendas during the audit period and found three instances in which the meetings did not occur, resulting in a 27.3% control failure rate.

While the Authority was in material compliance with this requirement during the audit period, it was required to complete the first financial data audits by December 2020. Therefore, the audits were 41 months late.

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

Cause of Condition

Audited financial reports

Authority officials said the Authority allowed MCOs to submit audited financial reports in accordance with SAP so the reports would be consistent with the Washington State Office of the Insurance Commissioner. The Office of the Insurance Commissioner considers SAP an acceptable accounting method for determining and reporting the financial condition and the results of operations of an insurance company and determining its solvency under Washington insurance law. However, this accounting method does not comply with the federal requirements.

Periodic audits

Authority officials initially confirmed that they had adequate controls in place throughout the audit period. However, after we selected our sample for control testing, Authority officials said they did not establish the control until October 2023. All exceptions we found in our testing were within the months where the control had not yet been in place. We did not note any exceptions in our sample for months within the period following its implementation.

Effect of Condition

Audited financial reports

When it does not collect proper, audited financial reports, the Authority increases its risk of relying on inaccurate or incomplete information.

Periodic audits

When it does not establish consistent internal controls, the Authority increases its risk of material noncompliance by not completing the required audits of encounter data and financial data.

These risks 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 properly audited financial reports
- Update MCO contracts to require audits of financial statements that are conducted in accordance with GAAP and GAAS
- Establish consistent processes to conduct and fully complete audits of encounter data and financial data at least once every three years

Authority's Response

Audited financial reports

The Authority partially concurs. The Authority accepted financial statements prepared in accordance with SAP during the fiscal year but also implemented contract changes as described in the corrective action plan from the SFY23 finding. As previously communicated to the auditor, the contract amendment process takes several months to complete. Contract language reflects the requirement for MCOs to provide the required financial audits in accordance with generally accepted accounting principles (GAAP) and generally accepted auditing standards (GAAS) was initiated and will be reflected in the MCO contracts effective January 1, 2025.

Periodic audits

The Authority partially concurs. The Authority was in material compliance during the period under review but concurs that the initial Financial Audit was completed after December 2020. Moving forward, the Authority has controls in place to ensure periodic audits are completed within the required timelines.

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 45 U.S. Code of Federal Regulations (CFR) Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

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 of 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, 2023 through June 30, 2024

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.

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:	2305WA5MAP; 2305WA5ADM; 2305WAIMPL; 2405WA5MAP; 2405WA5ADM; 2205WA5021; 2305WA3002; 2305WA5021; 2405WA5021
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:	\$3,844,961
Prior Year Audit Finding:	Yes, Finding 2023-074

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 2.5 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 about 112,000 children and pregnant people whose families' incomes are too high to qualify for Medicaid. During fiscal year 2024, the Medicaid program spent over \$20.6 billion in federal and state funds and CHIP spent nearly \$179.7 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 140,000 participating providers in fiscal year 2024. During that time, the Authority paid more than \$12.7 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 that the state Medicaid agency determine the exclusion status of providers through the Social Security Administration's Death Master File, the National Plan and Provider Enumeration System (NPPES), the List of Excluded Individuals/Entities, the System for Award Management, and any other databases as the State or Secretary may prescribe. All providers in a Medicaid program must have a valid National Provider Indicator (NPI) provided through the NPPES system before enrollment. Without passing these database checks, providers cannot be enrolled in Medicaid.

The state Medicaid agency must also 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 sends 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.

During the fiscal year 2021 audit, our Office reported in finding 2021-047 that there was a problem with the automated revalidation notifications. Specifically, the notices were being sent to providers after the five-year deadline had passed. In December of 2023, the Authority reported that the issue was resolved, and that revalidation notices were going out 150 days before the revalidation due date. If the provider revalidation is not completed, the Authority's Medicaid system (Provider One) is set to automatically deactivate the provider so that payments cannot be processed.

The provider enrollment and revalidation processes are similar. The first step in both processes is to determine the providers' 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 NPPES, 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 flexibility 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 application, as well as the postponement of all revalidation actions until the end of the emergency declaration which ended in March 2023 for the Medicaid and CHIP programs.

Also, in response to the COVID-19 pandemic, the Authority's Chief Medical Officer approved a blanket waiver for the backdating of all provider's effective dates, which was allowed by CMS and Washington Administrative Code. This waiver allows all providers to submit claims for services provided before their enrollment and revalidation applications are approved. This waiver is still in effect.

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 2023-074, 2022-055, 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 12,073 new provider enrollments and was required to perform ongoing eligibility determinations for 125,615 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 eight instances (7%) when the Authority did not take the appropriate actions to ensure providers met eligibility requirements. Specifically, we found:

- Staff enrolled two new providers and did not terminate three active providers without either having a valid CPA on file or being affiliated with a billing provider who has a valid CPA on file. Because the providers were not covered by a valid CPA, they were improperly enrolled and not eligible to provide services.
- Staff did not complete a full enrollment screening prior to approval for two new providers.
- Staff did not close the ProviderOne domain for a provider who was listed as deceased on June 4th, 2017, in the automated provider screening system.

The procedures for sending revalidation notifications to providers changed on December 8, 2023. After this date, the Authority sent revalidation notifications 150 days prior to the deadline. During the audit period, we identified 816 providers who received a revalidation notification prior to 12/8/2023 and 1,836 providers who received a revalidation notification after this date. We used a statistical sampling method to randomly select and examine 57 pre-12/8/2023 revalidations and 58 post-12/8/2023 revalidations to determine if the Authority appropriately screened the providers prior to approval or if providers were deactivated by the deadline. Of the 115 providers examined, we found 95 instances (83%) when the Authority did not take sufficient action to ensure providers were either appropriately revalidated or deactivated by the revalidation deadline. Specifically, we found:

Pre-12/8/2023 Notifications

- Staff revalidated 48 providers; however, revalidation occurred after the deadline

- Seven providers were not revalidated or deactivated by the revalidation deadline

Post-12/8/2023 Notifications

- 10 providers were revalidated after the revalidation deadline
- 30 providers were not revalidated or deactivated by the revalidation deadline

Federal regulations and a state rule require providers identified as high risk receive fingerprint based criminal background checks upon enrollment or revalidation. The Authority stated that they are not currently performing background checks for high-risk providers and are developing resources and procedures to fulfil this requirement in the future.

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

Cause of Condition

Although the Authority has established processes to screen and enroll providers, they were ineffective to prevent or detect 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 prior to December 8, 2023, the Authority's automated system was designed to notify providers of their revalidations one day after the due date. We formally notified the Authority of this weakness in the automated system during the fiscal year 2021, 2022, and 2023 audits. Our audit also found that after the automated revalidation system was corrected by the Authority, it did not automatically deactivate providers to prevent claims from being processed.

Management did not ensure adequate internal controls were established to comply with requirements that high-risk providers receive fingerprint-based background checks.

Effect of Condition and Questioned Costs

By not complying with federal fingerprint-based background checks for high-risk providers, the Authority risks the health and safety of Medicaid clients and is at a higher risk of not detecting when medical providers are ineligible to provide services or be paid with Medicaid funds.

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.

Provider Category	Known Questioned Costs (state and federal)	Known Questioned Costs (federal portion only)	Likely Questioned Costs (state and federal)	Likely Questioned Costs (federal portion only)
Revalidated Providers Pre 12/8/2023 (Old Process)	\$568,101	\$277,570	\$8,132,819	\$3,973,630
Revalidated Providers Post 12/8/2023 (New Process)	\$342,094	\$247,045	\$10,829,055	\$7,820,246
Total	\$910,195	\$524,615	\$18,961,874	\$11,793,876

During revalidation testing for nursing facilities that submitted social service claims, we found that medical claims had also been submitted during fiscal year 2024. We checked the licensing of these facilities to ensure that they were eligible to bill Medicaid for medical services. We determined that three nursing facilities were not revalidated as required and were not prevented from submitting unallowable medical claims to Medicaid. We identified \$6,463,577 in questioned costs, with the federal portion being \$3,320,346.

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 95% 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 45 CFR 75.516(a)(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
- Implement procedures to ensure high risk providers receive required fingerprint-based background checks

Authority’s Response

The Authority partially concurs with the finding.

For the period of July 1, 2023 through December 8, 2023, the Authority concurs that 48 providers were revalidated after the deadline, and that seven providers were not revalidated or deactivated by the revalidation deadline. On December 8, 2023, the Authority implemented a system change to send revalidation notices 150 days ahead of the deadline.

For the period of December 9, 2023, through June 30, 2024, the Authority concurs with the auditor's testing.

The Authority concurs that one provider was not terminated after the provider was deceased, and that one active provider was not correctly terminated due to an incomplete revalidation, described by the auditors as not having a valid CPA on file.

The Authority does not concur with the auditor's assertion that two providers did not have a valid CPA on file. The two providers had valid CPAs on file, which do not expire under state or federal law. Washington Administrative Code (WAC) requires only that providers have a CPA on file. There is no violation of federal regulations or WAC to revalidate without collecting a new signed CPA.

The Authority does not concur that two new providers were enrolled without completion of a full enrollment screening. The providers were screened by staff as documented on the enrollment checklist on the same day the enrollment was approved.

Finally, regarding the nursing facility revalidation issue, as Washington's Medicaid agency, we operate cooperatively under a written agreement with the Department of Social and Health Services (Department) who carry out nursing facility licensing and revalidations. The Department responded with the following regarding the revalidations:

"The Department partially agrees with the finding.

We agree five providers did not have Medicaid Provider Disclosure Statement (MPDS) forms.

We do not concur with the known questioned cost amount. While the MPDS forms are a requirement for the Centers for Medicare and Medicaid Services, services were provided to clients and the nursing facilities had valid contracts and active licenses.

Effective May 2024, the Nursing Facility Revalidation Process was updated to state that the Facilities Contract Specialist would review the NF revalidation monitoring spreadsheet monthly and revalidation paperwork sent one year in advance of the due date to ensure revalidation is done ahead of the 5-year period. In addition, the Department will be consulting with the Authority to determine if it is possible to automate revalidation notices.

Department contracts staff will be verifying the MPDS forms are in MODIS for all nursing facilities and that each form has been completed within the 5-year period by 12/31/25."

Auditor's Remarks

Federal regulations state that providers must be revalidated at least every five years. The Authority's written policies and procedures state that a signed CPA must be provided by providers as part of the revalidation.

For the two providers enrolled without completion of a full enrollment screening, there was no record of a screening being performed at the time of enrollment in ProviderOne, the system of record. The enrollment checklist is an internal tool utilized by the Authority and does not provide sufficient evidence that screening requirements for providers were met.

We appreciate the steps the Authority and Department have taken to ensure revalidation requirements are met for nursing facilities. However, federal regulations specify that federal payments may not be made to entities that do not provide required disclosures. Federal law 42 CFR Part 455.104 (f) states that federal financial participation is not available in payments made to a disclosing entity that fails to disclose required ownership or control information.

We reaffirm our finding and questioned costs and will follow up on the status of the Authority's corrective actions during our next audit.

Applicable Laws and Regulations

Title 45 U.S. Code of Federal Regulations (CFR) Part 75, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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 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 42 CFR section 438 subpart H - Additional Program Integrity Safeguards, states in part:

Section 438.602 State responsibilities

- a. Screening and enrollment and revalidation of providers.
 - (1) The State must screen and enroll, and periodically revalidate, all network providers of MCOs, PHIPs, and PAHPs, in accordance with the requirement 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.

- (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.

(b) 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).

(c) 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 MCO, PIHP, PAHP, PCCM, or PCM 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) When 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 agency, 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 a 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. Disclosures 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 the 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 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.
- (f) 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 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 any 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 or 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 designated 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 designated 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 providers, 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 reminder 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 of 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 payments system in order for any services or supplies ordered, prescribed, or referred by them to be paid. The national providers identifier (NPI) of any referring, prescribing, or ordering provider must be included on the claim form. Refer to WAC 182-502-0005 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 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 federal 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 agencies' timely billing requirements under WAC 182-502-0150.

Washington Administrative Code 182-502-0010 When the medicaid agency enrolls states:

- (1) Nothing in this chapter obligates the medicaid agency to enroll any eligible health care professional, health care entity, supplier, or contractor of service who requests enrollment.
- (2) To enroll as a provider (as defined in WAC 182-500-0085) with the agency, a health care professional, health care entity, supplier, or contractor of service rendering services in the state of Washington (persons or entities providing services out of Washington state see WAC 182-502-0120 and 182-501-0175) must, on the date of application:
 - (a) Be currently licensed, certified, accredited, or registered according to Washington state laws and rules, or, if exempt under federal law, according to the laws and rules of any other state;
 - (b) Be enrolled with medicare, when required in specific program rules;
 - (c) Have current professional liability coverage, individually or as a member of a group, to the extent the health care professional, health care entity, supplier or contractor is not covered by the Federal Tort Claims Act, including related rules and regulations;
 - (d) Have a current federal drug enforcement agency (DEA) certificate, if applicable to the profession's scope of practice;
 - (e) Meet the conditions in this chapter and other chapters regulating the specific type of health care practitioner;
 - (f) Sign, without modification, a core provider agreement (CPA) or nonbilling provider agreement, and a debarment form. Servicing providers are not required

to sign as their enrollment is based upon being included under an organizational CPA or nonbilling provider agreement;

- (g) Agree to accept the payment from the agency as payment in full in accordance with 42 C.F.R. § 447.15 requiring acceptance of state payment as payment in full (see also WAC 182-502-0160 billing a client);
 - (h) Fully disclose ownership, employees who manage, and other control interests (e.g., member of a board of directors or office), as requested by the agency. Indian health services clinics are exempt from this requirement;
 - (i) Have screened employees and contractors with whom they do business prior to hiring or contracting to assure that employees and contractors are not excluded from receiving federal funds as required by 42 U.S.C. 1320a-7 and 42 U.S.C. 1320c-5;
 - (j) Pass the agency's screening process, including license verifications, database checks, site visits, and criminal background checks, including fingerprint-based criminal background checks as required by 42 C.F.R. 455.434 if considered high-risk under 42 C.F.R. 455.450.
 - (i) The agency uses the same screening level risk categories that apply under medicare.
 - (ii) For those provider types that are not recognized under medicare, the agency assesses the risk of fraud, waste, and abuse using similar criteria to those used in medicare; and
 - (k) Pay an application fee, if required by CMS under 42 C.F.R. 455.460.
- (3) Servicing providers performing services for a client must be enrolled under the billing providers' CPA or a nonbilling provider agreement.
- (4) Only a licensed health care professional whose scope of practice under their licensure includes ordering, prescribing, or referring may enroll as a nonbilling provider.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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:	2305WA5MAP; 2305WA5ADM; 2305WAIMPL; 2405WA5MAP; 2405WA5ADM
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
Prior Year Audit Finding:	Yes, Finding 2023-076

Background

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.5 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 2024, the program spent more than \$20.6 billion in federal and state funds.

The Centers for Medicare and Medicaid Services (CMS), which administers the program at the federal level, relies on states to regulate and license hospitals that serve Medicaid clients. Medicaid coverage for hospitals is authorized only when services are provided in a facility that is licensed and certified by the state survey agency (for non-deemed hospitals) or an accrediting organization (for deemed hospitals). The term "deemed" means the facility has voluntarily requested and received permission from CMS to be certified by an accrediting organization, while hospitals that are "non-deemed" have not. The Department of Health is Washington's state licensing agency, and is also responsible for investigating hospital complaints. The Department's Office of Investigation and Legal Services (OILS) is the front-line response system for providing the intake and assignment functions for complaints from staff, patients, accrediting organizations and the public. The Department's Office of Health Systems Oversight is responsible for coordinating and performing investigation surveys.

Deemed hospitals are surveyed for CMS certification by their accrediting organizations. However, the Department performs an investigation survey for complaints that meet the federal prioritization level. People can submit complaints to OILS online or by mail, email or telephone. OILS uses the Integrated Licensing and Regulatory System (ILRS) to input and track complaints. OILS intake staff review report types regardless of delivery method before entering them into ILRS. Intake staff check for possible imminent danger and then deliver the complaint to the Department's Office of Health Systems Oversight, as well as upload an electronic copy to a secure drive.

The CMS *State Operations Manual*, which is binding on Medicare-certified and Medicare-Medicaid-certified providers, provides state agencies with procedural guidelines for surveying and managing complaints and incidents.

Hospitals are responsible for following the provider health and safety standards that are mandated by state and federal regulations.

When the Department receives hospital complaints, state regulations require staff to perform an initial assessment of the reports within 21 days. In addition, staff must review the reports for possible imminent danger within two working days of receiving them. If staff identify imminent danger, they must immediately forward the report for processing.

The following two tables outline the federal requirements for response times the Department must follow for deemed hospitals and non-deemed hospitals.

Priority levels and response times for non-deemed hospitals

Priority levels	Required response times
Immediate Jeopardy	Initiate onsite survey within two business days of receipt
Non-Immediate Jeopardy High	Initiate onsite survey within 45 calendar days of prioritization
Non- Immediate Jeopardy Medium	Must investigate no later than when the next onsite survey occurs
Non-Immediate Jeopardy Low	Must track/trend for potential focus areas during the next onsite survey

Priority levels and response times for deemed hospitals

Priority levels	Required response times
Immediate Jeopardy	Initiate onsite survey within two business days of receipt of regional office authorization
Non-Immediate Jeopardy High	Initiate onsite survey within 45 calendar days of receipt of regional office authorization
Non-Immediate Jeopardy Medium	Complainant is referred to the applicable accrediting organization(s)
Non-Immediate Jeopardy Low	Complainant is referred to the applicable accrediting organization(s)

The CMS *State Operations Manual* requires people with certain qualifications to assess each hospital complaint. These people must be professionally qualified to evaluate the nature of the problem based on their knowledge and experience of current clinical standards of practice and federal requirements.

If OILS determined possible imminent danger, the case manager and survey manager review the complaints for immediate jeopardy. If they determine there is possible imminent danger, then an Expedited Case Management Team is designated. If they do not identify immediate jeopardy, they prioritize the complaint at the next weekly case management meeting. Once case managers decide that a complaint at a non-deemed hospital meets the state and federal prioritization level for investigation, they assign it to field staff. For complaints at deemed hospitals that meet the federal prioritization level for investigation, case managers request authorization from the CMS regional office through the Aspen Complaint Tracking System (ACTS) to initiate an investigation.

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 review of hospital complaints. The prior finding number was 2023-076.

Description of Condition

The Department did not have adequate internal controls over and did not comply with requirements to ensure timely review of hospital complaints.

The Department received 1,784 hospital complaints during state fiscal year 2024. We evaluated all of them to ensure the Department performed an initial assessment and review of the complaints for imminent danger within the required timelines. We found the Department did not review 1,624 complaints (91%) for imminent danger within two working days of receiving them. The review time for these complaints ranged between three and 71 days. In addition, the Department did not review 303 complaints (17%) within the 21-day basic assessment period. The review time for these complaints ranged between 22 and 170 days.

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

Cause of Condition

The Department did not implement adequate internal controls to ensure staff reviewed the complaints within the required timeframe. Management also acknowledged that the Department was understaffed, which contributed to its failure to comply with the 21-day basic assessment period. In addition, the Department asserted that the ILRS system is not configured to accurately capture the dates of when program staff review complaints for imminent danger.

Effect of Condition

When the Department does not prioritize and perform a prompt initial assessment of complaints, vulnerable patients are at higher risk of abuse, neglect and substandard care. The delays in reviewing these complaints also affect the Department's ability to initiate timely investigations of issues concerning providers. Further, when the Department does not promptly follow up on a complaint, the state also runs the risk of paying Medicaid funding to a noncompliant facility.

Recommendation

We recommend the Department implement internal controls to ensure it reviews complaints and documents the reviews for imminent danger within two working days of receiving the complaints and within the 21-day basic assessment, as state regulations and the State Operations Manual require.

Department's Response

We appreciate the State Auditor's Office audit of the Medicaid Special Tests Health and Safety Standards grant requirement. The Department of Health is committed to ensuring our programs comply with federal regulations and concurs generally with the finding. While the Department continues to assert that it has a process to screen complaints for possible imminent danger, the Department has assessed and instituted system internal controls necessary to demonstrate

compliance and properly reflect the accurate date of initial screening for imminent danger within two working days of receiving a complaint, as required by the CMS State Operations Manual, and subsequent 21-day basic assessment and review timeline per internal policies.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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.

Washington Administrative Code 246-14-040 *Uniform Procedures For Complaint Resolution*, states:

Initial assessment of reports.

1. Initial assessment is the process of determining whether a report warrants an investigation and becomes a complaint. The complainant and credential holder or applicant will be notified as soon as possible after the initial assessment is complete.
2. The basic time period for initial assessment is twenty-one days.
3. All reports will be reviewed for imminent danger within two working days. If imminent danger is identified, the report will be immediately forwarded for processing.

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 timeframes. 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 business days of receipt of the complaint or incident report, or, in the case of a deemed provider or supplier, within two business days of RO authorization for investigation. The same process applies to EMTALA complaints or a survey related to a report of a hospital or CAH Distinct Part Unit patient death associated with the use of restraint or seclusion. The SA's investigation must be initiated within two business days of RO authorization for investigation.

...

CMS expects SAs to prioritize complaints at the appropriate level that is warranted. The timeframes in Section 5075 below represent maximum timeframes for investigation; ... the SA is not precluded from investigating complaints and facility- reported incidents within a shorter timeframe. In addition, the SA is not precluded from taking other factors into consideration in its triage decision. For example, the SA may identify a trend in allegations that indicates an increased risk of harm to residents or the SA may receive corroborating information from other complainants regarding the allegation....

Section 5075.9 – Maximum Time Frames Related to the Federal Onsite Investigation of Complaints/Incidents

Provider Type	Intake Prioritization – Immediate Jeopardy
Non-deemed non-long term care providers/suppliers	SA must initiate an onsite survey within 2 business days of receipt.
Deemed providers/suppliers	SA must initiate an onsite survey within 2 business days of receipt of RO authorization.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2023 through June 30, 2024

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.

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:	2305WA5MAP; 2305WA5ADM; 2305WAIMPL; 2405WA5MAP; 2405WA5ADM
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions - Medicaid Fraud Control Unit
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Department's Response

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.5 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 2024, the program spent more than \$20.6 billion in federal and state funds.

States are required as part of their Medicaid state plans to maintain a Medicaid Fraud Control Unit (MFCU). The primary mission of the MFCU is to investigate and prosecute fraud by Medicaid providers, to review and investigate complaints alleging abuse or neglect of patients in Medicaid-funded healthcare facilities, and to review and investigate complaints of patient abuse or neglect in board and care facilities or involving Medicaid beneficiaries in noninstitutional and other settings.

States must have methods and criteria for identifying suspected fraud cases, methods for investigating these cases, and procedures, developed in cooperation with legal authorities, for referring credible allegations of fraud cases to law enforcement officials. Credible allegations of provider fraud must be referred to the state MFCU, a division within the Office of the Attorney General. States must have an agreement with the MFCU, which includes methods of coordination and procedures for referring potential fraud.

Case managers and field staff at the Department of Social and Health Services, as well as their contractor, Consumer Direct Care Network Washington (CDWA) who manages Individual Providers delivering direct care to clients, help identify potential and suspected provider fraud for the Department to consider. The program integrity units within the Aging and Long-Term Support Administration (AL TSA) and Developmental Disabilities Administration (DDA) at the Department receive allegations of potential fraud and conduct further research to determine if the potential fraud is credible. If it is credible, and the fraud is a potential loss of more than \$1,000, the Department refers the case to MFCU. Fraud allegations under \$1,000 are reviewed and tracked to ensure any repeat allegations can be compiled to show a pattern of possible fraudulent behaviors. The Department and CDWA work together to offer provider education and billing standards training and once completed, the training is documented and then used to support any future allegations.

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.

Department's Response

The Department 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 MFCU.

To determine if the Department properly reviewed and investigated all allegations of fraud and referred those which were credible to MFCU, we reviewed allegations that program integrity units at AL TSA and DDA received.

For allegations of fraud ALTSA reviewed, we used a statistical sampling method to randomly select and examine 56 out of a total population of 490 allegations. We determined ALTSA did not properly refer 13 (23 %) credible allegations of fraud to MFCU.

For allegations of fraud DDA reviewed, we used a nonstatistical sampling method to randomly select and examine 13 out of a total population of 79 allegations. We determined DDA did not properly refer two (15 %) credible allegations of fraud to MFCU.

We determined the Department's internal controls were ineffectively designed to prevent noncompliance with MFCU requirements. Specifically, the Department's decision to only refer cases of fraud with a potential loss of more than \$1,000 is not in compliance with federal law, which requires the Department to refer all credible allegations to MFCU regardless of the amount of potential loss.

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

Department management said they were under the impression that MFCU did not want the Department to refer credible allegations of fraud with a potential loss of less than \$10,000 to them for investigation. However, the Department determined that it would refer credible allegations with a potential loss of \$1,000 or more.

Effect of Condition

Because the Department uses a monetary threshold, it does not refer most credible allegations of fraud with a potential loss of less than \$1,000 to MFCU, as required. This prevents MFCU from considering some credible allegations of fraud for investigation; the State is therefore at risk of not recovering Medicaid funds that may have been fraudulently paid to providers.

Recommendation

We recommend the Department create and implement internal controls, policies and procedures that allow it to refer all credible allegations of fraud to MFCU.

Department's Response

The Department concurs with the finding.

The Department was under the impression that MFCU did not want referrals of credible allegations of fraud with a potential loss of less than \$10,000 sent to them for investigation. However, management determined the Department would refer allegations of fraud with a potential loss of \$1,000 or more.

The 15 cases (13 for ALTSA and two for DDA) that were not referred to MFCU were each under \$1,000 of potential loss. Provider education was completed by CDWA, and the funds were returned to Medicaid. Fraud referrals under \$1,000 are all reviewed and tracked to ensure any repeat referrals can be compiled to show a pattern of possible fraudulent behaviors. The Department and CDWA work together to determine if provider education is appropriate. After CDWA completes the provider education and billing standards, training is documented and then used to support any future referrals.

The Department met with CDWA to discuss a revised process that will ensure compliance with MFCU requirements. In addition, DSHS Medicaid Provider Fraud Referral form 12-210 will be modified to include CDWA as an entity.

The Department and CDWA will revise and finalize existing procedures related to the submission of fraud referrals and referrals of all credible allegations regardless of the amount of potential loss. Approval will be requested for the creation of a ticketing system for CDWA to submit provider fraud referrals directly into SharePoint to streamline the process to reduce workload and ensure compliance with MFCU 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 45 U.S. Code of Federal Regulations (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 42 CFR Part 455, section 21, *Cooperation with State Medicaid fraud control units*, states in part:

A. The agency must

1. Refer all cases of suspected provider fraud to the unit;

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.775 - State Medicaid Fraud Control Units 93.777 - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare 93.777 COVID-19 – State Survey and Certification of Health Care Providers and Suppliers 93.778 - Medical Assistance Program (Medicaid; Title XIX) 93.778 COVID-19 – Medical Assistance Program (Medicaid; Title XIX)
Federal Grantor Name:	U.S Department of Health and Human Services
Federal Award/Contract Number:	2305WA5MAP; 2305WA5ADM; 2305WAIMPL; 2405WA5MAP; 2405WA5ADM
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Test and Provisions – Provider Health and Safety Standards
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-078

Background

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.5 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 2024, the program spent over \$20.6 billion in federal and state funds and had three ICF/IID facilities that were Medicaid certified.

Residential Care Services (RCS), under the Department of Social and Health Services, Aging and Long-Term Support Administration, is the State's Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) survey agency. An ICF/IID is an institution with the primary purpose of providing health or rehabilitation services to people with intellectual disabilities or related conditions who receive care and services under Medicaid.

The Department must perform a federal certification survey of each ICF/IID. The certification survey is a resident-centered inspection that gathers information about the quality of service provided in a facility to determine compliance with the participation requirements. The survey focuses on the facility's administration and patient services, as well as the outcome of the facility's implementation of ICF/IID active treatment services. The survey also assesses compliance with federal health, safety and quality standards designed to ensure patients receive safe and quality care services.

The State must complete a standard survey for each ICF/IID facility within 15.9 months after the previous survey, and the statewide average for all ICF/IID facilities must not exceed 12.9 months for all ICF/IID facilities, as required by Centers for Medicare and Medicaid Services (CMS). All staff surveyors are required to receive specific RCS training in order to be qualified to conduct surveys. If a survey uncovers deficiencies, the Department must mail a Statement of Deficiency (SOD) to the facility within 10 working days of the survey date. The facility must submit a Plan of Correction (POC) that the Department determines is acceptable within 10 calendar days of receipt of the SOD. The facility has a total of 60 days to be back in compliance or risk forfeiting its Medicaid certification. In addition to federal requirements, the Department has established its own policies and procedures requiring that it review a submitted POC within five working days after receiving it.

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

In prior audits we reported the Department did not have adequate internal controls to ensure it conducted timely surveys and followed up on deficiencies. The prior finding numbers were 2023-078, 2020-053, 2019-061, 2018-052, 2017-042, 2016-037, 2015-045, and 2014-046.

Description of Condition

The Department did not have adequate internal controls over and did not comply with survey requirements for Medicaid intermediate care facilities.

The Department uses a tracking spreadsheet as an internal control to monitor and track the survey frequencies as well as the statewide average frequency to ensure it meets the mandated 15.9 month survey frequency, and the statewide average of 12.9 months between surveys for each facility. The Department uses a separate tracking spreadsheet to track individual surveys for SOD and POC due dates and approaching deadlines.

We found the Department did not ensure that all recertification surveys were completed promptly. The Department did not adequately monitor the tracking sheet and complete surveys for all three of the ICF/IIDs within the required 15.9 months and 12.9 month statewide average. While assessing the Department's compliance with these requirements, we considered the time period where survey activities were suspended due to the COVID-19 pandemic and did not include that period of suspended activities in our calculation between survey dates. The statewide average is calculated on the federal fiscal year. For federal fiscal year 2024, the statewide average for the three surveys was 22.1 months.

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

Cause of Condition

As a result of the public health emergency, the Department had an extensive backlog of complaints and recertification surveys. While trying to address the backlog there were new complaints that also had to be prioritized. Although there are only three facilities, there is only one team that handles the surveys, complaints and revisits for this provider type across the entire state.

Management did not monitor its survey schedules adequately to ensure compliance in meeting the survey timeline.

Effect of Condition

Without conducting recertification surveys timely, the State is at risk of paying facilities for services provided to Medicaid clients without assurance the facilities are complying with federal and state health standards and regulations. Clients residing in facilities that do not meet federal health and safety requirements for participating in the Medicaid program could be at increased risk of abuse, mistreatment, neglect or substandard care.

By not meeting the statewide average requirement for recertification surveys, the Department has not met federal Medicaid requirements and could be subject to sanctions by the grantor.

Recommendations

We recommend the Department:

- Establish adequate internal controls to ensure compliance with facility survey timeliness requirements
- Ensure it completes recertification surveys within 15.9 months and within the 12.9 month statewide average

Department's Response

The Department partially concurs with the finding.

We do not concur there is a lack of internal controls. It was through our applied internal controls we identified concerns and allocated resources to meet the most serious concerns. The Field Manager meets with the Administrative Assistant and reviews the 365-day average report to determine if survey schedules need to be modified in order to meet the federal requirement on a quarterly basis (12.9 and 15.9 month timeline).

In FY 2023 and FY 2024, the team was trying address the backlog but had to prioritize new complaints. Although there are only three facilities, there is only one team that handles the surveys, complaints and revisits for this provider type across the entire state.

The 12.9 month average is based on the overall average of the months for all ICF-IID surveys, and some of those surveys were in a significant backlog due to the pandemic. The Department continues to show progress in shortening the recertification survey intervals. For the reporting period of June 2024 through September 2025, the federal Certification and Survey Provider Enhanced Reporting tool (CASPER) has indicated that the Department's survey average intervals are currently at 13.3 months, which is an improvement from the 22.1 months in FY23 and FY24.

Regional Administrators have met with their ICF/IID teams to look ahead at survey scheduling for the year to ensure teams will be able to meet targeted survey completion dates and meet the 15.9 and 12.9 timeframes by December 2025.

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 45 U.S. Code of Federal Regulations (CFR) Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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 42 CFR, Part 442, *Standards for Payment to Nursing Facilities and Intermediate Care Facilities for Individuals with Intellectual Disabilities*, states in part:

Section 442.109 – Certification period for ICF/IIDs: General Provisions

- (a) A survey agency may certify a facility that fully meets applicable requirements. The State Survey Agency must conduct a survey of each ICF/IID not later than 15 months after the last day of the previous survey.
- (b) The statewide average interval between surveys must be 12 months or less, computed in accordance with paragraph (c) of this section.

Title 42 CFR, Part 488, *Survey, Certification, and Enforcement Procedures*, states in part:

Section 488.28 – Providers or suppliers, other than Skilled Nursing Facilities (SNFs), Nursing Facilities (NFs), and Home Health Agencies (HHAs) with deficiencies

- (a) If a provider or supplier is found to be deficient in one or more of the standards in the conditions of participation, conditions for coverage, or conditions for certification or requirements, it may participate in, or be covered under, the Medicare program only if the provider or supplier has submitted an acceptable plan of correction for achieving compliance within a reasonable period of time acceptable to CMS. In the case of an immediate jeopardy situation, CMS may require a shorter time period for achieving compliance.
- (b) The existing deficiencies noted either individually or in combination neither jeopardize the health and safety of patients or are of such character as to seriously limit the provider's capacity to render adequate care.
- (c)
 - (1) If it is determined during a survey that a provider or supplier is not in compliance with one or more of the standards, it is granted a reasonable time to achieve compliance.
 - (2) The amount of time depends upon the -
 - (i) Nature of the deficiency; and
 - (ii) State survey agency's judgment as to the capabilities of the facility to provide adequate and safe care.

- (d) Ordinarily a provider or supplier is expected to take the steps needed to achieve compliance within 60 days of being notified of the deficiencies but the State survey agency may recommend that additional time be granted by the Secretary in individual situations, if in its judgment, it is not reasonable to expect compliance within 60 days, for example, a facility must obtain the approval of its governing body, or engage in competitive bidding.

The Centers for Medicare and Medicaid Services, State Operations Manual, Chapter 2 – The Certification Process, states in part:

2138G – Schedule for Recertification

(Rev. 91, Issued: 09-27-13, Effective: 09-27-13, Implementation: 09-27-13)

The SA completes a recertification survey an average of every 12 months and at least once every 15 months (see §2141).

2141 – Recertification – ICFs/IID

(Rev. 91, Issued: 09-27-13, Effective: 09-27-13, Implementation: 09-27-13)

- The regulation at §442.15 provides that provider agreements for ICF/IID's would remain in effect as long as the facility remains in compliance with the Conditions of Participation (COP's). Regulations at §442.109 through §442.111.
- Beginning on May 16, 2012, ICF/IID's are no longer subject to time-limited agreements. However, they are to be surveyed for re-certification an average of every 12 months and at least once every 15 months.
- If during a survey the survey agency finds a facility does not meet the standards for participation the facility may remain certified if the survey agency makes two determinations – The facility may maintain its certification if the survey agency finds Immediate Jeopardy doesn't exist, and if the facility provides an acceptable plan of correction.
- An ICF/IID may be decertified under procedures outlined in Section 3012 of the State Operations Manual. More specifically, a facility may be decertified if an immediate jeopardy finding remains unabated after 23 days or if it fails to regain compliance with conditions of participation after 90 days.

ICF/IID's will be subject to survey an average of every 12 months and at least every 15 months, the same period that is applied to Nursing Homes.

The Department of Social and Health Services, Residential Care Services *Standard Operating Procedure: Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID)*, Chapter 16C2 – ICF/IID Plan of Correction (PoC) states in part:

Overview

Following the survey process and upon receipt of the SOD, the facility must develop a Plan of Correction (PoC) to address all stated deficiencies outlined in the SOD within 10 calendar days of receipt of the SOD. Regulations allow certification of ICF/IID facilities with deficiencies at the standard level “only if the facility has submitted an acceptable PoC for achieving compliance within a reasonable period of time acceptable to the Secretary.” Failure to submit a PoC could result in termination of the facility agreement.

Decisions on acceptance of the PoC by the survey team must occur within 5 working days of receipt by RCS.

The facility has no longer than 60 calendar days to implement the PoC and correct the deficiency. The correction date for a specific deficiency may be less depending on the circumstances of the deficiency.

Procedure

Surveyor/Complaint Investigator will:

1. Review the PoC within 5 working days of receipt of the PoC.
2. An acceptable PoC must contain the following elements:
 - The plan for correcting the specific deficiency cited. The plan should address the internal facility processes that lead to the deficiency being cited;
 - The procedures for implementing the PoC for the specific deficiency cited;
 - The monitoring procedure to ensure that the PoC is effective and that specific deficiency cited remains corrected and in compliance with the regulatory requirements;
 - The title of the person responsible for implementing the PoC.
3. PoCs must be specific and realistic, stating exactly how the correction to the deficiency occurred. The administrator, or other authorized official, must sign and date the PoC. Additional documentation attached to CMS Form 2567 is acceptable. All deficiencies corrected since the survey must have the corrected date on the form.
4. Do not routinely accept dates for correction at 60 calendar days. If a corrected deficiency is possible well before 60 calendar days, then the correction date should reflect that.
5. Discuss the decision with the Field Manager. Determine possible revisits as needed.

6. If the PoC is acceptable (depending on a paper review and/or onsite revisit if needed), complete the CMS Form 2567B in ASPEN.
7. If the PoC is not acceptable, see Chapter 16C3: Unacceptable PoC for procedures.
8. Report the decision to the Administrative Assistant 3 (AA3) for documentation.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington
July 1, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.775 - State Medicaid Fraud Control Units 93.777 - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare 93.777 COVID-19 – State Survey and Certification of Health Care Providers and Suppliers 93.778 - Medical Assistance Program (Medicaid; Title XIX) 93.778 COVID-19 – Medical Assistance Program (Medicaid; Title XIX)
Federal Grantor Name:	U.S Department of Health and Human Services
Federal Award/Contract Number:	2305WA5MAP; 2305WA5ADM; 2305WAIMPL; 2405WA5MAP; 2405WA5ADM
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Test and Provisions – Provider Health and Safety Standards
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-079

Background

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.5 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 2024, the program spent over \$20.6 billion in federal and state funds and had 194 Medicaid certified nursing homes.

Residential Care Services (RCS), under the Department of Social and Health Services, Aging and Long-Term Support Administration, is the State's nursing home survey agency. A nursing home facility is an institution with the primary purpose of providing 24-hour supervised nursing care, personal care, therapy, nutrition management, organized activities, social services, room, board and laundry to people who receive care and services under Medicaid.

The Department must perform a federal certification or recertification survey of each nursing home. The certification survey is a resident-centered inspection that gathers information about the quality of service provided in a facility to determine compliance with the participation requirements. The survey focuses on the facility's administration and patient services. The survey also assesses compliance with federal health, safety and quality standards designed to ensure patients receive safe and quality care services.

The State must complete a standard survey for each nursing home facility within 15.9 months after the previous survey, and the statewide average for all nursing homes must not exceed 12.9 months for all nursing homes, as required by Centers for Medicare and Medicaid Services (CMS). All staff surveyors are required to receive specific RCS training in order to be qualified to conduct surveys. If a survey uncovers deficiencies, the Department must mail a Statement of Deficiency (SOD) to the facility within 10 working days of the survey date. The facility must submit a Plan of Correction (POC) that the Department determines is acceptable within 10 calendar days of receipt of the SOD. The Department's procedures require a review of the POC within 5 working days of receipt to verify that it is acceptable. The facility has a total of 60 days to be back in compliance or risk forfeiting its Medicaid certification.

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

In prior audits we reported the Department did not have adequate internal controls to ensure it conducted timely surveys and followed up on deficiencies. The prior finding numbers were 2023-079 and 2020-054.

Description of Condition

The Department did not have adequate internal controls over and did not comply with survey requirements for Medicaid nursing home facilities.

The Department uses a tracking spreadsheet as an internal control to monitor and track the survey frequencies as well as the statewide average frequency to ensure it meets the mandated 15.9-month survey frequency, and the statewide average of 12.9 months between surveys for each facility.

We found the Department did not ensure that all recertification surveys were completed promptly. The Department did not adequately monitor the tracking sheet and complete surveys for 19 nursing homes in fiscal year 2024 within the required 15.9 months and did not meet the 12.9 month statewide average. While assessing the Department's compliance with these requirements, we considered the time period where survey activities were suspended due to the COVID-19 pandemic and did not include that period of suspended activities in our calculation between survey dates. The statewide average is calculated on the federal fiscal year. For federal fiscal year 2024, the statewide average for nursing home surveys was 18.6 months.

Additionally, we noted that three out of 20 surveys reviewed during the fiscal year contained POCs that were reviewed after the five-day period required by the Department.

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

Cause of Condition

The public health emergency created a backlog of recertification surveys that needed to be completed and the Department had a shortage of trained employees able to perform surveys which extended the survey timelines.

In addition, management did not monitor its survey schedules adequately to ensure compliance in meeting the survey timeline.

Effect of Condition

Without conducting recertification surveys timely, the State is at risk of paying facilities for services provided to Medicaid clients without assurance the facilities are complying with federal and state health standards and regulations. Clients residing in facilities that do not meet federal health and safety requirements for participating in the Medicaid program could be at increased risk of abuse, mistreatment, neglect or substandard care.

By not meeting the statewide average requirement for recertification surveys, the Department has not met federal Medicaid requirements and could be subject to sanctions by the grantor.

Recommendations

We recommend the Department:

- Establish adequate internal controls to ensure compliance with facility survey timeliness requirements

- Ensure it completes recertification surveys within 15.9 months and meets the 12.9 month statewide average

Department's Response

The Department partially concurs with the finding.

We do not concur there is a lack of internal controls. It was through applied internal controls we identified concerns and allocated resources to meet the most serious concerns. The Field Manager meets with the Administrative Assistant and reviews the 365-day average report to determine if survey schedules need to be modified in order to meet the federal requirement on a quarterly basis (12.9 and 15.9 month timeline).

In FY 2023 and FY 2024, the team was trying address the backlog but had to prioritize new complaints. However, as the audit noted, there is only one team that handles surveys, complaints, and revisits for the entire state.

The 12.9 month average is based on the overall average of the months for all nursing home surveys, and some of those surveys were in a significant backlog due to the pandemic. The Department continues to show progress in shortening the recertification survey intervals. For the reporting period of June 2024 through September 2025, the federal Certification and Survey Provider Enhanced Reporting tool (CASPER) has indicated that the Department's survey average intervals are currently at 13.3 months, which is significant improvement from the 19.8 months in FY23 and FY24.

Regional Administrators have met with their Nursing Home teams to look ahead at survey scheduling for the year to ensure teams will be able to meet targeted survey completion dates and meet the 15.9 and 12.9 timeframes by December 2025.

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 45 U.S. Code of Federal Regulations (CFR) Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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 42 CFR, Part 488 Subpart E, *Survey and Certification of Long-Term Care Facilities*, states in part:

Section 488.308 Survey frequency.

(a) **Basic period.** The survey agency must conduct a standard survey of each SNF and NF not later than 15 months after the last day of the previous standard survey.

(b) **Statewide average interval.**

(1) The statewide average interval between standard surveys must be 12 months or less, computed in accordance with paragraph (d) of this section.

(2) CMS takes corrective action in accordance with the nature of the State survey agency's failure to ensure that the 12-month statewide average interval requirement is met. CMS's corrective action is in accordance with § 488.320.

(d) **Computation of statewide average interval.** The statewide average interval is computed at the end of each Federal fiscal year by comparing the last day of the most recent standard survey for each participating facility to the last day of each facility's previous standard survey.

The Centers for Medicare and Medicaid Services, State Operations Manual, Chapter 2 – The Certification Process, states in part:

2138G – Schedule for Recertification

The SA completes a recertification survey an average of every 12 months and at least once every 15 months (see Section 2141)

2728 – Statement of Deficiencies and Plan of Correction, Form-2567

The SA mails the provider/supplier a copy of form CMS-2567 within 10 working days after the survey. If there are deficiencies, the SA allows the provider/supplier 10 calendar days to complete and return the PoC. Requirements pertaining to submittal of the PoC can be found in subsection B.

The Department of Social and Health Services, Residential Care Services Division
Standard Operating Procedure: Enforcement Chapter 7B3, states in part:

Background

The Department will review the ePOC within 5 working days of receipt and will verify that it is acceptable. The NH may specify in the ePOC that they are not in agreement with the findings within the SOD report but this does not alter the NH's responsibility to submit an acceptable ePOC.

Off-site POC Review

The Surveyor will:

1. Review the ePOC within five (5) working days of receipt and confirm that

the POC for each deficiency includes:

- a. How the NH will correct the deficiency for each numbered resident;
- b. How the NH will protect residents from similar situations;
- c. Measures the NH will take or the systems it will change to ensure that the problem does not recur;
- d. How the NH plans to monitor its ongoing performance to sustain compliance;
- e. Dates corrective action will be completed; and
- f. Title of person responsible for correction

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, 2023 through June 30, 2024

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.

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:	2305WA5MAP; 2305WA5ADM; 2305WAIMPL; 2405WA5MAP; 2405WA5ADM
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
Prior Year Audit Finding:	Yes, Finding 2023-081

Background

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.5 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 2024, the Medicaid program spent more than \$20.6 billion in federal and state funds, including more than \$380 million to hospitals for inpatient services.

The Health Care 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. Federal law 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. Before January 1, 2024, the plan said 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. Beginning January 1, 2024, the plan was amended and now says that the financial and statistical records of participating providers will be periodically reviewed and audited by the Authority as necessary. Washington Administrative Code also says that the Authority 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 prior 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 2023-081, 2022-060, 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.

During the audit period, the Authority relied on internal audit reviews of provider claims to satisfy this requirement. These reviews of claims focused on identifying overpayments using hospital records. However, the Authority did not periodically audit cost report data used for rate setting, hospital billings, or other financial and statistical records, which federal law, state regulations and the state plan require.

Additionally, federal law requires the state plan to establish specific audit requirements for the financial and statistical records of participating providers. The Authority does not have documented methodology, policies or procedures that describe when and how the audits will 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. The Authority has received findings and recommendations over this requirement for several years, including the fiscal year 2023 single audit. The Centers for Medicare and Medicaid Services has reviewed and concurred with the finding results, but the Authority has not implemented sufficient corrective actions to address the issues identified in the prior audit.

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, including policies and procedures, to ensure it meets federal inpatient hospital audit requirements.

Authority's Response

The Authority does not concur with the finding.

The auditor states the Authority “has not implemented sufficient corrective action to address the issues identified in the prior audit.” The Authority disagrees. It worked with CMS to revise the State Plan twice, updated Washington Administrative Code (WAC) to align with CFR and the State Plan, and updated procedures for both the Hospital Rates and Program Integrity sections. In addition, the Authority has reached out to CMS for technical assistance on two occasions. Following these actions, CMS closed the prior year finding.

The auditor states the Authority “did not establish policies and procedures to ensure it periodically audited cost report data.” The CFR related to this compliance area does not require the Authority to periodically audit cost report data although the Authority has procedures in place to conduct cost report audits if it believes information contained in a cost report is not consistent with reporting requirements.

The auditor states “The Authority does not have documented methodology, policies or procedures that describe when and how the [financial and statistical record] audits will be performed.” The Authority disagrees. The Authority completes a risk assessment to develop its annual audit plan for the financial and statistical records of inpatient hospitals and conducts the audits according to documented policies and procedures. These audits help ensure the data integrity of claims and financial transactions, which impacts the entity’s records used in rate setting. The Authority received guidance from CMS that CMS defers to the states on how these audits are defined.

In addition, the Authority contracts with a public accounting firm to conduct audits of its contracted Disproportionate Share Hospitals (DSH). Those audits include the financial and statistical records of DSH hospitals.

The Authority has taken corrective action on the prior audit findings, consulted with CMS for direction on the requirement for this compliance area, provided for the filing of cost reports, and audited, or contracted for the audit of, the financial and statistical records of inpatient hospitals during the fiscal year.

Auditor’s Remarks

The Medicaid compliance supplement states that specific audit requirements will be established by the state plan. In our judgment, the amendments the Authority made to the state plan do not address this requirement. The amendments state the Authority may choose not to perform required audits of financial and statistical records if it deems them not necessary. Additionally, CMS concurred with the prior year finding 2023-081 in its management decision.

The CFR related to this compliance area does not require an audit of the cost reports, however it does require an audit of the financial and statistical records that the cost reports depend on. After examining the claim reviews performed by the Authority, we have reaffirmed our understanding that they are not audits. These reviews rely on computer queries to identify payment discrepancies. These tests do not ensure that all inpatient hospitals are reviewed and do not ensure that the financial records used in setting inpatient hospital rates are audited. The Authority also does not track inpatient hospitals to ensure that financial and statistical records are reviewed at every one of them.

The external DSH audit the Authority completes utilizes self-reported data on the cost reports to calculate uncompensated care costs. This audit does not include most inpatient hospitals in its population. Additionally, self-reported data can not be used to audit the financial and statistical records of the facilities that submitted the reports.

After reviewing the updated policies and procedures provided by the Authority, and reviewing the actions taken, we found that the claims review process has not changed from the processes reviewed during the 2023 single audit. The Authority has not implemented sufficient corrective actions to ensure the financial and statistical records of inpatient hospitals are audited.

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

Applicable Laws and Regulations

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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 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 filling 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 the financial and statistical records of participating providers as needed.

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, 2023 through June 30, 2024

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.

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:	2305WA5MAP; 2305WA5ADM; 2305WAIMPL; 2405WA5MAP; 2405WA5ADM
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Special Tests and Provisions – Utilization Control
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-082

Background

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.5 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 2024, the program spent more than \$20.6 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 Health Care 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 to:

- (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 to 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.

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 control over and did not comply with utilization requirements to ensure it performed procedures to safeguard against unnecessary utilization of care and services for the Medicaid program. The prior finding numbers were 2023-082, 2022-061, 2021-050, 2020-047, 2020-048, 2019-052, 2019-053, and 2018-047. We determined the Authority to have resolved finding numbers 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 asserted it met utilization and quality control requirements directly, but its policies and procedures did not fully address these requirements.

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.

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, the Program Integrity unit does not have sufficient policies and procedures to adequately ensure the Authority has met all the compliance requirements for which it is responsible. These requirements include implementing and monitoring the statewide utilization control program, which includes overseeing and monitoring the activities of other state agencies. Additionally, the Program Integrity unit's scope of reviews does not include post-payment review, on a sample basis, of the need for, quality, and timeliness of Medicaid services.

Furthermore, the federal grantor sustained the prior audit finding for utilization control through issuance of a management decision letter to the Authority. Despite this, the Authority has not implemented adequate internal controls to ensure compliance with all requirements.

Effect of Condition

By not establishing adequate methods and procedures to safeguard against unnecessary utilization of care and services, there is an increased risk of unnecessary or inappropriate use of Medicaid services and payments.

Furthermore, the Authority did not meet federal program integrity requirements, and it could be subject to federal sanctions because it has not established a statewide surveillance and

utilization program and does not meet the utilization and quality control requirements directly as asserted in the Medicaid state plan.

Recommendations

We recommend the Authority:

- Implement policies and procedures to sufficiently include all the methods and procedures necessary 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 requirements

Authority's Response

The Authority concurs with the finding and continues to develop and implement its statewide surveillance and utilization control program. The Authority will continue to develop its policies and procedures and document its internal controls.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 42 CFR Subchapter C *Medical Assistance Programs* Part 456, Utilization Control, Subpart A, General Provisions states in part:

Section 456.1 Basis and purpose of part.

- (a) This part prescribes requirements concerning control of the utilization of Medicaid services including –
 - (1) A statewide program of control of the utilization of all Medicaid services; ...
- (b) The requirements in this part are based on the following sections of the Act. Table 1 shows the relationship between these sections of the Act and the requirements in this part.

- (1) Methods and procedures to safeguard against unnecessary utilization of care and services. Section 1902(a)(30) requires that the State plan provide methods and procedures to safeguard against unnecessary utilization of care and services. ...

Section 456.2 State plan requirements.

- (a) A State plan must provide that the requirements of this part are met.
- (b) These requirements may be met by the agency by:
 - (1) Assuming direct responsibility for assuring that the requirements of this part are met; or
 - (2) Deeming of medical and utilization review requirements if the agency contracts with a QIO to perform that review, which in the case of inpatient acute care review will also serve as the initial determination for QIO medical necessity and appropriateness review for patients who are dually entitled to benefits under Medicare and Medicaid. ...

Section 456.3 Statewide surveillance and utilization control program.

The Medicaid agency must implement a statewide surveillance and utilization control program that –

- (a) Safeguards against unnecessary or inappropriate use of Medicaid services and against excess payments;
- (b) Assesses the quality of those services;
- (c) Provides for the control of the utilization of all services provided under the plan in accordance with subpart B of this part; and
- (d) Provides for the control of the utilization of inpatient services in accordance with subparts C through I of this part.

Section 456.4 Responsibility for monitoring the utilization control program.

- (a) The agency must –
 - (1) Monitor the statewide utilization control program;
 - (2) Take all necessary corrective action to ensure the effectiveness of the program;
 - (3) Establish methods and procedures to implement this section;

- (4) Keep copies of these methods and procedures on file; and
- (5) Give copies of these methods and procedures to all staff involved in carrying out the utilization control program.

Section 456.5 Evaluation criteria.

The agency must establish and use written criteria for evaluating the appropriateness and quality of Medicaid services. This section does not apply to services in hospitals and mental hospitals. For these facilities, see the following sections: §§ 456.122 and 456.132 of subpart C; and § 456.232 of subpart D.

Title 42 CFR Subchapter C *Medical Assistance Programs* Part 456, Utilization Control, Subpart B, Utilization Control: All Medicaid Services states in part:

Section 456.21 Scope.

This subpart prescribes utilization control requirements applicable to all services provided under a State plan.

Section 456.22 Sample basis evaluation of services.

To promote the most effective and appropriate use of available services and facilities the Medicaid agency must have procedures for the on-going evaluation, on a sample basis, of the need for and the quality and timeliness of Medicaid services.

Section 456.23 Post-payment review process.

The agency must have a post-payment review process that –

- (a) Allows State personnel to develop and review –
 - (1) Beneficiary utilization profiles;
 - (2) Provider service profiles; and
 - (3) Exceptions criteria; and
- (b) Identifies exceptions so that the agency can correct misutilization practices of beneficiaries and providers.

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

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington
July 1, 2023 through June 30, 2024

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.**

Assistance Listing Number and Title:	93.959 Block Grants for Substance Use Prevention, Treatment, and Recovery Services 93.959 COVID-19 Block Grants for Substance Use Prevention, Treatment, and Recovery Services
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	B08TI03977-01, 1B08TI083519-01, 6B08TI083519-001M001, 6B08TI083519-01M002, 1B08TI084617-01, 1B08TI084681-01, 6B08TI084681-01M001, 6B08TI084681-01M002, 1B08TI085843-01, 6B08TI085843-01M002, 1B08TI087075-01, 1B08TI087075-01
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:	\$10,467,736
Prior Year Audit Finding:	Yes, Finding 2023-084

Background

The Health Care Authority, Division of Behavioral Health and Recovery, administers the Block Grants for Substance Use Prevention, Treatment, and Recovery Services (SUPTRS). The Authority subawards federal funds to counties, tribes and nonprofit organizations to develop substance use prevention programs and provide treatment and support services. In fiscal year 2024, the Authority spent about \$65.6 million in federal program funds, \$50.8 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 are for allowable activities and 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), 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 SUPTRS and subsequently reported to the Office of Financial Management for the compilation of the Schedule of Expenditures of Federal Awards (SEFA).

The FFR unit has written procedures for calculating its estimated accruals. The calculation begins by using a spreadsheet that tracks all active contractual obligations to SUPTRS subrecipients and vendors. These amounts are then prorated to include only obligations that are expected during the state fiscal year. Obligations for agency salaries and benefits, interagency agreements, direct purchases, state universities and travel are removed from this total. The remaining total is then reduced by the amount of accruals already recorded and actual payments already made to the subrecipients and vendors. The remaining total is recorded as an estimated accrual for the fiscal year.

In the following fiscal year and up to two years after, the Authority liquidates program expenditures associated with the estimated accrual. The liquidations associated to a prior fiscal year estimated accrual do not tie directly to an estimated accrual, instead it is applied to the program as a whole for that period.

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

In prior audits, we reported the Authority did not have adequate internal controls over and did not comply with requirements to ensure payments to providers for the SUPTRS program were allowable and met period of performance requirements. The prior finding numbers were 2023-084 and 2022-067.

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 SUPTRS 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 \$16,195,231. We determined the process to estimate the year-end accruals is reasonable and included only subrecipient obligations for the state fiscal year. To determine if actual expenditures associated with these accruals are for allowable activities and within the period of performance, we tested \$5,727,495 in liquidations processed after the state fiscal year close. We used a non-statistical sampling method to randomly select and examine 21 out of a total population of 116 including five individually significant items. There were no issues identified. However, the remaining non-liquidated year-end estimated accruals could not be tested for compliance.

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

Cause of Condition

While the Authority has a process to determine the year-end estimated accruals, management allows for the liquidation of these accruals to be processed over as many as three years after the end of the audit period. Additionally, Authority officials said that the large amount of year-end estimated accruals is due to a significant lag between when services are provided, and reimbursement requests are received.

Effect of Condition and Questioned Costs

Without having actual expenditures with supporting documentation to account for the amount in the year-end estimated accruals, the Authority cannot reasonably ensure that SUPTRS expenditures reported on the SEFA are for allowable activities and within the period of performance.

We identified \$10,467,736 in known questioned costs related to 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
- Establish process to associate liquidated provider payments to specific year-end estimated accruals
- 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 the finding. The auditors are questioning \$10,467,736 of unliquidated accruals. This amount does not reflect funds that have been paid or drawn from the grantor, but rather the Authority's best estimate of fiscal year 2024 expenditures for which invoices have not yet been received. There are no funds associated with the \$10.5 million to return to the grantor. As the auditor notes in the finding above, "the process to estimate the year-end accruals is reasonable and included only subrecipient obligations for the state fiscal year." Further, the auditors tested a sample of liquidations made against the accruals processed through September 30, covering the two-month period after the accruals were recorded. Testing was conducted after this date and could have included additional liquidations, but the auditors chose to limit the sample timeframe. All reviewed liquidations were for allowable program costs within the grant period of performance, and for activities occurring during the state fiscal year.

The Authority has additional controls to review expenditures at the end of each grant to ensure expenditures were within the allowed period of performance. Any liquidations made against the grant can be reviewed through the end of the grant period, and no payments would be liquidated against the accruals that were not for allowable services provided during fiscal year 2024.

The auditor concludes the Authority cannot reasonably ensure the expenditures reported on the SEFA are for allowable activities and within the period of performance, with the implication that the \$10.5 million should not have been reported on the SEFA. However, removing the \$10.5 million would result in a significant misstatement on the SEFA and provide inaccurate information to the grantor.

The Authority stands by its accrual methodology and its controls over activities allowed and period of performance requirements.

Auditor's Remarks

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. We therefore tested the liquidations associated with these accruals. While we did not find noncompliance with the samples selected and tested, we cannot determine if the remaining year end estimated accruals that have not been liquidated are for allowable activities and within their period of performance.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, 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 the 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 45 CFR Part 75, 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 § 75.502...

Title 45 CFR Part 75, 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.

Behavioral Health Grant Unit Year-End Accrual Procedure, states in part:

WHAT IS ACCRUAL: Accruals are accounting entries done to record actual or estimated expenditures incurred but not paid.

PURPOSE: When done during year-end close, accruals record actual and/or estimated amounts incurred in the closing year that will not be paid until the subsequent year. Within the Federal Financial Reporting (FFR), Behavioral Health (BH) grants staff prepare year-

end accruals of contract costs that the Accounting Section does not. The BH supervisor will notify unit staff of the timeline for this process as it may differ from year to year.

BACKGROUND: The Accounting Section reviews accruals and liquidations at a high-level (Program, Fund, and Fund Source) to ensure the agency has not exceeded its authority. While some year-end accruals are based on actual billings/claims, many are based on estimates due to the lag time of billings. Estimates are also used due to the number of contracts per grants (typically the Block Grants and the State Opioid Response (SOR) grants).

BLOCK GRANT PROCESS:

1. BH Grants staff creates a SFY Accrual workbook using the JV workbook template.
2. BH Grants staff saves a copy of the obligations from DBHR's tracking workbook and places it in the BH Accrual Folder for the SFY. Copy the relevant data from the DBHR workbook into the SFY workbook created for accrual development. Obligation amounts may differ as DBHR is not necessarily recording obligations for a single state fiscal year.
3. BH Grants staff, on the SFY Obligation tab, removes the following obligations from the accrual process:
 - a. Interagency agreements
 - b. State universities
 - c. Direct purchases
 - d. Agency salaries and benefits
 - e. Travel

Note:

- a. If a contract has not started and has no expenditures verify if an accrual is needed or the obligation amount should be removed.
- b. Pro-rate contracts that include month of service for the prior or next SFY year, so as to not over accrue.
- c. If a project is listed, but no contract agreement number has been verified, double check with DBHR program and if not, remove amount from obligation. The workbook will include the revised obligations.

4. BH Grants staff pulls grant direct expenditure data from the beginning of the fiscal year to the end of the fiscal year to include (99 and 25) depending on which fiscal year it is in the biennium.
 - a. First SFY of the biennium include FM01 through FM99
 - a. Second SFY of the biennium include FM13 through FM25
 - b. Include GL Account: (6510) cash expenditures and (6505) accruals
 - d. Use grant specific Webi criteria
 - e. Note – Accruals (GL 6505) are included to determine what has already been recorded by AP to ensure total accruals are not overstated.
 - f. Filter out interagency and state universities amounts as well as objects A (salaries), B (benefits), and G (travel) data from original data pull and save this data to another tab.
 - g. Use the data, minus interagency and objects that were removed, to prepare pivot tables.
 - h. Input the obligation amount on the pivot tab from the SFY obligation tab.
 - i. Run each pivot table using the data minus interagency & object tab (see #6 – #10 below).
 - j. Reminder – **DO NOT** accrue salaries/benefits/travel/direct purchases.
5. Using the revised obligations tab – complete the below pivots.
 - **NOTE:** See item #2 - For auditing purposes, place a copy of the original obligation spreadsheet in the accrual folder, date the spreadsheet, so you have backup data to the obligation total you are now using.
 - **Using the tab with our own tracking for the prior state fiscal year (SFYXX).** See item #3 - Review contracts to see if they were executed, if not an accrual is not needed. We are **ONLY** accruing for **CONTRACTS**. Accruals are booked against the award we are actively spending on. We are not accruing on the award that is spent out.
 - a. **First pivot** – identifies total expenditures and accruals for SFY being processed. Use the expenditure amount (GL 6510) for the second pivot table.

- b. **Second pivot** – establish the most used subobject; allows for the distribution of expenditures between ER and NB as they are the most common.
 - c. **Third and Fourth pivots** – determines the most common PI each of the subobjects identified in Second pivot.
 - d. **Fifth pivot** – identifies most common org index.
 - e. **Sixth pivot** – (SUPTRS only) identifies the ER and NB expenditures by allocation. This allows for the accrual to be prepared as a percentage to each allocation code based on the total expenditures.
- 6. BH Grants staff calculate percentages to spread the accrual across ER and/or NB in allocations, per grant (*ex. 82** for SUPTRS, and 20** for MHBG*).
- 7. BH Grants staff complete the remainder of the workbook following the established JV process:
 - a. Obtain JV number from log
 - b. Add an explanation/purpose for the JV
 - c. Include backup data for the upload and release tab.
 - d. Use the correct transaction codes (TC) for accruals
 - i. TC 736 RCRD ACCT/VOU PAY-NO ENCUMBRANCE
 - 1. GL 6505 – Debit – Accrued Expenditures/Expenses
 - 2. GL 5111 – Credit – Short Term Payables
 - ii. TC 736R RCRD ACCT/VOU PAY-NO ENCUMBRANCE
 - 1. GL 5111 – Debit – Short Term Payables
 - 2. GL 6505 – Credit – Accrued Expenditures/Expenses
- 8. Upload the JV using the OFM Toolbox and email JV workbook to BH Grants Supervisor and Lead.
- 9. BH Grants Supervisor and/or Lead reviews, approves, and releases the JV.

SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

State of Washington
July 1, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	93.959 Block Grants for Substance Use Prevention, Treatment, and Recovery Services 93.959 COVID-19 Block Grants for Substance Use Prevention, Treatment, and Recovery Services
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	B08TI03977-01, 1B08TI083519-01, 6B08TI083519-001M001, 6B08TI083519-01M002, 1B08TI084617-01, 1B08TI084681-01, 6B08TI084681-01M001, 6B08TI084681-01M002, 1B08TI085843-01, 6B08TI085843-01M002, 1B08TI087075-01, 1B08TI087075-01
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-086

Background

The Health Care Authority, Division of Behavioral Health and Recovery, administers the Block Grants for Substance Use Prevention, Treatment, and Recovery Services (SUPTRS). The Authority subawards federal funds to counties, tribes and nonprofit organizations to develop prevention programs and provide treatment and support services. In fiscal year 2024, the Authority spent about \$65.6 million in federal program funds, including about \$50.8 million it paid to subrecipients.

The Federal Funding Accountability and Transparency Act (Act) requires the Authority to collect and report information on each subaward of federal funds more than \$30,000 in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS). The Authority must report subawards by the end of the month following the month in which it made the subaward (or subaward amendment). The Act is intended to empower the public with the ability to hold the federal government accountable for spending decisions and therefore reduce wasteful government spending.

The Authority includes a subaward identification form, which contains all the required reporting information, when it creates a new SUPTRS subaward or amendment. After all parties sign it, contract unit staff emails the subaward identification form to the federal financial reporting unit. Federal financial reporting staff review these emails and complete the report as required. There were 138 SUPTRS subawards and amendments that the Authority was required to report in fiscal year 2024, totaling \$78,875,512.

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 for the SUPTRS program. The prior finding numbers were 2023-086, 2022-069 and 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 \$78.9 million of program funds that it awarded to subrecipients through 138 new and amended subawards for the primary SUPTRS awards. We used a non-statistical sampling method to randomly select and examine 18 of the 138 subawards and amendments, and found that 11 (61%), totaling \$2.8 million, did not meet reporting requirements. Of these 11 subawards and amendments, ten were not reported in FSRS and one was submitted two months after the reporting deadline. Of the eight that were reported, there were no issues with the accuracy of the data reported.

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

Cause of Condition

The federal financial reporting staff relied on subaward identification forms the contract unit emailed to complete FFATA reporting. However, the Authority did not have a process to ensure the contract unit emailed all forms to the federal financial reporting unit. As a result, the Authority did not detect forms that the contract unit did not email to the federal financial reporting unit as missing, and subsequently did not report them.

During the audit period, the Authority developed written procedures to address this issue to ensure it submits all reports as required, but did not implement the process until toward the end of the audit period.

Effect of Condition

Failing to submit the required reports on time 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 all required reports
- Provide training for employees who oversee reporting and who verify the submission and accuracy of the reports
- Ensure management monitors reporting of this information to ensure future reports are submitted completely and timely

Authority's Response

The Authority concurs with the finding. Effective internal controls were put into place partway through FY 24, however inconsistencies during initial implementation were identified. These inconsistencies have been identified and resolved, and the Authority will continue to strengthen the processes moving 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 45 U.S. Code of Federal Regulations (CFR) Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, 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 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 the recipient is exempt as provided in paragraph (d) of this award term, the recipient must report each subaward that equals or exceeds \$30,000 in Federal funds for a subaward to an entity or Federal agency. The recipient must also report a subaward if a modification increases the Federal funding to an amount that equals or exceeds \$30,000. All reported subawards should reflect the total amount of the subaward.

2. *Reporting Requirements.*

- i. The recipient must report each subaward described in paragraph (a)(1) of this award term to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) at <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 subaward was made on November 7, 2025, the subaward must be reported by no later than December 31, 2025).

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, 2023 through June 30, 2024

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.**

Assistance Listing Number and Title:	93.959 Block Grants for Substance Use, Prevention, Treatment, and Recovery Services 93.959 COVID-19 Block Grants for Substance Use, Prevention, Treatment, and Recovery Services
Federal Grantor Name:	U.S. Department of Health and Human Services
Federal Award/Contract Number:	B08TI03977-01, 1B08TI083519-01, 6B08TI083519-001M001, 6B08TI083519-01M002, 1B08TI084617-01, 1B08TI084681-01, 6B08TI084681-01M001, 6B08TI084681-01M002, 1B08TI085843-01, 6B08TI085843-01M002, 1B08TI087075-01, 1B08TI087075-01
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Subrecipient Monitoring
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	Yes, Finding 2023-087

Background

The Health Care Authority, Division of Behavioral Health and Recovery, administers the Block Grants for Substance Use, Prevention, Treatment and Recovery Services (SUPTRS). The Authority subawards federal funds to counties, tribes and nonprofit organizations to develop substance use prevention programs and provide treatment and support services. In fiscal year 2024, the Authority spent about \$65.6 million in federal program funds, including about \$50.8 million it paid to subrecipients.

Federal regulations require the Authority to monitor its subrecipients' activities. This includes verifying that its subrecipient that spent \$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 to 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.

To monitor its compliance with these requirements, the Authority uses Excel workbooks to track subrecipients' single audits along with identifying any program-funded findings and associated management decisions and status of corrective action plans.

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 SUPTRS program received required single audits, and that it appropriately followed up on findings and issued management decisions. The prior finding numbers were 2023-087 and 2022-066.

Description of Condition

The Authority did not have adequate internal controls to ensure subrecipients of the SUPTRS program received required single audits, and that it appropriately followed up on findings and issued management decisions.

The Authority implemented written policies and procedures over its process for tracking subrecipients' single audits. The procedures included the review of subrecipients' audits for program-funded findings and the completion of required management decisions. The Authority implemented these policies and procedures in January 2024, halfway through the fiscal year. Before this, the Authority did not have a process in place to ensure compliance.

During compliance testing, we did not identify any noncompliance.

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

Cause of Condition

In response to prior year findings, the Authority developed new policies and procedures, but did not fully implement them until halfway through the fiscal year.

Effect of Condition

Without establishing adequate internal controls, the Authority cannot ensure all subrecipients received single audits when they were required. Further, the Authority cannot ensure it follows up on subrecipient single audit findings and communicates required management decisions to subrecipients. By failing to ensure subrecipients establish corrective actions and that management monitors them for effectiveness, the Authority cannot determine whether its subrecipients sufficiently corrected issues identified in audit findings.

Recommendation

We recommend the Authority continue to follow its new policies and procedures to ensure subrecipients obtain required single audits, it issues management decisions when necessary, and that subrecipients develop and take acceptable corrective actions to adequately address all audit recommendations.

Authority's Response

The Authority concurs with the finding and will continue to follow the policies and procedures implemented during fiscal year 2024.

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 45 *U.S. Code of Federal Regulations* (CFR) Part 75, section 303, Internal Controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

Title 45 CFR Part 75, section 516, Audit findings, establishes reporting requirements for audit findings.

Title 45 CFR Part 75, Section 352, Requirements for pass-through entities states in part:

All pass-through entities must:

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
 - (2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.
 - (3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by § 75.521.
- (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 forth in § 75.501.
- (h) Consider taking enforcement action against noncompliant subrecipients as described in § 75.371 and in program regulations.

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, 2023 through June 30, 2024

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.

Assistance Listing Number and Title:	97.036 Disaster Grants – Public Assistance
Federal Grantor Name:	U.S. Department of Homeland Security
Federal Award/Contract Number:	1671DRWAP00000001;1734DRWAP00000001; 1817DRWAP00000001;1963DRWAP00000001; 4056DRWAP00000001;4083DRWAP00000001; 4168DRWAP00000001;4188DRWAP00000001; 4242DRWAP00000001;4243DRWAP00000001; 4249DRWAP00000001;4253DRWAP00000001; 4309DRWAP00000001;4418DRWAP00000001; 4481DRWAP00000001;4539DRWAP00000001; 4584DRWAP00000001;4593DRWAP00000001; 4635DRWAP00000001;4650DRWAP00000001; 4682DRWAP00000001
Pass-through Entity Name:	None
Pass-through Award/Contract Number:	None
Applicable Compliance Component:	Reporting
Known Questioned Cost Amount:	None
Prior Year Audit Finding:	No

Background

The Washington Military Department, Emergency Management Division, administers the Disaster Grant – Public Assistance (PA) program. The Department subawards federal funds to state agencies, tribes, local governments and certain types of private nonprofit organizations to help fund their response to and recovery from disasters. Following a presidential declaration of a major disaster or an emergency, the Federal Emergency Management Agency (FEMA) provides supplemental federal disaster grants assistance for debris removal, emergency protective measures

and the restoration of disaster damaged facilities owned by states, municipalities, tribes and certain types of private nonprofit organizations.

In state fiscal year 2024, the Department spent about \$530.9 million in federal program funds, including about \$529.8 million 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 \$30,000 in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS). The Department must report subawards by the end of the month following the month in which it made the subaward (or subaward amendment). The Act is intended to empower the public with the ability to hold the federal government accountable for spending decisions and therefore reduce wasteful government spending. Department policy requires it to report all subawards in FSRS regardless of if they are more than the \$30,000 threshold.

FEMA issues subaward and amendment obligation of project funding notifications as an S1 report. PA program staff use the S1 report to enter obligation details into the Contracts Unit's FFATA Reporting Spreadsheet that contains the required reporting information for the subawards. Contracts staff then submit the report based on the FFATA Reporting Spreadsheet. There were 447 PA subawards and amendments that the Department was required to report in fiscal year 2024, totaling \$922,836,314.

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 accurately filed reports required for the PA program.

We used a statistical sampling method and randomly select and examine 55 out of the total population of 447 subawards and subaward amendments. We found:

- The Department did not report one subaward (2%) totaling \$97,515 in FSRS
- The Department overreported one subaward obligation (2%) totaling \$1,615,363 by \$20,000
- One subaward (2%) totaling \$43,497 contained the wrong subaward identification number in FSRS
- The Department did not report five subawards and amendments (9%) totaling \$50,662 on time in FSRS.
- Additionally, there were 10 subawards (18%), totaling \$1,128,644, in which the subaward obligation date did not match the obligation date reported in FSRS.

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

The Department had procedures in place to ensure it reported subawards and amendments in FSRs. However, management did not ensure program staff entered all subaward information in the FFATA reporting spreadsheet correctly.

Effect of Condition

Failing to submit the required reports on time and accurately diminishes the federal government's ability to ensure accountability and transparency of federal spending.

Recommendations

We recommend the Department:

- Establish effective internal controls to ensure it submits all required reports on time and accurately
- Follow established procedures to ensure it enters all required information accurately into FSRs

Department's Response

During SFY 2023-24, FEMA implemented two significant methodology changes:

- *FEMA transitioned from using FEMA EMMIE Reports to FEMA Grants Portal Reports for SI forms. During this transition, the PA Program staff encountered challenges when trying to identify the accurate obligation date for each sub-recipient, which resulted in discrepancies in the data we reported in FFATA.*
- *U.S. General Services Administration was continuing to transition from using DUNS to UEI numbers. During this transition, the PA Program staff and Contracts Office had to work extensively with sub-recipients to obtain the subrecipients' UEI numbers so FFATA reports could be submitted. If the sub-recipients had not yet provided their UEI number but was granted a sub-award, the sub-award was submitted on the FFATA report without a UEI number.*

During this time period, the PA Program was involved in nine major disaster declarations, creating a much higher workload than normal. PA Program personnel were spread across four locations: the PA Program main office at Camp Murray, a Joint Field Office (JFO) in Lacey, an Area Field Office (AFO) in Spokane, and an Area Field Office (AFO)-Bellingham. Simultaneously, the PA Program experienced a significant staff turnover at the program staff and supervisory levels.

Between the change in data collection/reporting processes, increased workload, decentralization of employees, and employee turnover, data entry errors were more prevalent during this time 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.

Title 2 CFR Part 170, *Reporting Subaward and Executive Compensation Information*, states in part:

Appendix A to Part 170 – Award Term

I. Reporting Subaward and Executive Compensation

a. Reporting of first-tier subawards.

1. Applicability. Unless the recipient is exempt as provided in paragraph (d) of this award term, the recipient must report each subaward that equals or exceeds \$30,000 in Federal funds for the subaward to an entity or Federal agency. The recipient must also report a subaward if a modification increases the Federal funding to an amount that equals or exceeds \$30,000. All reported subawards should reflect the total amount of the subaward.

2. Reporting Requirements.

i. The recipient must report each subaward described in paragraph (a)(1) of this award term to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) at <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 subaward was made on November 7, 2025, the subaward must be reported by no later than December 31, 2025).

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 Military Department, *Finance Division Procedure No. FIN-108-13*, Federal Funding Accountability and Transparency Act (FFATA) Reporting, states in part:

The WMD Contracts Office is responsible for all FFATA Reporting, which will be conducted no later than the end of each month.

A. FFATA Reporting:

1. Monthly FFATA reports will be generated and filed in the FFATA Subaward Reporting System (FSRS) website by the end of the month following the month in which WMD awards any subcontract greater than \$30,000. The reports generated and filed using the “Submitting FFATA Reports” procedures established by the Contracts Office.
2. By the 15th of each month, the Public Assistance program will enter all subawards for the reporting month in the FFATA reporting worksheet located on the Grants page within the Finance Department’s SharePoint site. All PA awards included in the FFATA reporting worksheet are reported by the contracts office, even if it is under the \$30,000 threshold.

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State of Washington
Single Audit Report
For Fiscal Year Ended
June 30, 2024

Auditee's Section

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State of Washington

Single Audit Report

For Fiscal Year Ended

June 30, 2024

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, 2024
(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		3600	111,482	0	
10.025			3650	2,143,450	20,928	
10.025		13775521417	3650	(4,496)	0	PT
10.025		A212762S001	3650	11,646	0	PT
10.025		A240473S002	3650	16,964	0	PT
10.025		G5034639	3650	598,652	0	PT
10.025			4670	112,554	5,000	
10.025			4950	3,836,730	72,794	
Federal Program 10.025 Total				6,826,982	98,722	
10.028	Wildlife Services		3650	223,589	0	
10.028		AP22WSNWRC00C045	4770	23,180	0	
Federal Program 10.028 Total				246,769	0	
10.069	Conservation Reserve Program		4710	30,366	30,366	
Federal Program 10.069 Total				30,366	30,366	
10.072	Wetlands Reserve Program	66-0546-2-008	4770	360	0	
Federal Program 10.072 Total				360	0	
10.093	Voluntary Public Access and Habitat Incentive Prog	NR200546XXXXG001	4770	652,971	0	
Federal Program 10.093 Total				652,971	0	
10.156	Federal-State Marketing Improvement Program		3650	18,927	0	
Federal Program 10.156 Total				18,927	0	
10.163	Market Protection and Promotion		4950	1,514,610	0	
Federal Program 10.163 Total				1,514,610	0	
10.164	Wholesale Farmers and Alternative Market Development		3650	7,383	0	
10.164	COVID-19 – Wholesale Farmers and Alternative Market Development	G4070206	3650	41,205	0	PT
Federal Program 10.164 Total				48,588	0	
10.167	Transportation Services		3650	257,250	0	
Federal Program 10.167 Total				257,250	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, 2024
(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
10.170	Specialty Crop Block Grant Program - Farm Bill	142932001	3650	26,881	0	PT
10.170			4950	8,318,862	2,141,651	
Federal Program 10.170 Total				8,345,743	2,141,651	
10.171	Organic Certification Cost Share Programs		4950	413,612	379,361	
Federal Program 10.171 Total				413,612	379,361	
10.175	Farmers Market and Local Food Promotion Program		3650	37,554	0	
10.175		AM22LFPPWA1132	3650	33,096	0	PT
10.175		XRJSGX384TD6	3650	17,867	0	PT
Federal Program 10.175 Total				88,517	0	
10.181	COVID-19 – Agricultural Worker Pandemic Relief and Protection		4950	1,776,966	0	
Federal Program 10.181 Total				1,776,966	0	
10.182	Food Bank Network		4950	2,715,809	2,681,983	
Federal Program 10.182 Total				2,715,809	2,681,983	
10.185	Local Food for Schools Cooperative		3500	2,720,177	2,720,177	
Federal Program 10.185 Total				2,720,177	2,720,177	
10.187	COVID-19 – The Emergency Food Assistance Program (TEFAP) Comm		4950	523,679	523,679	
Federal Program 10.187 Total				523,679	523,679	
10.190	Resilient Food System Infrastructure Program		4950	38,836	0	
Federal Program 10.190 Total				38,836	0	
10.217	Higher Education - Institution Challenge Grants Pr		3650	222,439	143,852	
10.217		UMS1210	3650	2,006	0	PT
Federal Program 10.217 Total				224,445	143,852	
10.223	Hispanic Serving Institutions Education Grants		6990	145,977	0	
Federal Program 10.223 Total				145,977	0	
10.225	Community Food Projects		3650	20,092	0	
Federal Program 10.225 Total				20,092	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, 2024
(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
10.229	Extension Collaborative on Immunization Teaching &	EXC20212179	3650	16,948	0	PT
10.229		EXC20232315	3650	224,543	0	PT
Federal Program 10.229 Total				241,491	0	
10.234	American Rescue Plan Technical Assistance Investment	142843001	3650	67,634	0	PT
Federal Program 10.234 Total				67,634	0	
10.237	From Learning to Leading: Cultivating the Next Gen	SA0002ARWIA	3650	43,327	0	PT
Federal Program 10.237 Total				43,327	0	
10.303	Integrated Programs		3650	16,500	12,443	
10.303		C0550AA	3650	18,256	0	PT
Federal Program 10.303 Total				34,756	12,443	
10.304	Homeland Security_Agricultural		3650	218,843	0	
10.304		A231605S011	3650	23,713	0	PT
10.304		FADIEDEN20232318	3650	48,824	0	PT
Federal Program 10.304 Total				291,380	0	
10.309	Specialty Crop Research Initiative		3650	5,596,623	3,007,631	
10.309		15908122521	3650	96,777	0	PT
10.309		2016149806	3650	1	0	PT
10.309		9288420623	3650	78,237	0	PT
10.309		A010138705	3650	57,208	0	PT
10.309		AN4829846771	3650	4,555	0	PT
10.309		AN6576846120	3650	151,707	0	PT
10.309		C0369BB	3650	134,699	0	PT
10.309		C0565BE	3650	29,630	0	PT
10.309		C0598BB	3650	354,315	0	PT
10.309		G18219W7553	3650	83,420	0	PT
10.309		H007082509	3650	32,053	0	PT
10.309		M2002895	3650	645	0	PT
10.309		PAMP20000042SA08	3650	71,024	0	PT
10.309		RC106347WSU	3650	(44)	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, 2024
(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	RC111414F	3650	247,524	0	PT
10.309		RC111414H	3650	121,346	0	PT
10.309		RC111480WSU	3650	170,348	0	PT
10.309		RC115670B	3650	68,227	0	PT
10.309		RC115888WSU	3650	2,840	0	PT
10.309		S000224NIFA	3650	59,091	0	PT
10.309		S001381	3650	34,138	0	PT
10.309		S001505	3650	33,753	0	PT
10.309		SUB00002411	3650	289,843	0	PT
10.309		SUB00003560	3650	66,579	0	PT
10.309		UFDSP00012310	3650	33	0	PT
Federal Program 10.309 Total				7,784,572	3,007,631	
10.311	Beginning Farmer and Rancher Development Program	20214940035639001	3650	44,260	0	PT
10.311		20217003335709	3650	88,293	0	PT
10.311			6990	418,164	0	
Federal Program 10.311 Total				550,717	0	
10.328	National Food Safety Training, Education, Extension		3650	157,551	0	
10.328		138735001	3650	4,448	0	PT
10.328		C0595BB	3650	4,099	0	PT
Federal Program 10.328 Total				166,098	0	
10.329	Crop Protection and Pest Management Competitive Gr		3650	549,888	0	
10.329		SA22597408	3650	29,912	27,858	PT
10.329		SA22597423	3650	1,111	0	PT
Federal Program 10.329 Total				580,911	27,858	
10.330	Alfalfa and Forage Research Program		3650	1,945	1,376	
Federal Program 10.330 Total				1,945	1,376	
10.331	Food Insecurity Nutrition Incentive Grants Program		3030	2,849,850	0	
Federal Program 10.331 Total				2,849,850	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, 2024
(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
10.333	Urban, Indoor, and Other Emerging Agricultural Pro	2252N0B	3650	44,010	0	PT
10.333		RC115190WSU	3650	11,799	0	PT
Federal Program 10.333 Total				55,809	0	
10.351	Rural Business Development Grant		3650	61,838	0	
Federal Program 10.351 Total				61,838	0	
10.460	COVID-19 – Risk Management Education Partnerships		3650	(8,465)	0	
Federal Program 10.460 Total				(8,465)	0	
10.500	Cooperative Extension Service		3650	2,141,082	1,039,207	
10.500		17000862-041	3650	22,082	0	PT
10.500		17001094041	3650	35,702	0	PT
10.500		A000983S082	3650	(1,206)	0	PT
10.500		A240175S016	3650	7,649	0	PT
10.500		AQ6134830819	3650	158,472	0	PT
10.500		F9001573902025	3650	121,653	0	PT
Federal Program 10.500 Total				2,485,434	1,039,207	
10.511	Smith-Lever Funding (Various Programs)		3650	4,613,098	0	
Federal Program 10.511 Total				4,613,098	0	
10.514	Expanded Food and Nutrition Education Program		3650	713,552	0	
Federal Program 10.514 Total				713,552	0	
10.515	Renewable Resources Extension Act and National FOC		3650	156,727	34,198	
Federal Program 10.515 Total				156,727	34,198	
10.516	COVID-19 – Rural Health and Safety Education Competitive Gran		3650	144,238	0	
Federal Program 10.516 Total				144,238	0	
10.520	Agriculture Risk Management Education Partnerships		3650	192,054	75,368	
Federal Program 10.520 Total				192,054	75,368	
10.525	Farm and Ranch Stress Assistance Network Competitive		3650	2,701,170	2,018,333	

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
10.525	Farm and Ranch Stress Assistance Network Competitive		4950	125,080	0	
	Federal Program 10.525 Total			2,826,250	2,018,333	
10.527	New Beginnings for Tribal Students		3650	319,890	0	
	Federal Program 10.527 Total			319,890	0	
10.541	Child Nutrition-Technology Innovation Grant		3500	86,820	0	
	Federal Program 10.541 Total			86,820	0	
10.542	COVID-19 – Pandemic EBT Food Benefits		3000	105,605,225	0	NC
	Federal Program 10.542 Total			105,605,225	0	
10.557	WIC Special Supplemental Nutrition Program for Wom		3030	142,006,645	38,107,131	
	Federal Program 10.557 Total			142,006,645	38,107,131	
10.558	Child and Adult Care Food Program		3500	46,989,410	46,318,750	
	Federal Program 10.558 Total			46,989,410	46,318,750	
10.560	State Administrative Expenses for Child Nutrition		3500	6,390,307	0	
	Federal Program 10.560 Total			6,390,307	0	
10.572	WIC Farmers' Market Nutrition Program (FMNP)		3030	712,668	30,638	
	Federal Program 10.572 Total			712,668	30,638	
10.574	Team Nutrition Grants		3500	733,612	0	
	Federal Program 10.574 Total			733,612	0	
10.575	Farm to School Grant Program		3500	47,493	0	
	Federal Program 10.575 Total			47,493	0	
10.576	Senior Farmers Market Nutrition Program		3000	636,809	8,909	
	Federal Program 10.576 Total			636,809	8,909	
10.578	WIC Grants to States (WGS)		3030	294,793	0	
	Federal Program 10.578 Total			294,793	0	
10.579	Child Nutrition Discretionary Grants Limited Avail		3500	689,343	656,643	

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
Federal Program 10.579 Total				689,343	656,643	
10.604	Technical Assistance for Specialty Crops Program		3650	342,041	0	
10.604		500625SUB01	3650	22,271	0	PT
10.604		TASC201809	3650	34,276	0	PT
Federal Program 10.604 Total				398,588	0	
10.645	Farm to School State Formula Grant		3500	200,680	0	
Federal Program 10.645 Total				200,680	0	
10.646	Summer Electronic Benefit Transfer Program for Chi		3000	16,435,575	0	
Federal Program 10.646 Total				16,435,575	0	
10.649	Pandemic EBT Administrative Costs		3000	8,024,412	0	
Federal Program 10.649 Total				8,024,412	0	
10.664	Cooperative Forestry Assistance		3650	67,909	0	
10.664			4900	5,107,299	179,136	
Federal Program 10.664 Total				5,175,208	179,136	
10.674	Wood Utilization Assistance	2300637	3600	39,217	0	PT
10.674			3650	143,561	0	
10.674		A230778S001	3650	60,364	0	PT
Federal Program 10.674 Total				243,142	0	
10.675	Urban and Community Forestry Program		4950	6,967	6,967	
Federal Program 10.675 Total				6,967	6,967	
10.676	Forest Legacy Program		4900	59,034	0	
Federal Program 10.676 Total				59,034	0	
10.681	Wood Education and Resource Center (WERC)	D009894401	3650	58,173	0	PT
Federal Program 10.681 Total				58,173	0	
10.684	International Forestry Programs		3650	554,038	287,778	
10.684		141988001	3650	(312)	0	PT
Federal Program 10.684 Total				553,726	287,778	
10.691	Good Neighbor Authority	20-GN-11062100-009	4770	412,988	0	

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
10.691	Good Neighbor Authority	22-GN-11061400-006	4770	9,325	0	
10.691		22-GN-11062754-010	4770	4,637	0	
10.691		23-GN-11062754-018	4770	181,001	0	
10.691			4900	3,493,154	0	
Federal Program 10.691 Total				4,101,105	0	
10.697	State & Private Forestry Hazardous Fuel Reduction		4900	1,166,633	0	
Federal Program 10.697 Total				1,166,633	0	
10.698	State & Private Forestry Cooperative Fire Assistance		4900	91,047	57,250	
Federal Program 10.698 Total				91,047	57,250	
10.707	Research Joint Venture and Cost Reimbursable Agree		3650	1,690	0	
10.707		(BLANK)	3650	(577)	0	PT
Federal Program 10.707 Total				1,113	0	
10.716	Infrastructure Investment and Jobs Act Prescribed		4900	329,079	0	
Federal Program 10.716 Total				329,079	0	
10.717	Infrastructure Investment and Jobs Act Restoration	23-GN-11062754-065	4770	12,948	0	
10.717		23-GN-11062754-146	4770	2,804	0	
10.717			4900	462,324	0	
Federal Program 10.717 Total				478,076	0	
10.718	Infrastructure Investment and Jobs Act Capital	23-GN-11060500-008	4770	27,589	0	
Federal Program 10.718 Total				27,589	0	
10.720	Infrastructure Investment and Jobs Act Community		4900	475,212	459,692	
Federal Program 10.720 Total				475,212	459,692	
10.724	Wildfire Crisis Strategy Landscapes		4900	79,800	0	
Federal Program 10.724 Total				79,800	0	
10.727	Inflation Reduction Act Urban & Community Forestry		3650	82,620	0	

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
Federal Program 10.727 Total				82,620	0	
10.734	Inflation Reduction Act-Forest Legacy Program		4900	61	0	
Federal Program 10.734 Total				61	0	
10.777	Norman E. Borlaug International Agricultural Science		3650	10,073	0	
Federal Program 10.777 Total				10,073	0	
10.855	Distance Learning and Telemedicine Loans and Grant		3600	137,047	0	
Federal Program 10.855 Total				137,047	0	
10.902	Soil and Water Conservation		3650	5,825	0	
10.902		NR230546XXXXC004	4770	48,124	0	
Federal Program 10.902 Total				53,949	0	
10.912	Environmental Quality Incentives Program	137312001	3650	32,122	0	PT
10.912			4710	55,388	55,388	
Federal Program 10.912 Total				87,510	55,388	
10.924	Conservation Stewardship Program		4710	7,363	7,363	
Federal Program 10.924 Total				7,363	7,363	
10.932	Regional Conservation Partnership Program		4710	31,609	31,609	
10.932		68-0546-17-519	4770	57,559	0	
Federal Program 10.932 Total				89,168	31,609	
10.937	Partnerships for Climate-Smart Commodities	RCUOG202405	3650	12,116	0	PT
Federal Program 10.937 Total				12,116	0	
10.960	Technical Agricultural Assistance		3650	62,530	0	
Federal Program 10.960 Total				62,530	0	
10.U01	Agriculture - Unknown ALN	12639521D0068	3650	11,988	0	
Federal Program 10.U01 Total				11,988	0	
10.U02	Agriculture - Unknown ALN	12639521F1003	3650	3,870	0	
Federal Program 10.U02 Total				3,870	0	
10.U03	Agriculture - Unknown ALN	12639523F0540	3650	23,898	0	

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Federal Program 10.U03 Total				23,898	0	
10.U04	Agriculture - Unknown ALN	12639523F0672	3650	14,490	0	
Federal Program 10.U04 Total				14,490	0	
10.U05	Agriculture - Unknown ALN	12639523F0055	3650	180	0	
Federal Program 10.U05 Total				180	0	
10.U06	Agriculture - Unknown ALN	12639523F0231	3650	23,373	0	
Federal Program 10.U06 Total				23,373	0	
10.U07	Agriculture - Unknown ALN	23JV11111107045	3650	3,361	0	
Federal Program 10.U07 Total				3,361	0	
10.U08	Agriculture - Unknown ALN	19CR11221632166	3650	30,156	0	
Federal Program 10.U08 Total				30,156	0	
10.U09	Agriculture - Unknown ALN	23CS11221634065	3650	310	0	
Federal Program 10.U09 Total				310	0	
10.U10	Agriculture - Unknown ALN	19JV11221633189	3650	35,125	0	
Federal Program 10.U10 Total				35,125	0	
10.U11	Agriculture - Unknown ALN	19JV11221634163	3650	(13,681)	0	
Federal Program 10.U11 Total				(13,681)	0	
10.U12	Agriculture - Unknown ALN	19JV11221636187	3650	78,339	0	
Federal Program 10.U12 Total				78,339	0	
10.U13	Agriculture - Unknown ALN	20JV11221633148	3650	13,202	0	
Federal Program 10.U13 Total				13,202	0	
10.U14	Agriculture - Unknown ALN	23CS11060500021	3650	125,604	0	
Federal Program 10.U14 Total				125,604	0	
10.U15	Agriculture - Unknown ALN	21CS11060300001	3650	14,195	0	
Federal Program 10.U15 Total				14,195	0	
10.U16	Agriculture - Unknown ALN	12639524F0155	3650	3,240	0	
Federal Program 10.U16 Total				3,240	0	
10.U17	Agriculture - Unknown ALN	24JV11111122057	3650	1,704	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.U17 Total				1,704	0	
10.U18	Agriculture - Unknown ALN	12639524F0455	3650	25,998	0	
Federal Program 10.U18 Total				25,998	0	
10.U19	Agriculture - Unknown ALN	22JV11261953063	3650	152,224	46,158	
Federal Program 10.U19 Total				152,224	46,158	
10.U20	Agriculture - Unknown ALN	23CS11061700024	3650	12,014	0	
Federal Program 10.U20 Total				12,014	0	
10.U21	Agriculture - Unknown ALN	21-CS-11010400-021	4770	1,075	0	
Federal Program 10.U21 Total				1,075	0	
10.U22	Agriculture - Unknown ALN	22-GN-11062100-017	4770	345,380	0	
Federal Program 10.U22 Total				345,380	0	
10.U23	Agriculture - Unknown ALN	22-LE-11060500-016	4770	16,551	0	
Federal Program 10.U23 Total				16,551	0	
10.U24	Agriculture - Unknown ALN	Agreement	4770	40,629	0	
Federal Program 10.U24 Total				40,629	0	
Dept of Agriculture Total				394,387,728	101,189,617	

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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
11.023	Science, Technology, Engineering, and Mathematics		3650	43,023	0	
Federal Program 11.023 Total				43,023	0	
11.028	Connecting Minority Communities Pilot Program		3600	322,696	268,801	
Federal Program 11.028 Total				322,696	268,801	
11.031	Broadband Infrastructure Program		1030	11,084,186	11,084,186	
Federal Program 11.031 Total				11,084,186	11,084,186	
11.032	State Digital Equity Planning Grants		1030	713,266	0	
Federal Program 11.032 Total				713,266	0	
11.035	Broadband Equity, Access and Deployment Program		1030	1,347,499	0	
Federal Program 11.035 Total				1,347,499	0	
11.040	Distressed Area Recompete Pilot Program	24524002	3650	22,930	0	PT
Federal Program 11.040 Total				22,930	0	
11.303	Economic Development_Technical Assistance		3650	78,225	0	
Federal Program 11.303 Total				78,225	0	
11.407	Interjurisdictional Fisheries Act of 1986	PSMFC# 23-022G	4770	83,007	0	PT
11.407		PSMFC# 24-132G	4770	125,354	0	PT
Federal Program 11.407 Total				208,361	0	
11.417	Sea Grant Support		3600	247,417	19,009	
Federal Program 11.417 Total				247,417	19,009	
11.419	Coastal Zone Management Administration Awards	SUBK00014242	3800	36,447	0	PT
11.419		U1645A-B	3800	3,371	0	PT
11.419			4610	4,075,323	278,122	
11.419		NA19NOS4190058	4610	11,535	0	PT
11.419		NMS-010	4610	4,600	0	PT
Federal Program 11.419 Total				4,131,276	278,122	
11.436	Columbia River Fisheries Development Program		4670	556,414	170,374	

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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
11.436	Columbia River Fisheries Development Program	NA24NMF436C0004	4770	5,423,360	0	
11.436		NA24NMF436G0004	4770	39,936	0	
Federal Program 11.436 Total				6,019,710	170,374	
11.437	Pacific Fisheries Data Program	PSMFC# 19-50G	4770	28,046	0	PT
11.437		PSMFC# 22-026G	4770	409,583	0	PT
11.437		PSMFC# 22-143G	4770	3,823	0	PT
11.437		PSMFC# 23-034G	4770	73,390	0	PT
11.437		PSMFC# 24-007C	4770	80,497	0	PT
11.437		PSMFC# 24-015G	4770	234,987	0	PT
11.437		PSMFC# 24-024G	4770	8,508	0	PT
11.437		PSMFC# 24-046G	4770	614,049	0	PT
Federal Program 11.437 Total				1,452,883	0	
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treat		4670	21,629,897	15,121,242	
11.438		20-1545 RCO	4770	7,298	0	PT
11.438		NA20NMF4380147	4770	32,170	0	
11.438		NA21NMF4380441	4770	97,693	0	
11.438		NA22NMF4380070	4770	261,061	0	
11.438		NA22NMF4380076	4770	461,202	0	
11.438		NA22NMF4380086	4770	44,275	0	
11.438		NA24NMF438G0001	4770	14,557	0	
11.438		NA24NMF438G0008	4770	3,947,125	0	
11.438		NA24NMF438G0011	4770	375,525	0	
11.438		NA24NMF438G0013	4770	234,885	0	
11.438		NA24NMF438G0019	4770	891,811	0	
11.438		NA24NMF438G0025	4770	105,953	0	
Federal Program 11.438 Total				28,103,452	15,121,242	
11.439	Marine Mammal Data Program	NA22NMF4390254	4770	25,158	0	
11.439		NA23NMF4390327	4770	33,934	0	
11.439		PSMFC# 24-134G	4770	37,383	0	PT
Federal Program 11.439 Total				96,475	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
11.441	Regional Fishery Management Councils	2023-WDFW	4770	195,715	0	PT
11.441		LIA 2024-3	4770	54,697	0	PT
Federal Program 11.441 Total				250,412	0	
11.454	Unallied Management Projects	NA22NMF4540370	4770	42,471	0	
Federal Program 11.454 Total				42,471	0	
11.463	Habitat Conservation	S20170118	3650	321,471	0	PT
11.463		NA19NMF4630244	4770	231,883	0	
11.463		NA23NMF4630090	4770	1,347,437	0	
11.463			6990	172,955	0	
Federal Program 11.463 Total				2,073,746	0	
11.469	Congressionally Identified Awards and Projects		4610	1,382,998	621,371	
11.469		NA22NMF4690363	4770	239,046	0	
Federal Program 11.469 Total				1,622,044	621,371	
11.473	Office for Coastal Management		4050	93,316	0	
11.473			4610	2,344,542	0	
Federal Program 11.473 Total				2,437,858	0	
11.U01	Commerce - Unknown ALN	WA JEA2023	4770	312,130	0	
Federal Program 11.U01 Total				312,130	0	
Dept of Commerce Total				60,610,060	27,563,105	

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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
12.017	Readiness and Environmental Protection Integration	0126.22.074063	4770	608,847	0	PT
12.017		0314.23.078243	4900	58,611	0	PT
Federal Program 12.017 Total				667,458	0	
12.112	Payments to States in Lieu of Real Estate Taxes		0050	18,574	0	
Federal Program 12.112 Total				18,574	0	
12.300	Basic and Applied Scientific Research		3600	3,304,926	4,717	
Federal Program 12.300 Total				3,304,926	4,717	
12.330	Science, Technology, Engineering & Mathematics (STEM)		3600	196,120	0	
Federal Program 12.330 Total				196,120	0	
12.355	Pest Management and Vector Control Research	135993001	3650	13,017	0	PT
Federal Program 12.355 Total				13,017	0	
12.400	Military Construction, National Guard		2450	41,705	0	
Federal Program 12.400 Total				41,705	0	
12.401	National Guard Military Operations and Maintenance		2450	34,617,271	0	
Federal Program 12.401 Total				34,617,271	0	
12.404	National Guard Challenge Program		2450	5,504,104	0	
Federal Program 12.404 Total				5,504,104	0	
12.420	Military Medical Research and Development		3600	260,903	0	
12.420		GJ112GJ13SIBCR	3600	2,074	0	PT
12.420		GJ112MIRANG4SIBCR	3600	775	0	PT
12.420		GJ112MIRANG5SIBCR	3600	4,244	0	PT
12.420		GJ124GJ12SIBCR	3600	3,516	0	PT
12.420		GJ124GJ13SIBCR	3600	14,902	0	PT
12.420		GJ124HERODM2SIBCRMO	3600	11,020	0	PT
12.420		GJ124HERODM3SIBCR	3600	35,363	0	PT
12.420		MD15MD12SIBCR	3600	8,298	0	PT
12.420		MD1HJFMD13SIBCR	3600	55,110	0	PT

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Dept of Defense

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12.420	Military Medical Research and Development	ME14ME14SIBCR	3600	8,193	0	PT
12.420		ME14ME15SIBCR	3600	25,563	0	PT
12.420		MJ23OMERM1SIBCR	3600	36,808	0	PT
12.420		MJ25OMERM1SIBCR	3600	36,808	0	PT
12.420		MJ25TSHCHM1SIBCR	3600	20,873	0	PT
12.420		PE164LG12SIBCR	3600	680	0	PT
12.420		PE164LG13SIBCR	3600	5,384	0	PT
12.420		PE164PE13SIBCR	3600	7,763	0	PT
12.420		PE164PK12SIBCR	3600	10,102	0	PT
12.420		PE169IJ21SIBCR	3600	1,198	0	PT
12.420		PE26PE23SIBCR	3600	52,340	0	PT
12.420		PE26REINR3SIBCR	3600	2,582	0	PT
12.420		PK112PK12SIBCRM0D1	3600	61,889	0	PT
12.420		PK112RH11SIBCR	3600	136,843	0	PT
12.420		PK112SHOFJ1SIBCR	3600	7,281	0	PT
12.420		UWAWD-009290	3600	64,600	0	PT
12.420		UWAWD-009291	3600	26,453	0	PT
Federal Program 12.420 Total				901,565	0	
12.431	Basic Scientific Research		3600	198,618	0	
Federal Program 12.431 Total				198,618	0	
12.550	The Language Flagship Grants to Institutions of Hi	0054UW25SSC280PO2MO	3600	40,000	0	PT
12.550		BOR21UW21	3600	329,032	0	PT
Federal Program 12.550 Total				369,032	0	
12.632	Legacy Resource Management Program		3650	260	0	
Federal Program 12.632 Total				260	0	
12.900	Language Grant Program		3600	156,339	0	
Federal Program 12.900 Total				156,339	0	
12.903	GenCyber Grants Program		3600	209,743	64,228	
12.903			3700	88,432	0	
12.903			6990	88,977	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 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 12.903 Total				387,152	64,228	
12.905	Cybersecurity CORE Curriculum		3600	27,576	3,410	
12.905			3700	61,454	0	
Federal Program 12.905 Total				89,030	3,410	
12.U01	DOD - Unknown ALN	163111MOD03	3600	42,333	0	PT
Federal Program 12.U01 Total				42,333	0	
12.U02	DOD - Unknown ALN	H982302210204	3600	60,451	0	
Federal Program 12.U02 Total				60,451	0	
12.U03	DOD - Unknown ALN	N0002421D6400N0002422F	3600	34,881	0	
Federal Program 12.U03 Total				34,881	0	
12.U04	DOD - Unknown ALN	N0002421D6400N0002423F	3600	446,787	0	
Federal Program 12.U04 Total				446,787	0	
12.U05	DOD - Unknown ALN	44566	4770	3,678	0	
Federal Program 12.U05 Total				3,678	0	
Dept of Defense Total				47,053,301	72,355	

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

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	HC21-0941-001	1480	92,719	80,721	
14.169		HC22-0941-001	1480	76,150	76,150	
14.169			2350	79,360	0	
Federal Program 14.169 Total				248,229	156,871	
14.228	Community Development Block Grants/State's Program		1030	14,220,620	13,036,424	
14.228	COVID-19 – Community Development Block Grants/State's Program		1030	6,699,125	6,324,828	
Federal Program 14.228 Total				20,919,745	19,361,252	
14.231	Emergency Solutions Grant Program		1030	1,905,223	1,816,329	
14.231	COVID-19 – Emergency Solutions Grant Program		1030	5,077,971	4,829,297	
Federal Program 14.231 Total				6,983,194	6,645,626	
14.239	Home Investment Partnerships Program		1030	5,682,811	5,050,111	
14.239		HKPTA2024	1480	70,000	70,000	PT
Federal Program 14.239 Total				5,752,811	5,120,111	
14.241	Housing Opportunities for Persons With AIDS		3030	1,381,549	1,204,296	
14.241	COVID-19 – Housing Opportunities for Persons With AIDS		3030	11,667	10,938	
Federal Program 14.241 Total				1,393,216	1,215,234	
14.251	Economic Development Initiative, Community Project		3800	64,264	0	
Federal Program 14.251 Total				64,264	0	
14.259	Community Compass Technical Assistance and Capacity	144582001	3650	18,663	0	PT
Federal Program 14.259 Total				18,663	0	
14.267	Continuum of Care Program		1030	903,141	517,000	
Federal Program 14.267 Total				903,141	517,000	
14.275	Housing Trust Fund		1030	13,191,138	12,429,617	
Federal Program 14.275 Total				13,191,138	12,429,617	
14.276	Youth Homelessness Demonstration Program		1030	165,878	142,569	
Federal Program 14.276 Total				165,878	142,569	

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

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
14.326	Project Rental Assistance Demonstration (PRA Demo)		1030	1,658,360	1,450,545	
Federal Program 14.326 Total				1,658,360	1,450,545	
14.401	Fair Housing Assistance Program State and Local		1200	659,893	0	
Federal Program 14.401 Total				659,893	0	
Housing & Urban Development Total				51,958,532	47,038,825	

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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
15.015	Good Neighbor Authority	L23AC00573	4770	321,500	0	
15.015			4900	117,737	0	
Federal Program 15.015 Total				439,237	0	
15.034	Agriculture on Indian Lands	C2104	3650	8,717	0	PT
Federal Program 15.034 Total				8,717	0	
15.073	Earth Mapping Resources Initiative		4900	193,120	0	
Federal Program 15.073 Total				193,120	0	
15.156	Tribal Climate Resilience	943-90-23-00 / A21AP10	3800	32,685	0	PT
Federal Program 15.156 Total				32,685	0	
15.224	Cultural and Paleontological Resource Management		3650	31,398	0	
Federal Program 15.224 Total				31,398	0	
15.225	Recreation and Visitor Services		3650	61,302	0	
Federal Program 15.225 Total				61,302	0	
15.226	Payments in Lieu of Taxes		0050	617,571	0	
Federal Program 15.226 Total				617,571	0	
15.230	Invasive and Noxious Plant Management		4950	48,515	43,515	
Federal Program 15.230 Total				48,515	43,515	
15.232	Joint Fire Science Program		3650	19,762	0	
15.232		L0259AB	3650	43,741	0	PT
Federal Program 15.232 Total				63,503	0	
15.243	Youth Conservation Opportunities on Public Lands		4610	107,440	0	
Federal Program 15.243 Total				107,440	0	
15.244	Fisheries and Aquatic Resources Management		3800	124,792	0	
15.244		L20AC00293	4770	81,666	0	
Federal Program 15.244 Total				206,458	0	
15.246	Threatened and Endangered Species		3600	5,578	0	
15.246		L23AC00562	4770	7,950	0	
15.246			4900	1,272	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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 15.246 Total				14,800	0	
15.247	Wildlife Resource Management	L19AC00109	4770	7,624	0	
15.247		L20AC00049	4770	4,954	0	
Federal Program 15.247 Total				12,578	0	
15.423	Bureau of Ocean Energy Management (BOEM) Environment	GSA823WSU	3650	276,246	0	PT
Federal Program 15.423 Total				276,246	0	
15.507	WaterSMART (Sustain and Manage America's Resources	Agreement	4770	11,444	0	PT
Federal Program 15.507 Total				11,444	0	
15.517	Fish and Wildlife Coordination Act		3650	107,477	0	
15.517			4670	16,442	0	
15.517		R18AC00009	4770	220,339	0	
15.517		R19AC00149	4770	9,988	0	
15.517		R19AP00046	4770	21,045	0	
15.517		R20AP00301	4770	125,394	0	
15.517		R22AP00311	4770	187,577	0	
15.517		R22AP00328	4770	86,425	0	
15.517		R23AC00413	4770	137,735	0	
15.517		R24AP00453	4770	38,544	0	
Federal Program 15.517 Total				950,966	0	
15.524	Recreation Resources Management	R20AP00282	4770	12,490	0	
Federal Program 15.524 Total				12,490	0	
15.531	Yakima River Basin Water Enhancement (YRBWE)		4610	32,865	0	
Federal Program 15.531 Total				32,865	0	
15.557	Applied Science Grants		3650	43,443	10,298	
Federal Program 15.557 Total				43,443	10,298	
15.608	Fish and Wildlife Management Assistance		3650	98,072	0	
15.608		F22AP01933	4770	92,828	0	
15.608		F23AP00033	4770	132,866	0	

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Dept of the Interior

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15.608	Fish and Wildlife Management Assistance	F23AP02194	4770	35,245	0	
15.608		F24AP00008	4770	93,380	0	
Federal Program 15.608 Total				452,391	0	
15.614	Coastal Wetlands Planning, Protection and Restorat		4610	4,516,964	4,418,083	
15.614		F19AP00341	4770	169,013	0	
15.614		F22AP00539	4770	62,771	0	
15.614			4900	58,739	28,880	
Federal Program 15.614 Total				4,807,487	4,446,963	
15.615	Cooperative Endangered Species Conservation Fund	F18AP00080	4770	24,170	0	
15.615		F18AP00082	4770	147,959	0	
15.615		F20AP00348	4770	152,698	0	
15.615		F20AP00351	4770	614,970	0	
15.615		F20AP11114	4770	187,971	0	
15.615		F21AP03753	4770	8,696	0	
15.615		F21AP03755	4770	31,812	0	
15.615		F21AP03758	4770	31,663	0	
15.615		F21AP03966	4770	272	0	
15.615		F22AP00253	4770	16,976	0	
15.615		F22AP03263	4770	46,609	0	
15.615		F22AP03655	4770	41,108	0	
15.615		F22AP03656	4770	68,633	0	
15.615		F23AP00296	4770	255,284	0	
15.615		F23AP00315	4770	78,877	0	
15.615		F23AP01832	4770	99,256	0	
15.615		F23AP02806	4770	38,682	0	
15.615		F23AP02846	4770	12,939	0	
15.615			4900	7,517,019	191,687	
Federal Program 15.615 Total				9,375,594	191,687	
15.616	Clean Vessel Act	F18A00731	4650	1,223,063	0	
Federal Program 15.616 Total				1,223,063	0	

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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
15.622	Sportfishing and Boating Safety Act		4670	626,801	594,322	
Federal Program 15.622 Total				626,801	594,322	
15.630	Coastal		4610	8,164	0	
15.630		F20AC10991-00	4650	13,601	0	
15.630		F22AC02279-00	4650	5,832	0	
15.630		F23AC02686	4770	38,729	0	
15.630			4900	16,506	0	
Federal Program 15.630 Total				82,832	0	
15.631	Partners for Fish and Wildlife		4670	699,121	43,311	
15.631		F20AP11519	4770	264,869	0	
15.631		F21AP02601	4770	296,171	0	
15.631		F22AP01759	4770	317,129	0	
15.631		F23AP03492	4770	466,442	0	
Federal Program 15.631 Total				2,043,732	43,311	
15.634	State Wildlife Grants	9554	3650	(1)	0	PT
15.634		Q2380103	3650	835	0	PT
15.634		431-22	4770	58,089	0	PT
15.634		448-23	4770	11,232	0	PT
15.634		F21AF04099	4770	41,420	0	
15.634		F21AP00716	4770	8,979	0	
15.634		F21AP01433	4770	142,034	0	
15.634		F22AF03617	4770	31,447	0	
15.634		F22AP03264	4770	103,033	0	
15.634		F23AF00412	4770	45,581	0	
15.634		F23AF02000	4770	147,823	0	
15.634		F23AF03146	4770	566,293	0	
15.634		F23AF03308	4770	85,771	0	
15.634		F23AF03359	4770	68,174	0	
15.634		F23AP03499	4770	22,629	0	
15.634		F24AF00627	4770	68,125	0	
Federal Program 15.634 Total				1,401,464	0	

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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
15.639	Tribal Wildlife Grants	933-90-23-00 / F22AP00	3800	41,645	0	PT
Federal Program 15.639 Total				41,645	0	
15.654	National Wildlife Refuge System Enhancements		3650	72,200	0	
15.654			4610	61,841	0	
Federal Program 15.654 Total				134,041	0	
15.657	Endangered Species Recovery Implementation		3650	10,073	0	
15.657		141294001	3650	149,365	0	PT
15.657		A231855S001	3650	15,126	0	PT
15.657		F19AC00300	4770	68,020	0	
15.657		F22AC02160	4770	79,844	0	
15.657		F22AP02265	4770	54,781	0	
15.657		F22AP03368	4770	92,449	0	
15.657		F23AC01279	4770	43,463	0	
15.657		F23AP02851	4770	5,155	0	
15.657		F23AP02892	4770	22,887	0	
Federal Program 15.657 Total				541,163	0	
15.660	Candidate Species Conservation	F22AC02280	4770	1,641	0	
15.660		F23AC01106	4770	42,722	0	
15.660			4900	5,798	0	
Federal Program 15.660 Total				50,161	0	
15.661	Lower Snake River Compensation Plan	204809843	3650	(502)	0	PT
15.661		F23AC00602	4770	3,905,474	0	
Federal Program 15.661 Total				3,904,972	0	
15.670	Adaptive Science		3650	27,633	0	
Federal Program 15.670 Total				27,633	0	
15.676	Youth Engagement, Education, and Employment		4610	164,575	0	
Federal Program 15.676 Total				164,575	0	
15.678	Cooperative Ecosystem Studies Unit		3650	14,039	0	
Federal Program 15.678 Total				14,039	0	

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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
15.683	Prescott Marine Mammal Rescue Assistance	F22AP03073	4770	31,499	0	
15.683		F23AP02416	4770	109,906	0	
Federal Program 15.683 Total				141,405	0	
15.684	White-Nose Syndrome National Response Implementation	F22AP03618	4770	81,162	0	
15.684		F23AP03472	4770	18,565	0	
Federal Program 15.684 Total				99,727	0	
15.808	U.S. Geological Survey_ Research and Data Collection		3600	4,233,344	0	
Federal Program 15.808 Total				4,233,344	0	
15.810	National Cooperative Geologic Mapping		4900	386,355	0	
Federal Program 15.810 Total				386,355	0	
15.814	National Geological and Geophysical Data Preservat		4900	173,052	0	
Federal Program 15.814 Total				173,052	0	
15.818	Volcano Hazards Program Research and Monitoring		3600	412,698	0	
Federal Program 15.818 Total				412,698	0	
15.904	Historic Preservation Fund Grants-in-Aid		3550	1,030,855	0	
Federal Program 15.904 Total				1,030,855	0	
15.916	Outdoor Recreation_Acquisition, Development and Pl		4670	5,307,084	5,061,693	
Federal Program 15.916 Total				5,307,084	5,061,693	
15.931	Youth and Veteran Organizations Conservation Activ		4610	247,812	0	
Federal Program 15.931 Total				247,812	0	
15.944	Natural Resource Stewardship	P20AC01097	4770	1,079	0	
15.944		P23AC01185	4770	5,763	0	
Federal Program 15.944 Total				6,842	0	
15.954	National Park Service Conservation, Protection, Ou	P18AC00149	3760	2,710	0	
Federal Program 15.954 Total				2,710	0	

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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
15.980	National Ground-Water Monitoring Network		4610	75,195	0	
	Federal Program 15.980 Total			75,195	0	
15.U01	BIA/BIE - Unknown ALN	128572012	3650	(5)	0	PT
	Federal Program 15.U01 Total			(5)	0	
15.U02	BIA/BIE - Unknown ALN	128572011	3650	187	0	PT
	Federal Program 15.U02 Total			187	0	
15.U03	BIA/BIE - Unknown ALN	145274001	3650	7,956	0	
	Federal Program 15.U03 Total			7,956	0	
15.U04	BIA/BIE - Unknown ALN	142972001	3650	(548)	0	
	Federal Program 15.U04 Total			(548)	0	
15.U05	BIA/BIE - Unknown ALN	140L4321F0065	3700	60	0	
	Federal Program 15.U05 Total			60	0	
15.U06	BIA/BIE - Unknown ALN	140L4322F0030	3700	687	0	
	Federal Program 15.U06 Total			687	0	
15.U07	BIA/BIE - Unknown ALN	14014322F0046	3700	47,367	0	
	Federal Program 15.U07 Total			47,367	0	
15.U08	BIA/BIE - Unknown ALN	14014322F0103	3700	5,306	0	
	Federal Program 15.U08 Total			5,306	0	
15.U09	BIA/BIE - Unknown ALN	140L4323F0007	3700	61,209	0	
	Federal Program 15.U09 Total			61,209	0	
15.U10	BIA/BIE - Unknown ALN	140L4323F0053	3700	17,180	0	
	Federal Program 15.U10 Total			17,180	0	
15.U11	BIA/BIE - Unknown ALN	140L4323F0032	3700	96,108	0	
	Federal Program 15.U11 Total			96,108	0	
15.U12	BIA/BIE - Unknown ALN	14-06-100-1137	4770	496,682	0	
	Federal Program 15.U12 Total			496,682	0	
15.U13	BIA/BIE - Unknown ALN	Agreement	4770	797	0	
	Federal Program 15.U13 Total			797	0	
	Dept of the Interior Total			40,906,436	10,391,789	

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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	78,680	0	
	Federal Program 16.013 Total			78,680	0	
16.017	Sexual Assault Services Formula Program		1030	1,148,862	1,148,862	
	Federal Program 16.017 Total			1,148,862	1,148,862	
16.034	COVID-19 – Coronavirus Emergency Supplemental Funding Program		1030	781,836	665,226	
	Federal Program 16.034 Total			781,836	665,226	
16.045	Community-Based Violence Intervention and Prevention		1030	124,660	0	
	Federal Program 16.045 Total			124,660	0	
16.525	Grants to Reduce Domestic Violence, Dating Violence		6990	90,916	0	
	Federal Program 16.525 Total			90,916	0	
16.540	Juvenile Justice and Delinquency Prevention		3070	807,217	0	
	Federal Program 16.540 Total			807,217	0	
16.550	State Justice Statistics Program for Statistical A	15PBJS-21-GK-00032BJSB	1050	87,613	0	
16.550		15PBJS-22-GK-00748BJSB	1050	39,569	0	
16.550		15PBJS-23-GK-00687BJSB	1050	1,537	0	
	Federal Program 16.550 Total			128,719	0	
16.554	National Criminal History Improvement Program K17326 (NCHIP)		2250	331,601	84,836	
16.554		K18333	2250	1,640,195	99,339	
16.554		K19160	2250	875,888	56,743	
16.554		K19969	2250	96,621	0	
	Federal Program 16.554 Total			2,944,305	240,918	
16.575	Crime Victim Assistance		1030	26,763,866	15,847,406	
	Federal Program 16.575 Total			26,763,866	15,847,406	
16.576	Crime Victim Compensation		2350	7,951,061	0	
	Federal Program 16.576 Total			7,951,061	0	
16.585	Treatment Court Discretionary Grant Program		1070	287,209	0	

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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 16.585 Total				287,209	0	
16.588	Violence Against Women Formula Grants		1030	3,488,530	2,903,438	
Federal Program 16.588 Total				3,488,530	2,903,438	
16.593	Residential Substance Abuse Treatment for State Pr		1070	816,349	375,251	
Federal Program 16.593 Total				816,349	375,251	
16.710	Public Safety Partnership and Community Policing G		3650	36,191	0	
16.710		15JCOPS-21-GG-02592-SP	3700	6,494	0	
16.710		15JCOPS-23-GG-04781-UH	3700	1,481	0	
Federal Program 16.710 Total				44,166	0	
16.726	Juvenile Mentoring Program	141951001	3650	949	0	PT
16.726		2020JUFX0031	3650	(1,632)	0	PT
Federal Program 16.726 Total				(683)	0	
16.735	PREA Program: Strategic Support for PREA Implement		1030	5,813,352	4,950,538	
16.735		21-GG-02773-PREA	3100	28,064	0	
16.735		22-GG-01651-PREA	3100	135,289	0	
Federal Program 16.735 Total				5,976,705	4,950,538	
16.738	Edward Byrne Memorial Justice Assistance Grant 23-GG-00761-FAMI Pro		3100	7,925	0	
16.738		23-GG-02251-NTCP	3100	1,138	0	
Federal Program 16.738 Total				9,063	0	
16.741	DNA Backlog Reduction Program	K16795	2250	189,013	0	
16.741		K18009	2250	947,613	0	
16.741		K18331	2250	528,842	0	
Federal Program 16.741 Total				1,665,468	0	
16.742	Paul Coverdell Forensic Sciences Improvement Grant	K17573	2250	62,510	62,510	
16.742		K18326	2250	254,828	231,489	
Federal Program 16.742 Total				317,338	293,999	

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 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
16.745	Criminal and Juvenile Justice and Mental Health Co	23-GG-01478-MENT	3100	2,379	0	
16.745		23-GG-02194-MENT	3100	1,143	0	
Federal Program 16.745 Total				3,522	0	
16.753	Congressionally Recommended Awards		1030	155,719	145,106	
Federal Program 16.753 Total				155,719	145,106	
16.754	Harold Rogers Prescription Drug Monitoring Program		3030	399,551	394,011	
Federal Program 16.754 Total				399,551	394,011	
16.812	Second Chance Act Reentry Initiative	21-GG-02887-SCAX	3100	365,842	0	
16.812		21-GG-04027-SCAX	3100	203,838	0	
16.812		22-GG-03723-SMTP	3100	249,562	0	
16.812		23-GG-00840-SMTP	3100	14,759	0	
Federal Program 16.812 Total				834,001	0	
16.820	Postconviction Testing of DNA Evidence	K16889	2250	138,736	112,601	
Federal Program 16.820 Total				138,736	112,601	
16.831	Children of Incarcerated Parents	2020-CZ-BX-0011	3100	307,075	0	
Federal Program 16.831 Total				307,075	0	
16.833	National Sexual Assault Kit Initiative		1000	1,143,088	0	
Federal Program 16.833 Total				1,143,088	0	
16.836	Indigent Defense		0560	155,213	0	
Federal Program 16.836 Total				155,213	0	
16.838	Comprehensive Opioid, Stimulant, and Other Substance		0550	260,605	0	
Federal Program 16.838 Total				260,605	0	
16.844	Combatting Contraband Cell Phone Use in Prisons	21-GG-02705-MANA	3100	86,222	0	
Federal Program 16.844 Total				86,222	0	
16.922	Equitable Sharing Program		3100	40,750	0	
Federal Program 16.922 Total				40,750	0	
16.U01	Justice - Unknown ALN	K18561	2250	237,063	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 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.U01 Total				237,063	0	
16.U02	Justice - Unknown ALN	K20022	2250	93,898	0	
Federal Program 16.U02 Total				93,898	0	
Dept of Justice Total				57,279,710	27,077,356	

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	1,806,221	0	
	Federal Program 17.002 Total			1,806,221	0	
17.005	Compensation and Working Conditions		2350	201,085	0	
	Federal Program 17.005 Total			201,085	0	
17.225	Unemployment Insurance		5400	1,996,633,616	0	
17.225	COVID-19 – Unemployment Insurance		5400	39,723,667	0	
	Federal Program 17.225 Total			2,036,357,283	0	
17.235	Senior Community Service Employment Program		3000	1,125,610	0	
	Federal Program 17.235 Total			1,125,610	0	
17.245	Trade Adjustment Assistance		5400	4,807,730	0	
	Federal Program 17.245 Total			4,807,730	0	
17.270	Reentry Employment Opportunities		5400	333,475	0	
17.270		K8193- 7633	5400	20,275	0	PT
	Federal Program 17.270 Total			353,750	0	
17.271	Work Opportunity Tax Credit Program (WOTC)		5400	443,543	0	
	Federal Program 17.271 Total			443,543	0	
17.273	Temporary Labor Certification for Foreign Workers		5400	485,133	0	
	Federal Program 17.273 Total			485,133	0	
17.277	WIOA National Dislocated Worker Grants / WIA National		5400	10,389,648	9,983,008	
17.277	COVID-19 – WIOA National Dislocated Worker Grants / WIA National		5400	72,286	72,286	
	Federal Program 17.277 Total			10,461,934	10,055,294	
17.285	Apprenticeship USA Grants		2350	97,827	0	
17.285			5400	667,817	68,782	
	Federal Program 17.285 Total			765,644	68,782	
17.287	Job Corps Experimental Projects and Technical Assi		6990	86,905	0	
	Federal Program 17.287 Total			86,905	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 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
17.503	Occupational Safety and Health State Program		2350	8,969,408	0	
Federal Program 17.503 Total				8,969,408	0	
17.600	Mine Health and Safety Grants	MS-36594-21-55-R-53 AM	3700	2,177	0	
Federal Program 17.600 Total				2,177	0	
17.805	Homeless Veterans' Reintegration Program		3050	511,779	0	
Federal Program 17.805 Total				511,779	0	
Dept of Labor Total				2,066,378,202	10,124,076	

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 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	IDEAS22UWTACOMA01	3600	6,052	0	PT
19.009		213052	6990	4,991	0	PT
19.009		21638	6990	18,745	0	PT
19.009		SECAGD18CA	6990	204,878	0	PT
Federal Program 19.009 Total				234,666	0	
19.010	Academic Exchange Programs - Hubert H. Humphrey Fe	3000271746	3600	11,698	0	PT
19.010		3000314300	3600	7,883	0	PT
Federal Program 19.010 Total				19,581	0	
19.021	Investing in People in the Middle East and North A		3800	46,089	0	
Federal Program 19.021 Total				46,089	0	
19.040	Public Diplomacy Programs		3650	37,617	0	
19.040			3800	34,348	0	
Federal Program 19.040 Total				71,965	0	
19.510	U.S. Refugee Admissions Program	S04SPRMCO23CA0030	3650	3,447	0	PT
Federal Program 19.510 Total				3,447	0	
19.900	AEECA/ESF PD Programs		3650	86,804	0	
19.900		144345001	3650	98,835	0	PT
Federal Program 19.900 Total				185,639	0	
19.U01	State - Unknown ALN	P024000047	3700	35,864	0	PT
Federal Program 19.U01 Total				35,864	0	
19.U02	State - Unknown ALN	P023001005	3700	1,680	0	PT
Federal Program 19.U02 Total				1,680	0	
19.U03	State - Unknown ALN	P023002412	3700	18,063	0	PT
Federal Program 19.U03 Total				18,063	0	
Dept of State Total				616,994	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 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, Covid-19 Airports Pro		4050	773,283	0	
Federal Program 20.106 Total				773,283	0	
20.205	Highway Planning and Construction		0100	133,761,875	0	
20.205			4050	818,695,925	270,060,912	
Federal Program 20.205 Total				952,457,800	270,060,912	
20.215	Highway Training and Education		3600	242,734	42,034	
Federal Program 20.215 Total				242,734	42,034	
20.219	Recreational Trails Program		4670	1,512,267	1,437,976	
Federal Program 20.219 Total				1,512,267	1,437,976	
20.224	Federal Lands Access Program	6905672040004	3700	4,563	0	
20.224		6905672140007	3700	(604)	0	
20.224		6905672140008	3700	416	0	
20.224		6905672240003 MOD 0001	3700	(1)	0	
20.224		6905672240005	3700	5,328	0	
20.224		6905672240013	3700	23,455	0	
20.224		6905672340007	3700	5,864	0	
20.224		6905672340008	3700	11,456	0	
20.224		6905672340012	3700	3,640	0	
20.224		6905672440001	3700	31,005	0	
20.224		ORDER 1204129	3700	24,562	0	PT
20.224			4050	1,188,806	1,053,762	
Federal Program 20.224 Total				1,298,490	1,053,762	
20.232	Commercial Driver's License Program Implementation		2400	235,442	0	
Federal Program 20.232 Total				235,442	0	
20.505	Metropolitan Transportation Planning and State and		4050	3,134,389	2,529,403	
Federal Program 20.505 Total				3,134,389	2,529,403	
20.509	Formula Grants for Rural Areas and Tribal Transit		4050	36,728,684	27,905,942	
Federal Program 20.509 Total				36,728,684	27,905,942	

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
20.528	Rail Fixed Guideway Public Transportation System S		4050	925,558	0	
Federal Program 20.528 Total				925,558	0	
20.608	Minimum Penalties for Repeat Offenders for Driving		2280	718,864	718,864	
Federal Program 20.608 Total				718,864	718,864	
20.700	Pipeline Safety Program State Base Grant		2150	1,256,238	0	
Federal Program 20.700 Total				1,256,238	0	
20.701	University Transportation Centers Program		3650	1,367,351	1,084,987	
20.701		00125174/00080653	3650	182,145	0	PT
20.701		2016068804WSU	3650	18,404	0	PT
20.701		G227-17-W6460-AMEND9	3700	104,255	0	PT
Federal Program 20.701 Total				1,672,155	1,084,987	
20.703	Interagency Hazardous Materials Public Sector Trai		2450	401,150	11,719	
Federal Program 20.703 Total				401,150	11,719	
20.933	National Infrastructure Investments		4050	5,754,287	5,428,046	
Federal Program 20.933 Total				5,754,287	5,428,046	
20.U01	DOT - Unknown ALN	693JJ92250153	2280	358,766	0	
Federal Program 20.U01 Total				358,766	0	
Dept of Transportation Total				1,007,470,107	310,273,645	

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
21.019	Coronavirus Relief Fund		1070	(141,389)	0	
Federal Program 21.019 Total				(141,389)	0	
21.026	COVID-19 – Homeowner Assistance Fund	HAF0025	1480	70,791,815	0	
Federal Program 21.026 Total				70,791,815	0	
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	Fund 706	0760	1,150,000	0	
21.027			1030	102,760,781	99,993,817	
21.027		Fund 706	1050	515,145	0	
21.027			3000	1,136,549	0	
21.027			3030	4,417,647	0	
21.027			3100	262,536,025	0	
21.027			3500	1,334,287	0	
21.027			3540	162,606	0	
21.027			3600	20,000,000	0	
21.027		C20230596	3600	210,444	0	PT
21.027		HD1WMN6945W6	3600	184,794	0	PT
21.027		SLFRP0135	3600	99,380	0	PT
21.027			3760	1,528,204	0	
21.027		1960223	3800	20,000	0	PT
21.027		19711022	3800	18,105	0	PT
21.027		KC-463-22	3800	237,271	0	PT
21.027			4050	141,739,333	0	
21.027			4950	25,537,629	23,922,700	
21.027		K7895- 6633 6634	5400	60,946	0	PT
21.027		COVID 19 2226-476	6990	107,504	0	PT
21.027		COVID 19 CLFR-116A	6990	237,287	0	PT
21.027		COVID 19 EL-23-AR-4	6990	10,821	0	PT
Federal Program 21.027 Total				564,004,758	123,916,517	
21.029	COVID-19 – Coronavirus Capital Projects Fund		1030	20,810,539	20,679,923	
Federal Program 21.029 Total				20,810,539	20,679,923	
21.U01	Department of Treasury - Unknown ALN	SSBCI	1030	166,049	0	

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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
Federal Program 21.U01 Total				166,049	0	
21.U02	Department of Treasury - Undetermined	A197997	3600	4,429	0	PT
Federal Program 21.U02 Total				4,429	0	
21.U03	Department of Treasury - Undetermined	DOE21PA82AM02	3600	68,684	0	PT
Federal Program 21.U03 Total				68,684	0	
21.U04	COVID-19 – Department of Treasury-Undetermined	DOE21PA82AM02	3600	263,283	0	PT
Federal Program 21.U04 Total				263,283	0	
21.U05	Department of Treasury-Undetermined	SLFRP3352	6990	36,682	0	PT
Federal Program 21.U05 Total				36,682	0	
Dept of the Treasury Total				656,004,850	144,596,440	

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	17,005	0	NC
39.003	COVID-19 – Donation of Federal Surplus Personal Property		3050	1,137	0	NC
39.003	Donation of Federal Surplus Personal Property		4050	290	0	NC
39.003			4770	313	0	NC
39.003			6990	9,755	0	NC
Federal Program 39.003 Total				28,500	0	
General Services Administration Total				28,500	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	79,163	0	
43.001		1948PO25014770AM003	3600	31	0	PT
43.001		400295AAM001	3600	2,784	0	PT
43.001			3650	625,511	188,885	
43.001		1667355	3650	(10)	0	PT
43.001		1683016	3650	17,040	0	PT
43.001		1702921	3650	114,775	0	PT
43.001		AW5866826652	3650	(36)	0	PT
43.001		HSTGO16188001A	3650	7,246	0	PT
43.001		PZL0226	3650	63,600	0	PT
43.001		239700B	3750	4,978	0	PT
43.001		80NSSC19K0359	3750	158,947	0	
43.001		80NSSC22M0006	3750	2,010,308	987,101	
43.001		NEBP-123	3750	5,712	0	PT
43.001			3800	293,226	0	
43.001		15-710	3800	336,048	0	PT
43.001		1652930	3800	46,047	0	PT
Federal Program 43.001 Total				3,765,370	1,175,986	
43.007	Space Operations		3650	149,589	0	
Federal Program 43.007 Total				149,589	0	
43.008	Office of Stem Engagement (OSTEM)	UWSC1227	6990	15,278	0	PT
Federal Program 43.008 Total				15,278	0	
43.012	Space Technology		3650	43,169	0	
43.012		2023001	3650	21,550	0	PT
Federal Program 43.012 Total				64,719	0	
National Aeronautics & Space Admin Total				3,994,956	1,175,986	

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

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	42,677	0	
45.024			3600	33,161	0	
45.024		31095	3750	2,133	0	PT
45.024		1904369-55-23	4650	30,000	0	
Federal Program 45.024 Total				107,971	0	
45.025	Promotion of the Arts Partnership Agreements		3870	1,308,383	0	
Federal Program 45.025 Total				1,308,383	0	
45.149	Promotion of the Humanities Division of Preservation		3600	11,666	0	
Federal Program 45.149 Total				11,666	0	
45.161	Promotion of the Humanities Research		3600	154,168	0	
Federal Program 45.161 Total				154,168	0	
45.162	Promotion of the Humanities Teaching and Learning		3650	21,629	0	
45.162			6990	19,413	0	
Federal Program 45.162 Total				41,042	0	
45.169	Promotion of the Humanities Office of Digital Huma		3650	120,394	44,796	
Federal Program 45.169 Total				120,394	44,796	
45.301	Museums for America		3600	74,911	0	
45.301		MA-253423-OMS-23	3900	96,000	0	
45.301		MA-249641-OMS-21	3950	145,961	0	
Federal Program 45.301 Total				316,872	0	
45.310	Grants to States	LS-252490-OLS-22	0850	589,428	18,519	
45.310		LS-253659-OLS-23	0850	3,037,854	98,750	
Federal Program 45.310 Total				3,627,282	117,269	
45.312	National Leadership Grants	LG-252319-OLS-22	0850	36,025	967	
45.312			3600	143,730	0	
45.312		POPL00000001155	3600	12,851	0	PT
45.312			3650	204,669	23,120	

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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
Federal Program 45.312 Total				397,275	24,087	
45.313	Laura Bush 21ST Century Librarian Program		3600	145,794	21,958	
Federal Program 45.313 Total				145,794	21,958	
National Foundation on the Arts and the Humanities Total				6,230,847	208,110	

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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	COVID-19 – Small Business Development Centers		3650	3,480,272	1,173,184	
59.037	Small Business Development Centers		6990	244,652	0	
Federal Program 59.037 Total				3,724,924	1,173,184	
59.061	State Trade Expansion		1030	1,158,046	561,659	
Federal Program 59.061 Total				1,158,046	561,659	
Small Business Administration Total				4,882,970	1,734,843	

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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	Grants to States for Construction of State Home Fa		3050	3,777,586	0	
	Federal Program 64.005 Total			3,777,586	0	
64.012	Veterans Prescription Service		3050	1,549,619	0	
	Federal Program 64.012 Total			1,549,619	0	
64.015	Veterans State Nursing Home Care		3050	59,343,668	0	
	Federal Program 64.015 Total			59,343,668	0	
64.024	VA Homeless Providers Grant and Per Diem Program		3050	5,256,145	0	
	Federal Program 64.024 Total			5,256,145	0	
64.035	Veterans Transportation Program		3050	33,101	0	
	Federal Program 64.035 Total			33,101	0	
64.053	Payments to States for Programs to Promote the Hir		3050	364,959	0	
	Federal Program 64.053 Total			364,959	0	
64.055	Staff Sergeant Parker Gordon Fox Suicide Prevention		3050	859,579	0	
	Federal Program 64.055 Total			859,579	0	
64.101	Burial Expenses Allowance for Veterans		3050	486,603	0	
	Federal Program 64.101 Total			486,603	0	
64.115	Veterans Information and Assistance		6990	2,960	0	
	Federal Program 64.115 Total			2,960	0	
64.116	Vocational Rehabilitation for Disabled Veterans		6990	1,424	0	
	Federal Program 64.116 Total			1,424	0	
64.117	Survivors and Dependents Educational Assistance		6990	962	0	
	Federal Program 64.117 Total			962	0	
64.124	All-Volunteer Force Educational Assistance		3400	333,688	333,688	
64.124			3540	465,367	0	
	Federal Program 64.124 Total			799,055	333,688	

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.U01	VA - Unknown ALN	36C25223C0060	3650	21,989	0	
	Federal Program 64.U01 Total			21,989	0	
64.U02	VA - Unknown ALN	2021-27	3650	316	0	
	Federal Program 64.U02 Total			316	0	
64.U03	VA - Unknown ALN	N/A	3750	10,672	0	
	Federal Program 64.U03 Total			10,672	0	
64.U04	VA - Unknown ALN	142065001	3650	3,047	0	
	Federal Program 64.U04 Total			3,047	0	
64.U05	VA - Unknown ALN	IPA202108EXT	3650	4,176	0	
	Federal Program 64.U05 Total			4,176	0	
64.U06	VA - Unknown ALN	VA Reporting Fee	6990	11,552	0	
	Federal Program 64.U06 Total			11,552	0	
64.U07	VA - Unknown ALN	WA290	6990	78,085	0	
	Federal Program 64.U07 Total			78,085	0	
64.U08	VA - Unknown ALN	WA020 64.028; WA250	6990	322,468	0	
	Federal Program 64.U08 Total			322,468	0	
64.U09	VA - Unknown ALN	WA140 admin fee	6990	4,896	0	
	Federal Program 64.U09 Total			4,896	0	
Department of Veterans Affairs Total				72,932,862	333,688	

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
66.032	State Indoor Radon Grants		3030	89,496	0	
	Federal Program 66.032 Total			89,496	0	
66.040	Diesel Emissions Reduction Act (Dera) State Grants		4610	857,086	857,086	
	Federal Program 66.040 Total			857,086	857,086	
66.046	Climate Pollution Reduction Grants		1030	345,157	107,507	
	Federal Program 66.046 Total			345,157	107,507	
66.121	Geographic Programs-Puget Sound Protection and	954-90-23-2 / FY22EPA	3800	7,621	0	PT
	Federal Program 66.121 Total			7,621	0	
66.123	Geographic Programs - Puget Sound Action Agenda: T		3030	3,895,864	1,823,659	
66.123			4050	6,920	0	
66.123			4610	4,124,080	1,212,074	
66.123		PC-01J22301	4770	686,503	0	
66.123		PC-01J89501	4770	3,026,093	0	
	Federal Program 66.123 Total			11,739,460	3,035,733	
66.204	Multipurpose Grants to States and Tribes		3030	63,666	0	
66.204			4610	72,159	0	
	Federal Program 66.204 Total			135,825	0	
66.309	Surveys, Studies, Investigations and Special Purpose		3600	838,823	0	
	Federal Program 66.309 Total			838,823	0	
66.419	Water Pollution Control State, Interstate, and Tri		3030	327,032	9,797	
66.419			4610	96,186	0	
	Federal Program 66.419 Total			423,218	9,797	
66.432	State Public Water System Supervision		3030	2,509,257	0	
	Federal Program 66.432 Total			2,509,257	0	
66.442	Water Infrastructure Improvements for the Nation S		3030	31,175	0	
	Federal Program 66.442 Total			31,175	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

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
66.444	Voluntary School and Child Care Lead Testing and R		3030	457,639	0	
Federal Program 66.444 Total				457,639	0	
66.454	Water Quality Management Planning		4610	592,884	0	
Federal Program 66.454 Total				592,884	0	
66.456	National Estuary Program		4780	6,750,047	4,009,039	
Federal Program 66.456 Total				6,750,047	4,009,039	
66.458	Clean Water State Revolving Fund		4610	50,757,651	50,757,651	
Federal Program 66.458 Total				50,757,651	50,757,651	
66.460	Nonpoint Source Implementation Grants		4610	4,138,646	2,633,859	
Federal Program 66.460 Total				4,138,646	2,633,859	
66.461	Regional Wetland Program Development Grants		4610	139,712	0	
66.461			4900	47,365	0	
Federal Program 66.461 Total				187,077	0	
66.468	Drinking Water State Revolving Fund		3030	9,978,611	140,215	
Federal Program 66.468 Total				9,978,611	140,215	
66.472	Beach Monitoring and Notification Program Implemen		4610	317,879	0	
Federal Program 66.472 Total				317,879	0	
66.605	Performance Partnership Grants		1030	394,623	0	
66.605		140239001	3650	(56)	0	PT
66.605			4610	8,597,060	1,909,051	
Federal Program 66.605 Total				8,991,627	1,909,051	
66.608	Environmental Information Exchange Network Grant P		4610	17,355	0	
66.608			4670	349,036	189,544	
66.608			4900	55,204	0	
Federal Program 66.608 Total				421,595	189,544	
66.700	Consolidated Pesticide Enforcement Cooperative Agr		4950	740,851	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

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 66.700 Total				740,851	0	
66.708	Pollution Prevention Grants Program		4610	309,419	0	
Federal Program 66.708 Total				309,419	0	
66.716	Research, Development, Monitoring, Public Education	PSEFMP20242450	3650	181	0	PT
Federal Program 66.716 Total				181	0	
66.801	Hazardous Waste Management State Program Support		4610	1,926,239	0	
Federal Program 66.801 Total				1,926,239	0	
66.802	Superfund State, Political Subdivision, and Indian		4610	265,684	0	
Federal Program 66.802 Total				265,684	0	
66.804	Underground Storage Tank (UST) Prevention, Detection		4610	439,382	0	
Federal Program 66.804 Total				439,382	0	
66.805	Leaking Underground Storage Tank Trust Fund Corrective		4610	578,681	0	
66.805		LS-01J85604-0	4620	519,527	0	
Federal Program 66.805 Total				1,098,208	0	
66.808	Solid Waste Management Assistance Grants		3650	70,098	0	
Federal Program 66.808 Total				70,098	0	
66.809	Superfund State and Indian Tribe CORE Program Coop		4610	105,912	0	
Federal Program 66.809 Total				105,912	0	
66.817	State and Tribal Response Program Grants		4610	1,316,097	0	
Federal Program 66.817 Total				1,316,097	0	
66.818	Brownfields Multipurpose, Assessment, Revolving Lo		1030	746,365	591,448	
Federal Program 66.818 Total				746,365	591,448	
66.920	Solid Waste Infrastructure for Recycling Infrastru		4610	364,632	0	
Federal Program 66.920 Total				364,632	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

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
66.951	Environmental Education Grants		3650	17,380	0	
66.951		144789001	3650	25,014	0	PT
66.951			3800	2,296	0	
Federal Program 66.951 Total				44,690	0	
66.962	Geographic Programs - Columbia River Basin Restora		4950	136,559	15,523	
Federal Program 66.962 Total				136,559	15,523	
66.U01	Environmental Protection Agency - Unknown ALN	none	6990	502	0	PT
Federal Program 66.U01 Total				502	0	
Environmental Protection Agency Total				107,135,593	64,256,453	

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

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		3650	181,201	0	
Federal Program 77.008 Total				181,201	0	
Nuclear Regulatory Commission Total				181,201	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	2,481,778	95,775	
	Federal Program 81.041 Total			2,481,778	95,775	
81.042	Weatherization Assistance for Low-Income Persons		1030	8,664,899	7,174,605	
	Federal Program 81.042 Total			8,664,899	7,174,605	
81.049	Office of Science Financial Assistance Program		3600	283,698	0	
	Federal Program 81.049 Total			283,698	0	
81.087	Renewable Energy Research and Development		3600	294,389	313,547	
	Federal Program 81.087 Total			294,389	313,547	
81.106	Transport of Transuranic Wastes to the Waste Isola	K18040	2250	98,940	29,170	PT
	Federal Program 81.106 Total			98,940	29,170	
81.112	Stewardship Science Grant Program		3650	6,363,221	653,618	
81.112		203186WSU	3650	114,809	0	PT
81.112		AWD005190G4	3650	256,748	0	PT
	Federal Program 81.112 Total			6,734,778	653,618	
81.117	Energy Efficiency and Renewable Energy Information		3650	482,012	12,632	
	Federal Program 81.117 Total			482,012	12,632	
81.121	Nuclear Energy Research, Development and Demonstra		3650	387,490	0	
81.121		ASUB00001543	3650	3,948	0	PT
	Federal Program 81.121 Total			391,438	0	
81.122	Electricity Research, Development and Analysis	20150660502	3650	(6,554)	0	PT
81.122		705929	3650	12,313	0	PT
	Federal Program 81.122 Total			5,759	0	
81.128	Energy Efficiency and Conservation Block Grant Pro		1030	12,291	0	
	Federal Program 81.128 Total			12,291	0	
81.254	Grid Infrastructure Deployment and Resilience		1030	37,534	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 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 81.254 Total				37,534	0	
81.U01	Energy - Unknown ALN	BPA	1030	2,546,275	2,221,411	
Federal Program 81.U01 Total				2,546,275	2,221,411	
81.U02	Energy - Unknown ALN	670040	3600	1,839	0	PT
Federal Program 81.U02 Total				1,839	0	
81.U03	Energy - Unknown ALN	705684AM002	3600	33,810	0	PT
Federal Program 81.U03 Total				33,810	0	
81.U04	Energy - Unknown ALN	Contract648225	3600	119	0	PT
Federal Program 81.U04 Total				119	0	
81.U05	Energy - Unknown ALN	00084038	6990	194,046	0	
Federal Program 81.U05 Total				194,046	0	
81.U06	Energy - Unknown ALN	142978002	3650	48,187	0	PT
Federal Program 81.U06 Total				48,187	0	
81.U07	Energy - Unknown ALN	0F60061	3650	(6,426)	0	PT
Federal Program 81.U07 Total				(6,426)	0	
81.U08	Energy - Unknown ALN	201360	3650	267,556	0	PT
Federal Program 81.U08 Total				267,556	0	
81.U09	Energy - Unknown ALN	260738	3650	(375)	0	PT
Federal Program 81.U09 Total				(375)	0	
81.U10	Energy - Unknown ALN	508280	3650	(524)	0	PT
Federal Program 81.U10 Total				(524)	0	
81.U11	Energy - Unknown ALN	432041	3650	(87,001)	0	PT
Federal Program 81.U11 Total				(87,001)	0	
81.U12	Energy - Unknown ALN	500860	3650	(606)	0	PT
Federal Program 81.U12 Total				(606)	0	
81.U13	Energy - Unknown ALN	538552	3650	39,150	0	PT
Federal Program 81.U13 Total				39,150	0	
81.U14	Energy - Unknown ALN	550188	3650	(2,441)	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.U14 Total				(2,441)	0	
81.U15	Energy - Unknown ALN	506570	3650	(1,921)	0	PT
Federal Program 81.U15 Total				(1,921)	0	
81.U16	Energy - Unknown ALN	574231	3650	(1)	0	PT
Federal Program 81.U16 Total				(1)	0	
81.U17	Energy - Unknown ALN	528677	3650	1,899	0	PT
Federal Program 81.U17 Total				1,899	0	
81.U18	Energy - Unknown ALN	540055	3650	(588)	0	PT
Federal Program 81.U18 Total				(588)	0	
81.U19	Energy - Unknown ALN	540570	3650	(1,549)	0	PT
Federal Program 81.U19 Total				(1,549)	0	
81.U20	Energy - Unknown ALN	674208	3650	25,000	0	PT
Federal Program 81.U20 Total				25,000	0	
81.U21	Energy - Unknown ALN	685891	3650	51,427	0	PT
Federal Program 81.U21 Total				51,427	0	
81.U22	Energy - Unknown ALN	AWD001575G1	3650	(15,331)	0	PT
Federal Program 81.U22 Total				(15,331)	0	
81.U23	Energy - Unknown ALN	561086	3650	(5,945)	0	PT
Federal Program 81.U23 Total				(5,945)	0	
81.U24	Energy - Unknown ALN	699416	3650	48,530	0	PT
Federal Program 81.U24 Total				48,530	0	
81.U25	Energy - Unknown ALN	2125182S1	3650	(7,491)	0	PT
81.U25		744226	3650	10,480	0	PT
Federal Program 81.U25 Total				2,989	0	
81.U26	Energy - Unknown ALN	700527	3650	69,771	0	PT
Federal Program 81.U26 Total				69,771	0	
81.U27	Energy - Unknown ALN	578270	3650	1,636	0	PT
Federal Program 81.U27 Total				1,636	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.U28	Energy - Unknown ALN	578780	3650	57,954	0	PT
	Federal Program 81.U28 Total			57,954	0	
81.U29	Energy - Unknown ALN	586620	3650	(9,162)	0	PT
	Federal Program 81.U29 Total			(9,162)	0	
81.U30	Energy - Unknown ALN	707962	3650	24,996	0	PT
	Federal Program 81.U30 Total			24,996	0	
81.U31	Energy - Unknown ALN	595028	3650	23,418	0	PT
	Federal Program 81.U31 Total			23,418	0	
81.U32	Energy - Unknown ALN	708797	3650	31,520	0	PT
	Federal Program 81.U32 Total			31,520	0	
81.U33	Energy - Unknown ALN	606555	3650	78,216	0	PT
	Federal Program 81.U33 Total			78,216	0	
81.U34	Energy - Unknown ALN	607066	3650	57,654	0	PT
	Federal Program 81.U34 Total			57,654	0	
81.U35	Energy - Unknown ALN	709575	3650	10,000	0	PT
	Federal Program 81.U35 Total			10,000	0	
81.U36	Energy - Unknown ALN	607899	3650	51,191	0	PT
	Federal Program 81.U36 Total			51,191	0	
81.U37	Energy - Unknown ALN	607903	3650	244,450	0	PT
	Federal Program 81.U37 Total			244,450	0	
81.U38	Energy - Unknown ALN	608584	3650	(271)	0	PT
	Federal Program 81.U38 Total			(271)	0	
81.U39	Energy - Unknown ALN	716290	3650	12,277	0	PT
	Federal Program 81.U39 Total			12,277	0	
81.U40	Energy - Unknown ALN	721317	3650	25,872	0	PT
	Federal Program 81.U40 Total			25,872	0	
81.U41	Energy - Unknown ALN	721318	3650	32,441	0	PT
	Federal Program 81.U41 Total			32,441	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	624215	3650	56,973	0	
81.U42		78119	3650	449,780	0	PT
Federal Program 81.U42 Total				506,753	0	
81.U43	Energy - Unknown ALN	630348	3650	1,763	0	PT
Federal Program 81.U43 Total				1,763	0	
81.U44	Energy - Unknown ALN	639155	3650	53,991	0	PT
Federal Program 81.U44 Total				53,991	0	
81.U45	Energy - Unknown ALN	640024	3650	52,502	0	
Federal Program 81.U45 Total				52,502	0	
81.U46	Energy - Unknown ALN	640538	3650	49,997	0	PT
Federal Program 81.U46 Total				49,997	0	
81.U47	Energy - Unknown ALN	740780	3650	6,486	0	PT
Federal Program 81.U47 Total				6,486	0	
81.U48	Energy - Unknown ALN	646731	3650	62,532	0	PT
Federal Program 81.U48 Total				62,532	0	
81.U49	Energy - Unknown ALN	647895	3650	9,218	0	PT
Federal Program 81.U49 Total				9,218	0	
81.U50	Energy - Unknown ALN	652544	3650	95,349	0	PT
Federal Program 81.U50 Total				95,349	0	
81.U51	Energy - Unknown ALN	660277	3650	8,200	0	PT
Federal Program 81.U51 Total				8,200	0	
81.U52	Energy - Unknown ALN	660542	3650	23,321	0	PT
Federal Program 81.U52 Total				23,321	0	
81.U53	Energy - Unknown ALN	660632	3650	53,574	0	PT
Federal Program 81.U53 Total				53,574	0	
81.U54	Energy - Unknown ALN	660633	3650	51,406	0	PT
Federal Program 81.U54 Total				51,406	0	
81.U55	Energy - Unknown ALN	668027	3650	(108)	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
Federal Program 81.U55 Total				(108)	0	
81.U56	Energy - Unknown ALN	668215	3650	1,133	0	PT
Federal Program 81.U56 Total				1,133	0	
81.U57	Energy - Unknown ALN	670797	3650	10,078	0	PT
Federal Program 81.U57 Total				10,078	0	
81.U58	Energy - Unknown ALN	671664	3650	78,071	0	PT
Federal Program 81.U58 Total				78,071	0	
81.U59	Energy - Unknown ALN	675071	3650	21,514	0	PT
Federal Program 81.U59 Total				21,514	0	
81.U60	Energy - Unknown ALN	025516814609	3650	88,743	0	PT
Federal Program 81.U60 Total				88,743	0	
81.U61	Energy - Unknown ALN	JCHR	3650	14,158	0	PT
Federal Program 81.U61 Total				14,158	0	
81.U62	Energy - Unknown ALN	B651327	3650	113,125	0	PT
Federal Program 81.U62 Total				113,125	0	
81.U63	Energy - Unknown ALN	142263	3650	(2,516)	0	PT
Federal Program 81.U63 Total				(2,516)	0	
81.U64	Energy - Unknown ALN	89009003	3650	637,565	567,638	
Federal Program 81.U64 Total				637,565	567,638	
81.U65	Energy - Unknown ALN	89009002	3650	535,059	508,601	
Federal Program 81.U65 Total				535,059	508,601	
81.U66	Energy - Unknown ALN	92162	3650	8,641	0	
Federal Program 81.U66 Total				8,641	0	
81.U67	Energy - Unknown ALN	B649812	3650	328,806	0	PT
Federal Program 81.U67 Total				328,806	0	
81.U68	Energy - Unknown ALN	23021W	3650	(7)	0	PT
Federal Program 81.U68 Total				(7)	0	
81.U69	Energy - Unknown ALN	23217W	3650	271,141	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Dept of 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.U69 Total				271,141	0	
81.U70	Energy - Unknown ALN	145432001	3650	3,450	0	PT
Federal Program 81.U70 Total				3,450	0	
81.U71	Energy - Unknown ALN	10011557	3650	38,689	0	PT
81.U71		402711844000346	3650	51,281	0	PT
Federal Program 81.U71 Total				89,970	0	
81.U72	Energy - Unknown ALN	CCURIYEARII20162017	3650	(81)	0	PT
Federal Program 81.U72 Total				(81)	0	
81.U73	Energy - Unknown ALN	CW40881	3650	(9,152)	0	PT
81.U73		SUB202410044	3650	93,451	0	PT
Federal Program 81.U73 Total				84,299	0	
81.U74	Energy - Unknown ALN	CW41355	3650	280,913	0	PT
81.U74		SUB202310382	3650	64,949	0	PT
Federal Program 81.U74 Total				345,862	0	
81.U75	Energy - Unknown ALN	SUB202310381	3650	123,518	0	PT
Federal Program 81.U75 Total				123,518	0	
81.U76	Energy - Unknown ALN	SC0017923	3650	3,385	0	
Federal Program 81.U76 Total				3,385	0	
81.U77	Energy - Unknown ALN	SUB202310185	3650	96,302	0	PT
Federal Program 81.U77 Total				96,302	0	
81.U78	Energy - Unknown ALN	SUB202110564	3650	1,625	0	PT
Federal Program 81.U78 Total				1,625	0	
81.U79	Energy - Unknown ALN	628837	3800	8,814	0	PT
Federal Program 81.U79 Total				8,814	0	
81.U80	Energy - Unknown ALN	721277	3800	24,336	0	PT
Federal Program 81.U80 Total				24,336	0	
Dept of Energy Total				27,199,573	11,576,997	

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	BedA	6990	12,204,340	0	
Federal Program 84.002 Total				12,204,340	0	
84.010	Title I Grants to Local Educational Agencies	84.010A	3500	310,387,757	304,422,635	
84.010		1003-51	6990	45,296	0	PT
84.010		84.010	6990	283,601	0	
Federal Program 84.010 Total				310,716,654	304,422,635	
84.011	Migrant Education_State Grant Program	84.011A	3500	36,847,039	24,594,087	
Federal Program 84.011 Total				36,847,039	24,594,087	
84.013	Title I State Agency Program for Neglected and DEL	84.013A	3500	2,681,937	2,651,521	
Federal Program 84.013 Total				2,681,937	2,651,521	
84.015	National Resource Centers Program for Foreign Lang	84.015A	3600	501,864	0	
84.015		84.015B	3600	1,199,470	10,500	
Federal Program 84.015 Total				1,701,334	10,500	
84.016	Undergraduate International Studies and Foreign La	84.016	6990	81,370	0	
Federal Program 84.016 Total				81,370	0	
84.031	Higher Education_Institutional Aid	84.031L	3600	425,274	0	
84.031		C000622112	3650	52,340	0	PT
84.031		P031A200206	3700	318,842	0	
84.031		P031A220151	3760	258,584	0	
84.031		84.031	6990	13,545,805	0	
Federal Program 84.031 Total				14,600,845	0	
84.048	Career and Technical Education -- Basic Grants to	V048A210047	3540	1,139,054	694,527	
84.048		V048A220047	3540	12,604,716	9,058,998	
84.048		V048A230047	3540	13,210,511	1,447,169	
Federal Program 84.048 Total				26,954,281	11,200,694	
84.116	Fund for the Improvement of Postsecondary Education	P116Z230104	3750	57,665	0	
84.116		84.116	6990	1,333,431	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
84.116	Fund for the Improvement of Postsecondary Education	P116G20001	6990	163,771	0	PT
Federal Program 84.116 Total				1,554,867	0	
84.126	Rehabilitation Services Vocational Rehabilitation	126A20	3000	7,939,136	0	
84.126		126A30	3000	32,976,030	0	
84.126		126A40	3000	13,190,093	0	
84.126		PROGRAM INCOME	3000	4,524,487	0	
84.126		H126	3150	14,246,092	0	
84.126		Program Income	3150	9,444	0	
Federal Program 84.126 Total				72,885,282	0	
84.129	Rehabilitation Long-Term Training	H129B190019	3800	183,155	0	
Federal Program 84.129 Total				183,155	0	
84.141	Migrant Education_High School Equivalency Program	S141A210017	3750	456,982	0	
84.141		84.141	6990	1,122,791	0	
Federal Program 84.141 Total				1,579,773	0	
84.144	Migrant Education_Coordination Program	84.144F	3500	34,000	34,000	
Federal Program 84.144 Total				34,000	34,000	
84.149	Migrant Education_College Assistance Migrant Program		3650	434,259	0	
84.149		S149A200032-22 ACTION8	3700	39,506	0	
84.149		S149A20032-23 ACTION10	3700	383,345	0	
84.149		S149AA200032	3700	41,303	0	
84.149		S149A210008	3750	475,060	0	
84.149		84.149	6990	2,095,000	0	
Federal Program 84.149 Total				3,468,473	0	
84.177	Rehabilitation Services Independent Living Service	H177	3150	399,290	399,290	
Federal Program 84.177 Total				399,290	399,290	
84.181	Special Education-Grants for Infants and Families	0	3070	11,164,219	6,532,815	

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
84.181	COVID-19 – Special Education-Grants for Infants and Families	0	3070	2,747,349	2,619,673	
Federal Program 84.181 Total				13,911,568	9,152,488	
84.184	School Safety National Activities	84.184F	3500	702,314	327,952	
84.184		84.184X	3600	1,047,404	0	
Federal Program 84.184 Total				1,749,718	327,952	
84.187	Supported Employment Services for Individuals With	187A30	3000	26,767	0	
84.187		187A40	3000	194,613	0	
84.187		187B30	3000	26,845	0	
84.187		187B40	3000	194,613	0	
Federal Program 84.187 Total				442,838	0	
84.196	Education for Homeless Children and Youth	84.196A	3500	1,997,920	1,497,113	
Federal Program 84.196 Total				1,997,920	1,497,113	
84.200	Graduate Assistance in Areas of National Need		3650	128,226	0	
84.200		84.217A	3650	294,852	0	
84.200		P200A210129	3700	246,684	0	
Federal Program 84.200 Total				669,762	0	
84.215	Innovative Approaches to Literacy; Promise Neighbor	84.215K	3600	420,746	0	
Federal Program 84.215 Total				420,746	0	
84.220	Centers for International Business Education	84.220A	3600	302,640	0	
Federal Program 84.220 Total				302,640	0	
84.287	Twenty-First Century Community Learning Centers	84.287C	3500	21,846,148	20,533,771	
Federal Program 84.287 Total				21,846,148	20,533,771	
84.323	Special Education - State Personnel Development	84.323A	3500	1,395,252	1,154,317	
Federal Program 84.323 Total				1,395,252	1,154,317	
84.325	Special Education - Personnel Development to Impro	84.325L	3500	185,641	146,330	
84.325		84.325P	3500	266,863	19,171	

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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	84.325D	3600	942,713	302,934	
84.325		84.325H	3600	121,895	0	PT
84.325		84.325K	3600	397,440	0	
84.325		84.325N	3600	226,851	0	
Federal Program 84.325 Total				2,141,403	468,435	
84.326	Special Education_Technical Assistance and Dissemi	84.326T	3500	204,716	204,716	
84.326		84.326K	3600	142,458	0	PT
Federal Program 84.326 Total				347,174	204,716	
84.334	Gaining Early Awareness and Readiness for Undergrad	P33451700009	3400	3,944,267	3,944,267	
84.334		84.334A	3600	8,973,281	5,678,789	
84.334			3650	9,862,583	897,891	
Federal Program 84.334 Total				22,780,131	10,520,947	
84.335	Child Care Access Means Parents in School	84.335A	3600	56,210	0	
84.335			3650	230,896	0	
84.335		P335A190347	3760	81,006	0	
84.335		P335A230031	3760	88,617	0	
84.335		84.335	6990	574,945	0	
84.335		999	6990	203,062	0	PT
Federal Program 84.335 Total				1,234,736	0	
84.358	Rural Education	84.358B	3500	1,341,658	1,261,007	
Federal Program 84.358 Total				1,341,658	1,261,007	
84.365	English Language Acquisition State Grants	84.365A	3500	21,856,468	20,588,414	
84.365		84.365Z	3600	443,612	35,602	
84.365		T365Z220152	3800	385,268	0	
Federal Program 84.365 Total				22,685,348	20,624,016	
84.367	Supporting Effective Instruction State Grant (Form	84.367A	3500	35,079,634	33,488,401	
Federal Program 84.367 Total				35,079,634	33,488,401	

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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
84.369	Grants for State Assessments and Related Activities	84.369A	3500	7,600,087	0	
Federal Program 84.369 Total				7,600,087	0	
84.372	Statewide Longitudinal Data Systems	84.372A	3500	598,248	0	
Federal Program 84.372 Total				598,248	0	
84.373	Special Education Technical Assistance on State Da	84.373Q	3600	37,853	0	PT
Federal Program 84.373 Total				37,853	0	
84.382	Strengthening Minority-Serving Institutions	84.382	6990	1,701,163	0	
Federal Program 84.382 Total				1,701,163	0	
84.407	Transition Programs for Students With Intellectual		3650	505,065	0	
Federal Program 84.407 Total				505,065	0	
84.411	Education Innovation and Research (Formerly Invest	92-WA02-2023AIR	3750	4,027	0	PT
Federal Program 84.411 Total				4,027	0	
84.424	Student Support and Academic Enrichment Program	84.424A	3500	20,527,257	19,446,689	
84.424		84.424F	3500	3,593,470	3,480,741	
Federal Program 84.424 Total				24,120,727	22,927,430	
84.425	COVID-19 – Education Stabilization Fund	COVID-19, 84.425D	3500	61,621,886	61,621,886	
84.425		COVID-19, 84.425R	3500	7,249,706	6,949,936	
84.425		COVID-19, 84.425U	3500	539,653,287	527,301,351	
84.425		COVID-19, 84.425V	3500	42,466,767	41,848,000	
84.425		COVID-19, 84.425W	3500	4,091,232	3,805,986	
84.425		COVID-19, 84.425F	3600	3,064	0	
84.425		COVID-19, 84.425L	3600	17,665	0	
84.425		COVID-19 84.425F	3650	(2,982)	0	
84.425		COVID-19, 84.425F	3700	2,956,117	0	
84.425		COVID-19, 84.425M	3700	2,503,924	0	
84.425		COVID-19 84.425E	3760	500	0	
84.425		COVID-19, 84.425E	6990	1,630,150	0	
84.425		COVID-19, 84.425F	6990	1,582,485	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
84.425	COVID-19 – Education Stabilization Fund	COVID-19, 84.425L	6990	12,616	0	
84.425		COVID-19, 84.425M	6990	(118)	0	
84.425		COVID-19, 84.425P	6990	1,185,500	0	
84.425		COVID-19, 84.425S	6990	(1,529)	0	
84.425		COVID-19, 84.425T	6990	261,971	0	
Federal Program 84.425 Total				665,232,241	641,527,159	
84.U01	Department of Education - Unknown ALN	P408A235267	3650	6,973	0	
Federal Program 84.U01 Total				6,973	0	
84.U02	Department of Education - Unknown ALN	84.029	6990	70,554	0	
Federal Program 84.U02 Total				70,554	0	
84.U04	Department of Education - Unknown ALN	WA010	6990	7,257	0	
Federal Program 84.U04 Total				7,257	0	
84.U05	Department of Education - Unknown ALN	PELL Admin Fee	6990	4,110	0	
Federal Program 84.U05 Total				4,110	0	
Dept of Education Total				1,314,127,621	1,107,000,479	

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Federal Programs Not Clustered

National Archives & Records 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
89.003	National Historical Publications and Records Grant	RM-103141-21	0850	16,140	0	
Federal Program 89.003 Total				16,140	0	
National Archives & Records Admin Total				16,140	0	

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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	WA20101001-01	0850	487,176	0	
Federal Program 90.404 Total				487,176	0	
Miscellaneous Commissions Total				487,176	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	90,763	57,202	
Federal Program 93.041 Total				90,763	57,202	
93.042	Special Programs for the Aging Title VII, Chapter		3000	385,286	0	
Federal Program 93.042 Total				385,286	0	
93.043	Special Programs for the Aging_ Title III, Part D_D		3000	528,457	528,457	
93.043	COVID-19 – Special Programs for the Aging_ Title III, Part D_D		3000	303,454	303,454	
Federal Program 93.043 Total				831,911	831,911	
93.048	Special Programs for the Aging Title Iv and Title		1600	653,377	0	
93.048	COVID-19 – Special Programs for the Aging Title Iv and Title		3000	84,920	62,492	
Federal Program 93.048 Total				738,297	62,492	
93.052	National Family Caregiver Support, Title III, Part		3000	3,947,881	3,832,337	
93.052	COVID-19 – National Family Caregiver Support, Title III, Part		3000	909,908	909,908	
Federal Program 93.052 Total				4,857,789	4,742,245	
93.059	Training in General, Pediatric, and Public Health		3600	819,285	0	
Federal Program 93.059 Total				819,285	0	
93.067	Global AIDS		3600	34,146,111	15,153,650	
93.067	COVID-19 – Global AIDS		3600	342,492	0	
93.067	Global AIDS	CDC57928401709063SUBA	3600	2,088,428	121,655	PT
93.067		CDCRFAGH212137	3600	1,066,680	0	PT
93.067	COVID-19 – Global AIDS	CDCRFAGH212137	3600	14,109	0	PT
93.067	Global AIDS	CHUW22260405	3600	48,108	0	PT
93.067	COVID-19 – Global AIDS	CHUW22260405	3600	389	0	PT
93.067	Global AIDS	CHUW23602223AM01	3600	223,410	0	PT
93.067		GHIISA001AM2	3600	161,871	0	PT
93.067		NU2GGH002450	3600	54,886	0	PT
93.067		SUB001PO001AM01	3600	441,333	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	ZIMTTECHCOP23240801A	3600	574,534	0	PT
93.067		ZIMTTECHCOP23247301	3600	162,307	0	PT
93.067		ZIMTTECHCOP23247801B	3600	342,629	0	PT
93.067		ZIMTTECHCOP23248101A	3600	201,670	0	PT
Federal Program 93.067 Total				39,868,957	15,275,305	
93.068	Chronic Diseases: Research, Control, and Preventi	G289IHME01AM1	3600	99,903	0	PT
Federal Program 93.068 Total				99,903	0	
93.069	Public Health Emergency Preparedness		3030	12,321,871	6,804,156	
Federal Program 93.069 Total				12,321,871	6,804,156	
93.070	Environmental Public Health and Emergency Response		3030	699,111	27,485	
Federal Program 93.070 Total				699,111	27,485	
93.071	Medicare Enrollment Assistance Program		1600	561,168	0	
Federal Program 93.071 Total				561,168	0	
93.072	Lifespan Respite Care Program		3000	259,170	0	
Federal Program 93.072 Total				259,170	0	
93.079	Cooperative Agreements to Promote Adolescent Health		3500	16,587	0	
Federal Program 93.079 Total				16,587	0	
93.084	Prevention of Disease, Disability, and Death By in		3030	3,508,895	275,606	
93.084	COVID-19 – Prevention of Disease, Disability, and Death By in		3030	13,977	0	
93.084	Prevention of Disease, Disability, and Death By in	498427AM2	3600	361,409	0	PT
93.084			3650	206,579	0	
Federal Program 93.084 Total				4,090,860	275,606	
93.087	Enhance Safety of Children Affected By Substance A	1022162_WSU	3650	32,403	0	PT
Federal Program 93.087 Total				32,403	0	
93.090	Guardianship Assistance		3070	3,922,310	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 93.090 Total				3,922,310	0	
93.092	Affordable Care Act (Aca) Personal Responsibility		3030	1,080,071	0	
Federal Program 93.092 Total				1,080,071	0	
93.104	Comprehensive Community Mental Health Services for		1070	3,128,050	2,273,721	
Federal Program 93.104 Total				3,128,050	2,273,721	
93.107	Area Health Education Centers		3600	552,063	367,203	
Federal Program 93.107 Total				552,063	367,203	
93.110	Maternal and Child Health Federal Consolidated Pro		3030	1,318,892	792,062	
93.110		PRV28777	3030	(5,501)	0	PT
93.110			3600	1,825,810	205,401	
Federal Program 93.110 Total				3,139,201	997,463	
93.116	Project Grants and Cooperative Agreements for Tube		3030	2,126,521	902,649	
Federal Program 93.116 Total				2,126,521	902,649	
93.127	Emergency Medical Services for Children		3030	162,571	0	
93.127		13340SUB	3600	37,671	0	PT
Federal Program 93.127 Total				200,242	0	
93.130	Cooperative Agreements to States/Territories for T		3030	264,695	0	
Federal Program 93.130 Total				264,695	0	
93.136	Injury Prevention and Control Research and State A		3600	193,023	0	
93.136		4100PTO44	3600	12,592	0	PT
Federal Program 93.136 Total				205,615	0	
93.137	Community Programs to Improve Minority Health Gran	1008966WSU	3650	48,889	0	PT
93.137		A240017S006	3650	29,118	0	PT
93.137		6123	6990	30,132	0	PT
Federal Program 93.137 Total				108,139	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
93.145	HIV-Related Training and Technical Assistance		3600	4,048,397	1,588,324	
Federal Program 93.145 Total				4,048,397	1,588,324	
93.150	Projects for Assistance in Transition From Homeles		1070	1,127,313	1,106,427	
Federal Program 93.150 Total				1,127,313	1,106,427	
93.155	Rural Health Research Centers	5122884AM3	3600	94,222	0	PT
Federal Program 93.155 Total				94,222	0	
93.157	Centers of Excellence		3650	94,826	0	
Federal Program 93.157 Total				94,826	0	
93.161	Health Program for Toxic Substances and Disease Re	101476AM01	3600	417,353	0	PT
Federal Program 93.161 Total				417,353	0	
93.165	Grants to States for Loan Repayment		3400	747,610	0	
Federal Program 93.165 Total				747,610	0	
93.197	Childhood Lead Poisoning Prevention Projects State		3030	667,612	0	
93.197		HC317500	3600	56,040	0	PT
Federal Program 93.197 Total				723,652	0	
93.217	Family Planning_Services		3030	5,205,521	4,345,212	
Federal Program 93.217 Total				5,205,521	4,345,212	
93.236	Grants to States to Support Oral Health Workforce		3030	231,544	22,084	
93.236		23255010690	3600	213,766	0	PT
Federal Program 93.236 Total				445,310	22,084	
93.237	Special Diabetes Program for Indians Diabetes Prev		3650	939,613	15,261	
Federal Program 93.237 Total				939,613	15,261	
93.240	State Capacity Building		3030	535,414	0	
Federal Program 93.240 Total				535,414	0	
93.241	State Rural Hospital Flexibility Program		3030	8,799	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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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 93.241 Total				8,799	0	
93.243	Substance Abuse and Mental Health Services_Project		1070	4,032,745	2,359,070	
93.243		HHSS283201200024I/75S2	1070	207,000	0	PT
93.243		SM08748201/SM08747601/	1070	77,243	0	PT
93.243			3030	2,567,912	1,315,685	
93.243			3500	4,017,831	3,126,453	
93.243			3600	867,273	576,696	
93.243		18102745160AM04	3600	35,328	0	PT
93.243		55950AM1	3600	3,106	0	PT
93.243		UAWAD-002603	3600	142,008	0	PT
93.243			3650	1,653,954	483,537	
93.243		135871	3650	(1,245)	0	PT
93.243		142335001	3650	(82)	0	PT
93.243		142335003	3650	58,701	0	PT
93.243		1H79SM086255-01	3700	65,535	0	
Federal Program 93.243 Total				13,727,309	7,861,441	
93.247	Advanced Nursing Education Workforce Grant Program	1 T94HP33210-01-00	3100	337,411	0	
93.247			3650	12,674	12,674	
Federal Program 93.247 Total				350,085	12,674	
93.251	Early Hearing Detection and Intervention		3030	352,763	81,090	
93.251			3600	75,000	0	
Federal Program 93.251 Total				427,763	81,090	
93.262	Occupational Safety and Health Program	30011510	3600	111,650	0	PT
Federal Program 93.262 Total				111,650	0	
93.266	Health Systems Strengthening and HIV/AIDS Preventi		3600	10,029,578	4,326,725	
Federal Program 93.266 Total				10,029,578	4,326,725	
93.268	Immunization Cooperative Agreements		3030	110,540,690	0	NC
93.268			3030	9,965,154	1,874,849	

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
93.268	COVID-19 – Immunization Cooperative Agreements		3030	31,829,896	9,427,842	
Federal Program 93.268 Total				152,335,740	11,302,691	
93.270	Viral Hepatitis Prevention and Control		3030	718,292	355,165	
93.270			3600	262,092	0	
Federal Program 93.270 Total				980,384	355,165	
93.279	Drug Abuse and Addiction Research Programs	R01DA052975	1070	741	0	PT
Federal Program 93.279 Total				741	0	
93.297	Teenage Pregnancy Prevention Program		3030	992,368	757,653	
Federal Program 93.297 Total				992,368	757,653	
93.301	Small Rural Hospital Improvement Grant Program		3030	602,944	588,852	
Federal Program 93.301 Total				602,944	588,852	
93.314	Early Hearing Detection and Intervention Information		3030	154,851	0	
Federal Program 93.314 Total				154,851	0	
93.317	Emerging Infections Programs		3030	51,863	5,651	
93.317	COVID-19 – Emerging Infections Programs		3030	388,153	0	
Federal Program 93.317 Total				440,016	5,651	
93.318	Protecting and Improving Health Globally: Building		3600	545,986	80,170	
93.318	COVID-19 – Protecting and Improving Health Globally: Building		3600	5,657,992	331,377	
93.318	Protecting and Improving Health Globally: Building	23SBA267MOD1	3600	70,793	0	PT
93.318	COVID-19 – Protecting and Improving Health Globally: Building	GRT000021890924PO20558	3600	84,936	0	PT
93.318			3650	2,717,140	1,256,991	
93.318	Protecting and Improving Health Globally: Building	SUB00002422	3650	118,697	0	PT
Federal Program 93.318 Total				9,195,544	1,668,538	
93.322	CSELS Partnership: Strengthening Public Health Lab	564012509112409	3600	29,387	0	PT
Federal Program 93.322 Total				29,387	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
93.323	Epidemiology and Laboratory Capacity for Infectious		3030	11,138,203	975,712	
93.323	COVID-19 – Epidemiology and Laboratory Capacity for Infectious		3030	115,481,255	19,230,910	
Federal Program 93.323 Total				126,619,458	20,206,622	
93.324	State Health Insurance Assistance Program		1600	1,174,134	0	
Federal Program 93.324 Total				1,174,134	0	
93.326	COVID-19 – Strengthening Public Health Through Surveillance		3650	7,478,753	3,335,197	
Federal Program 93.326 Total				7,478,753	3,335,197	
93.334	The Healthy Brain Initiative: Technical		3030	52,346	0	
Federal Program 93.334 Total				52,346	0	
93.336	Behavioral Risk Factor Surveillance System		3030	525,302	0	
Federal Program 93.336 Total				525,302	0	
93.354	Public Health Emergency Response: Cooperative Agree		3030	338,655	93,762	
93.354	COVID-19 – Public Health Emergency Response: Cooperative Agree		3030	14,446,280	2,073,979	
Federal Program 93.354 Total				14,784,935	2,167,741	
93.359	Nurse Education, Practice Quality and Retention Gr		3600	789	0	
Federal Program 93.359 Total				789	0	
93.367	Flexible Funding Model-Infrastructure Development		4950	544,511	0	
Federal Program 93.367 Total				544,511	0	
93.369	ACL Independent Living State Grants		3000	423,942	364,631	
Federal Program 93.369 Total				423,942	364,631	
93.380	The CDC Public Health Cancer Genomics Program Tran		3030	61,083	0	
Federal Program 93.380 Total				61,083	0	
93.384	Advanced Research Projects Agency for Health (ARPA-H)	13167SUB	3650	48,206	0	PT
Federal Program 93.384 Total				48,206	0	

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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
93.387	National and State Tobacco Control Program		3030	1,875,139	511,399	
	Federal Program 93.387 Total			1,875,139	511,399	
93.391	COVID-19 – Activities to Support State, Tribal, Local and Ter		3030	13,063,171	4,089,222	
	Federal Program 93.391 Total			13,063,171	4,089,222	
93.408	ARRA - Nurse Faculty Loan Program		3600	(2,749)	0	OL
93.408			3600	8,655	0	OL
	Federal Program 93.408 Total			5,906	0	
93.413	The State Flexibility to Stabilize the Market Gran		1600	173,658	0	
	Federal Program 93.413 Total			173,658	0	
93.421	Strengthening Public Health Systems and Services	CBO27623	3030	390	0	PT
93.421		CBO29037	3030	(66)	0	PT
93.421		PRV27015	3030	882,106	0	PT
93.421	COVID-19 – Strengthening Public Health Systems and Services		3600	584,722	2,826	
93.421	Strengthening Public Health Systems and Services	1920GLA064AM02	3600	67,349	0	PT
93.421		2022072003AM01	3600	190,045	15,067	PT
93.421	COVID-19 – Strengthening Public Health Systems and Services	2023012404MOD01	3600	45,001	0	PT
93.421	Strengthening Public Health Systems and Services	2023020201	3600	1,047,359	29,337	PT
93.421		2024010901	3600	103,650	0	PT
93.421		230303	3600	205,570	70,000	PT
93.421	COVID-19 – Strengthening Public Health Systems and Services	G2148AG0768AM02	3600	150,452	0	PT
93.421	Strengthening Public Health Systems and Services	G2487AG1123	3600	(5,843)	0	PT
93.421	COVID-19 – Strengthening Public Health Systems and Services	G2487AG1123	3600	46,429	0	PT
93.421	Strengthening Public Health Systems and Services	G3033AG1606	3600	9,917	0	PT
	Federal Program 93.421 Total			3,327,081	117,230	

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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
93.426	Improving the Health of Americans Through Preventa		3030	1,196,564	375,219	
Federal Program 93.426 Total				1,196,564	375,219	
93.433	ACL National Institute on Disability, Independent		3600	1,965,923	172,213	
93.433			3650	132,764	0	
Federal Program 93.433 Total				2,098,687	172,213	
93.434	Every Student Succeeds Act/Preschool Development G		3070	8,691,713	442,812	
Federal Program 93.434 Total				8,691,713	442,812	
93.435	Innovative State and Local Public Health Strategies		3030	444,314	301,308	
Federal Program 93.435 Total				444,314	301,308	
93.436	Well-Integrated Screening and Evaluation for Women		3030	205,477	108,514	
Federal Program 93.436 Total				205,477	108,514	
93.439	State Physical Activity and Nutrition (Span)		3030	659,378	195,154	
Federal Program 93.439 Total				659,378	195,154	
93.464	ACL Assistive Technology		3600	931,232	0	
Federal Program 93.464 Total				931,232	0	
93.478	Preventing Maternal Deaths: Supporting Maternal Mo		3030	435,549	0	
Federal Program 93.478 Total				435,549	0	
93.488	National Harm Reduction Technical Assistance and S		3600	138,261	53,343	
93.488		1312021871867065LMOD1	3600	10,910	0	PT
Federal Program 93.488 Total				149,171	53,343	
93.493	Congressional Directives		3650	372,381	0	
93.493		1CEHS52126-01-00/CE152	3750	75,740	0	
93.493			6990	110,464	0	
Federal Program 93.493 Total				558,585	0	
93.495	COVID-19 – Community Health Workers for Public Health Response		3030	6,298,807	2,986,499	

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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 93.495 Total				6,298,807	2,986,499	
93.497	Family Violence Prevention and Services/ Sexual As		3000	1,652,930	0	
Federal Program 93.497 Total				1,652,930	0	
93.498	COVID-19 – Provider Relief Fund and American Rescue Plan (ARP)		3050	309,684	0	
Federal Program 93.498 Total				309,684	0	
93.530	Teaching Health Center Graduate Medical Education	5126788AM02	3600	89,519	0	PT
Federal Program 93.530 Total				89,519	0	
93.556	Marylee Allen Promoting Safe and Stable Families P		3070	6,643,338	0	
93.556		UWA170813	3600	99,141	0	PT
93.556		UAF-24-0053	3650	17,809	0	PT
93.556		KC281800 AMEND 3	3700	46,153	0	PT
93.556		KC298700	3700	334,086	0	PT
Federal Program 93.556 Total				7,140,527	0	
93.558	Temporary Assistance for Needy Families		3000	307,863,596	0	
Federal Program 93.558 Total				307,863,596	0	
93.563	Child Support Enforcement		3000	134,460,063	23,216,523	
Federal Program 93.563 Total				134,460,063	23,216,523	
93.566	Refugee and Entrant Assistance State/Replacement D		1070	8,305	0	
93.566			3000	77,885,278	55,900,639	
Federal Program 93.566 Total				77,893,583	55,900,639	
93.568	Low-Income Home Energy Assistance		1030	81,540,984	74,697,236	
93.568	COVID-19 – Low-Income Home Energy Assistance		1030	15,308,981	14,826,943	
Federal Program 93.568 Total				96,849,965	89,524,179	
93.569	Community Services Block Grant		1030	9,427,587	8,964,840	
93.569		2022-CSBG	6990	42,726	0	PT
Federal Program 93.569 Total				9,470,313	8,964,840	

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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
93.579	U.S. Repatriation		3000	96,900	0	
	Federal Program 93.579 Total			96,900	0	
93.586	State Court Improvement Program		0550	617,157	0	
	Federal Program 93.586 Total			617,157	0	
93.590	Community-Based Child Abuse Prevention Grants		3070	1,555,354	0	
93.590	COVID-19 – Community-Based Child Abuse Prevention Grants		3070	1,598,298	0	
	Federal Program 93.590 Total			3,153,652	0	
93.597	Grants to States for Access and Visitation Program		3000	164,617	152,928	
	Federal Program 93.597 Total			164,617	152,928	
93.599	Chafee Education and Training Vouchers Program		3070	1,251,531	0	
	Federal Program 93.599 Total			1,251,531	0	
93.603	Adoption and Legal Guardianship Incentive Payments		3070	38,656	0	
	Federal Program 93.603 Total			38,656	0	
93.624	Community Health Access and Rural Transformation (1070	2,288,246	0	
	Federal Program 93.624 Total			2,288,246	0	
93.630	Developmental Disabilities Basic Support and Advocacy		1030	1,776,526	559,239	
93.630	COVID-19 – Developmental Disabilities Basic Support and Advocacy		1030	44,936	40,000	
	Federal Program 93.630 Total			1,821,462	599,239	
93.632	University Centers for Excellence in Developmental		3600	638,317	0	
	Federal Program 93.632 Total			638,317	0	
93.643	Children's Justice Grants to States		3070	335,743	0	
	Federal Program 93.643 Total			335,743	0	
93.645	Stephanie Tubbs Jones Child Welfare Services Program		3070	8,781,833	0	

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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 93.645 Total				8,781,833	0	
93.652	Adoption Opportunities		3070	1,361,754	0	
93.652		144606002	3650	28,997	0	PT
93.652		90CO1142	3650	32,523	0	PT
Federal Program 93.652 Total				1,423,274	0	
93.658	Foster Care Title Iv-E		3070	163,996,633	0	
93.658	COVID-19 – Foster Care Title Iv-E		3070	(1,094)	0	
93.658	Foster Care Title Iv-E	KC279000 AMEND #8	3700	2,249,370	94,349	PT
93.658		KC287600 AMEND #3	3700	722,911	0	PT
Federal Program 93.658 Total				166,967,820	94,349	
93.659	Adoption Assistance		3070	56,689,871	0	
93.659	COVID-19 – Adoption Assistance		3070	126	0	
Federal Program 93.659 Total				56,689,997	0	
93.667	Social Services Block Grant		3000	5,675,000	0	
93.667			3070	41,055,399	0	
Federal Program 93.667 Total				46,730,399	0	
93.669	Child Abuse and Neglect State Grants		3070	1,493,892	0	
93.669	COVID-19 – Child Abuse and Neglect State Grants		3070	792,831	0	
Federal Program 93.669 Total				2,286,723	0	
93.670	Child Abuse and Neglect Discretionary Activities		3070	761,522	386,372	
Federal Program 93.670 Total				761,522	386,372	
93.671	Family Violence Prevention and Services/Domestic V		3000	2,694,603	1,646,420	
93.671	COVID-19 – Family Violence Prevention and Services/Domestic V		3000	2,630,553	2,630,553	
Federal Program 93.671 Total				5,325,156	4,276,973	
93.674	John H. Chafee Foster Care Program for Successful		3070	3,526,274	2,775,776	
Federal Program 93.674 Total				3,526,274	2,775,776	

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93.696	Certified Community Behavioral Health Clinic Expan	55624	3650	105,689	0	PT
Federal Program 93.696 Total				105,689	0	
93.698	Elder Justice Act - Adult Protective Services		3000	274,834	0	
Federal Program 93.698 Total				274,834	0	
93.732	Mental and Behavioral Health Education and Training		3600	250,380	0	
Federal Program 93.732 Total				250,380	0	
93.734	Empowering Older Adults & Adults With Disabilities		3000	339	0	
Federal Program 93.734 Total				339	0	
93.747	Elder Abuse Prevention Interventions Program		3000	39,938	0	
93.747	COVID-19 – Elder Abuse Prevention Interventions Program		3000	3,063,379	0	
Federal Program 93.747 Total				3,103,317	0	
93.767	Children's Health Insurance Program		1070	58,066,810	0	
93.767	COVID-19 – Children's Health Insurance Program		1070	59,959,804	0	
93.767	Children's Health Insurance Program		3000	695,062	0	
93.767	COVID-19 – Children's Health Insurance Program		3000	6,771	0	
Federal Program 93.767 Total				118,728,447	0	
93.788	Opioid STR		1070	28,188,933	19,927,921	
93.788		167154AM02	3600	58,188	0	PT
93.788		11725SC	3650	(1,277)	0	PT
Federal Program 93.788 Total				28,245,844	19,927,921	
93.791	Money Follows the Person Rebalancing Demonstration		3000	73,887,661	130	
Federal Program 93.791 Total				73,887,661	130	
93.796	State Survey Certification of Health Care Provider		3000	12,231,330	0	
Federal Program 93.796 Total				12,231,330	0	
93.800	Organized Approaches to Increase Colorectal Cancer		3030	935,838	287,477	

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Federal Program 93.800 Total				935,838	287,477	
93.817	Hospital Preparedness Program (HPP) Ebola Prepared		3030	222,631	219,557	
Federal Program 93.817 Total				222,631	219,557	
93.823	Public Health Response, Forecasting, and Analytic	706525	3600	33,773	0	PT
93.823		1006969601WSU	3650	22,846	0	PT
Federal Program 93.823 Total				56,619	0	
93.860	COVID-19 – Emerging Infections Sentinel Networks	2211R1	3600	35,553	0	PT
Federal Program 93.860 Total				35,553	0	
93.870	Maternal, Infant and Early Childhood Home Visiting		3070	10,232,087	6,900,203	
93.870	COVID-19 – Maternal, Infant and Early Childhood Home Visiting		3070	519,689	0	
Federal Program 93.870 Total				10,751,776	6,900,203	
93.876	Antimicrobial Resistance Surveillance in Retail Fo		3030	129,744	0	
Federal Program 93.876 Total				129,744	0	
93.877	Autism Collaboration, Accountability, Research, Ed	2000GYC804AM06	3600	317,376	0	PT
Federal Program 93.877 Total				317,376	0	
93.884	Primary Care Training and Enhancement		3650	389,218	6,317	
Federal Program 93.884 Total				389,218	6,317	
93.889	National Bioterrorism Hospital Preparedness Program		3030	4,227,562	2,489,043	
93.889		11786SCAM05	3600	37,010	0	PT
Federal Program 93.889 Total				4,264,572	2,489,043	
93.898	Cancer Prevention and Control Programs for State,		3030	6,826,637	4,667,878	
Federal Program 93.898 Total				6,826,637	4,667,878	
93.912	Rural Health Care Services Outreach, Rural Health		3030	1,213,837	124,056	
93.912		74081	3650	2,743	0	PT

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Federal Program 93.912 Total				1,216,580	124,056	
93.913	Grants to States for Operation of State Offices of		3030	241,874	6,481	
Federal Program 93.913 Total				241,874	6,481	
93.914	HIV Emergency Relief Project Grants	8449 PREV	3100	102,123	0	PT
93.914			3600	39,028	0	
Federal Program 93.914 Total				141,151	0	
93.917	HIV Care Formula Grants		3030	14,016,110	0	
93.917		HC291600	3600	10,012	0	PT
Federal Program 93.917 Total				14,026,122	0	
93.924	COVID-19 – Ryan White HIV/AIDS Dental Reimbursements and Comm	1013415_CL	6990	1,064	0	PT
Federal Program 93.924 Total				1,064	0	
93.928	Special Projects of National Significance	CBO27776	3030	12,547	0	PT
Federal Program 93.928 Total				12,547	0	
93.940	HIV Prevention Activities_Health Department Based		3030	7,814,615	5,978,978	
Federal Program 93.940 Total				7,814,615	5,978,978	
93.944	Human Immunodeficiency Virus (HIV)/Acquired Immuno		3030	1,884,038	1,587,654	
Federal Program 93.944 Total				1,884,038	1,587,654	
93.945	Assistance Programs for Chronic Disease Prevention		3030	16,423	10,922	
Federal Program 93.945 Total				16,423	10,922	
93.946	Cooperative Agreements to Support State-Based Safe		3030	302,907	17,032	
Federal Program 93.946 Total				302,907	17,032	
93.958	Block Grants for Community Mental Health Services		1070	24,833,154	15,577,460	
93.958	COVID-19 – Block Grants for Community Mental Health Services		1070	18,190,991	13,429,503	
93.958	Block Grants for Community Mental Health Services	21ASO2486	6990	54,071	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington
Schedule of Expenditures of Federal Awards**

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Federal Programs Not Clustered

Dept of 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 93.958 Total				43,078,216	29,006,963	
93.959	Block Grants for Prevention and Treatment of Subst		1070	48,448,320	35,455,359	
93.959	COVID-19 – Block Grants for Prevention and Treatment of Subst		1070	17,127,749	15,319,364	
93.959	Block Grants for Prevention and Treatment of Subst	18102745160AM04	3600	118,885	0	PT
93.959		196354	3600	21,055	0	PT
93.959		BC047300	3600	54,626	0	PT
Federal Program 93.959 Total				65,770,635	50,774,723	
93.967	CDC's Collaboration with Academia to Strengthen Pu		3030	7,041,086	343,211	
93.967		G253000722AM001	3600	90,160	0	PT
93.967		P010310505	3600	129,836	0	PT
Federal Program 93.967 Total				7,261,082	343,211	
93.969	PPHF Geriatric Education Centers		3600	944,527	301,101	
Federal Program 93.969 Total				944,527	301,101	
93.970	Health Professions Recruitment Program for Indians	74081013	3650	3,198	0	PT
Federal Program 93.970 Total				3,198	0	
93.977	Sexually Transmitted Diseases (STD) Prevention and		3030	2,187,565	654,278	
93.977	COVID-19 – Sexually Transmitted Diseases (STD) Prevention and		3030	3,523,678	2,102,189	
93.977	Sexually Transmitted Diseases (STD) Prevention and	DM6068818823AM01	3600	10,203	0	PT
Federal Program 93.977 Total				5,721,446	2,756,467	
93.978	Sexually Transmitted Diseases (STD) Provider Educa		3600	1,964,589	101,300	
Federal Program 93.978 Total				1,964,589	101,300	
93.981	Improving Student Health and Academic Achievement		3500	1,262	874	
Federal Program 93.981 Total				1,262	874	
93.988	Cooperative Agreements for State-Based Diabetes Co		3030	573,174	73,435	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington
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Federal Programs Not Clustered

Dept of Health & Human Services

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 93.988 Total				573,174	73,435	
93.991	Preventive Health and Health Services Block Grant		3030	1,742,010	948,977	
Federal Program 93.991 Total				1,742,010	948,977	
93.994	Maternal and Child Health Services Block Grant to		3030	10,082,173	5,722,976	
93.994		CONTRACT 23-7823	3700	207	0	PT
Federal Program 93.994 Total				10,082,380	5,722,976	
93.U01	HHS - Unknown ALN	HHSP233201500059I/SP23	1070	812,569	0	PT
Federal Program 93.U01 Total				812,569	0	
93.U02	HHS - Unknown ALN	HHSS283201600001C	1070	317,459	0	PT
Federal Program 93.U02 Total				317,459	0	
93.U03	HHS - Unknown ALN	N/A	3030	10,970	0	PT
Federal Program 93.U03 Total				10,970	0	
93.U05	HHS - Unknown ALN	3OT2OD03264401S2	3600	6,522,093	4,640,120	
Federal Program 93.U05 Total				6,522,093	4,640,120	
93.U06	HHS - Unknown ALN	75D30123C17994	3600	794,227	0	
Federal Program 93.U06 Total				794,227	0	
93.U07	HHS - Unknown ALN	AM03	3600	268	0	PT
Federal Program 93.U07 Total				268	0	
93.U08	HHS - Unknown ALN	Contract2300483	3600	77,199	35,116	PT
Federal Program 93.U08 Total				77,199	35,116	
93.U09	HHS - Unknown ALN	LG16IJ21SIBCR	3600	7,946	0	PT
Federal Program 93.U09 Total				7,946	0	
93.U10	HHS - Unknown ALN	PO1557PZA551Amend1	3600	3,051	0	PT
Federal Program 93.U10 Total				3,051	0	
93.U11	HHS - Unknown ALN	143475002	3650	187,037	0	PT
Federal Program 93.U11 Total				187,037	0	
93.U12	HHS - Unknown ALN	13167SUB	3650	55,524	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Programs Not Clustered

Dept of Health & Human Services

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.U12	HHS - Unknown ALN	143475001	3650	121,244	0	PT
	Federal Program 93.U12 Total			176,768	0	
93.U13	HHS - Unknown ALN	19IPA1916684	3650	3,600	0	
	Federal Program 93.U13 Total			3,600	0	
93.U14	HHS - Unknown ALN	21001	3650	9,896	0	PT
	Federal Program 93.U14 Total			9,896	0	
93.U15	HHS - Unknown ALN	75D30121C11954	3650	(80,249)	0	
	Federal Program 93.U15 Total			(80,249)	0	
93.U16	COVID-19 – HHS - Unknown ALN	75D30122C15691	3650	4,299	0	
	Federal Program 93.U16 Total			4,299	0	
93.U17	HHS - Unknown ALN	1R01AI17972001	3650	85,669	0	PT
	Federal Program 93.U17 Total			85,669	0	
93.U18	HHS - Unknown ALN	PO81176	3650	130,652	0	PT
	Federal Program 93.U18 Total			130,652	0	
93.U19	COVID-19 – HHS - Unknown ALN	VUMC105667AM02	3600	94,633	0	PT
	Federal Program 93.U19 Total			94,633	0	
93.U20	HHS - Unknown ALN	TLG23025567710	3650	14,359	0	PT
	Federal Program 93.U20 Total			14,359	0	
93.U21	HHS - Unknown ALN	RS2018087217	3650	22,545	0	PT
	Federal Program 93.U21 Total			22,545	0	
93.U22	HHS - Unknown ALN	Missing billed revenue	6990	281,616	0	
	Federal Program 93.U22 Total			281,616	0	
	Dept of Health & Human Services Total			1,847,658,260	424,903,060	

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

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	AmeriCorps Seniors Retired and Senior Volunteer Pr		6990	1,220,902	0	
Federal Program 94.002 Total				1,220,902	0	
94.003	AmeriCorps State Commissions Support Grant	22CAIWA001	1050	523,634	0	
Federal Program 94.003 Total				523,634	0	
94.006	AmeriCorps State and National	20ACHWA001	1050	116,548	116,548	
94.006		20AFHWA001	1050	758,494	758,494	
94.006		22ACIWA001 Pub Health	1050	59,911	59,911	
94.006		22ESIWA001	1050	7,573,778	7,573,778	
94.006		22ESIWA001 Climate	1050	1,902,508	1,902,508	
94.006		22FXIWA001	1050	251,346	251,346	
94.006		23ACIWA001	1050	1,054,864	1,054,864	
94.006		23AFIWA001	1050	4,088,260	4,088,260	
94.006		2320240	3600	178,225	0	PT
94.006			3800	1,315,870	0	
94.006			6990	196,516	0	
Federal Program 94.006 Total				17,496,320	15,805,709	
94.008	AmeriCorps Commission Investment Fund	22TAIWA001	1050	208,228	0	
Federal Program 94.008 Total				208,228	0	
94.014	AmeriCorps Martin Luther King Jr. Day of Service	23MKBNJ001	3650	2,153	0	PT
94.014		SUB NA PTE 23MKBNJ001	3700	8,992	0	PT
94.014		FY24 MLK DAY OF	3800	12,500	0	PT
Federal Program 94.014 Total				23,645	0	
Corp for National & Community Service Total				19,472,729	15,805,709	

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

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	C120331GSC	2250	7,331	0	PT
95.001		K18468	2250	6,872	0	PT
95.001		K18659	2250	200,029	0	
95.001		MB17JWA1NBX3	3600	16,822	0	PT
Federal Program 95.001 Total				231,054	0	
Executive Office of the President Total				231,054	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 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	2,425,322	2,385,156	
	Federal Program 97.008 Total			2,425,322	2,385,156	
97.012	Boating Safety Financial Assistance	F20AP11936	4650	2,801,357	0	
	Federal Program 97.012 Total			2,801,357	0	
97.023	Community Assistance Program State Support Service		4610	251,488	0	
	Federal Program 97.023 Total			251,488	0	
97.029	Flood Mitigation Assistance		2450	764,316	632,627	
	Federal Program 97.029 Total			764,316	632,627	
97.036	COVID-19 – Disaster Grants - Public Assistance (Presidentially)		2450	531,130,633	380,443,615	
	Federal Program 97.036 Total			531,130,633	380,443,615	
97.039	COVID-19 – Hazard Mitigation Grant		2450	8,885,931	7,978,899	
	Federal Program 97.039 Total			8,885,931	7,978,899	
97.041	National Dam Safety Program		4610	320,526	229,839	
	Federal Program 97.041 Total			320,526	229,839	
97.042	Emergency Management Performance Grants		2450	10,311,509	5,932,110	
	Federal Program 97.042 Total			10,311,509	5,932,110	
97.043	State Fire Training Systems Grants	K19044	2250	17,133	0	
	Federal Program 97.043 Total			17,133	0	
97.044	Assistance to Firefighters Grant	K18203	2250	197,216	0	
	Federal Program 97.044 Total			197,216	0	
97.045	Cooperating Technical Partners		4610	167,611	0	
97.045			4900	254,360	0	
	Federal Program 97.045 Total			421,971	0	
97.046	Fire Management Assistance Grant		2450	762,363	86,427	
	Federal Program 97.046 Total			762,363	86,427	
97.047	BRIC: Building Resilient Infrastructure and Commun		2450	5,421,355	4,746,300	
	Federal Program 97.047 Total			5,421,355	4,746,300	

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 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
97.052	Emergency Operations Centers		2450	33,231	0	
	Federal Program 97.052 Total			33,231	0	
97.056	Port Security Grant Program		4050	274,183	0	
97.056		EMW-2020-PU-00158	4770	600,000	0	
	Federal Program 97.056 Total			874,183	0	
97.067	Homeland Security Grant Program		2450	11,730,426	9,474,310	
97.067		202304006	4770	3,239	0	PT
97.067		202401012	4770	7,585	0	PT
97.067		23-SPWSPW-12-003	4770	3,623	0	PT
97.067		Agreement	4770	5,656	0	
97.067		E21-202	4770	(20)	0	PT
97.067		E24-069	4770	6,685	0	PT
97.067			6990	100,000	0	
	Federal Program 97.067 Total			11,857,194	9,474,310	
97.082	Earthquake State Assistance		2450	82,215	0	
	Federal Program 97.082 Total			82,215	0	
97.091	Homeland Security Biowatch Program	GVL23566	3030	689,676	0	PT
	Federal Program 97.091 Total			689,676	0	
97.137	State and Local Cybersecurity Grant Program Tribal		2450	1,172,915	833,521	
	Federal Program 97.137 Total			1,172,915	833,521	
97.U02	Homeland Security - Unknown ALN	DHS-23-TTP	6990	7,818	0	
	Federal Program 97.U02 Total			7,818	0	
97.U03	Homeland Security - Unknown ALN	G14823W9974	3650	284,477	0	PT
	Federal Program 97.U03 Total			284,477	0	
97.U04	Homeland Security - Unknown ALN	C1A4000200	3600	226	0	PT
	Federal Program 97.U04 Total			226	0	
	Dept of Homeland Security Total			578,713,055	412,742,804	

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

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		3650	3,811,234	2,079,640	
98.001		119339Z9003301	3650	184,749	0	PT
98.001		WSU004120	3650	178,282	0	PT
Federal Program 98.001 Total				4,174,265	2,079,640	
98.U01	US Agency for Internat Develop – Unknown ALN	19390031245514	3650	9,051	0	PT
Federal Program 98.U01 Total				9,051	0	
98.U02	US Agency for Internat Develop - Unknown ALN 74081020		3650	24,807	0	PT
Federal Program 98.U02 Total				24,807	0	
U.S. Agency for International Development Total				4,208,123	2,079,640	
Federal Programs Not Clustered Total				8,370,166,580	2,720,144,977	

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 Cluster

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	111,265	0	
10.001		745311A	3600	50,660	0	PT
10.001		G20221269598	3600	49,532	35,304	PT
10.001			3650	6,089,753	37,268	
10.001		130576006	3650	75,676	0	PT
10.001		138557	3650	(2,721)	0	PT
10.001		29021	3650	26,724	0	PT
10.001		36780	3650	61,396	0	PT
10.001		A009917401	3650	3,680	0	PT
10.001		M838_130576008	3650	51,458	0	PT
10.001		R0783AA	3650	7,697	0	PT
10.001		R0813AH	3650	109,334	0	PT
10.001			3800	31,105	0	
10.001			4950	67,188	0	
Federal Program 10.001 Total				6,732,747	72,572	
Agricultural Research Service Total				6,732,747	72,572	
10.170	Specialty Crop Block Grant Program - Farm Bill	A210144S002AM03	3600	4,224	0	PT
Federal Program 10.170 Total				4,224	0	
10.174	Acer Access Development Program		3600	237,977	33,628	
Federal Program 10.174 Total				237,977	33,628	
10.176	Dairy Business Innovation Initiatives	SC3511202208	3650	52,280	0	PT
10.176		SC3511602304	3650	66,000	0	PT
10.176		SC3512482302	3650	12,993	0	PT
Federal Program 10.176 Total				131,273	0	
Agricultural Marketing Service Total				373,474	33,628	
10.200	Grants for Agricultural Research, Special Research		3600	802,243	306,405	
10.200			3650	1,327,009	997,438	
10.200		A201347S003	3650	(1,357)	0	PT
10.200		A201347S063	3650	(371)	0	PT

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Research and Development Cluster

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
10.200	Grants for Agricultural Research, Special Research	A213578S030	3650	96,716	0	PT
10.200		A221241S002	3650	33,967	0	PT
10.200		AP5923870186	3650	22,730	0	PT
Federal Program 10.200 Total				2,280,937	1,303,843	
10.202	Cooperative Forestry Research		3600	610,260	0	
10.202			3650	323,671	0	
Federal Program 10.202 Total				933,931	0	
10.203	Payments to Agricultural Experiment Stations Under	NRSP8	3600	(47)	0	PT
10.203			3650	4,024,700	0	
Federal Program 10.203 Total				4,024,653	0	
10.207	Animal Health and Disease Research		3650	100,825	0	
Federal Program 10.207 Total				100,825	0	
10.210	Higher Education - Graduate Fellowships Grant Prog		3600	122,582	0	
Federal Program 10.210 Total				122,582	0	
10.212	Small Business Innovation Research	139060001	3650	19,404	0	PT
10.212		139870001	3650	(17)	0	PT
10.212		139870004	3650	30,437	0	PT
10.212		141837001	3650	42,550	0	PT
10.212		142565001	3650	206,800	0	PT
10.212		143573001	3650	91,734	0	PT
10.212		20213941235662	3650	7,225	0	PT
Federal Program 10.212 Total				398,133	0	
10.215	Sustainable Agriculture Research and Education	G10822W8612	3650	155,222	2,164	PT
10.215		G12623W921	3650	1,245	0	PT
10.215		G15023W9981	3650	71,394	10,224	PT
10.215		G20322W7905	3650	3,952	0	PT
10.215		G23422W8615	3650	13,125	0	PT
10.215		G25421W7904	3650	4,851	0	PT

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Research and Development Cluster

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
10.215	Sustainable Agriculture Research and Education	G26022W8618	3650	33,223	0	PT
10.215		G26624WA508	3650	1,512	0	PT
10.215		G29323W9981	3650	115,684	0	PT
10.215		G29423W9988	3650	28,304	0	PT
10.215		G30523W9212	3650	13,452	0	PT
10.215		G36521W8617	3650	22,841	0	PT
10.215		G36722W9209	3650	29,230	0	PT
10.215		G36921W8612	3650	101,635	0	PT
Federal Program 10.215 Total				595,670	12,388	
10.219	Biotechnology Risk Assessment Research		3650	138,236	74,193	
Federal Program 10.219 Total				138,236	74,193	
National Institute of Food and Agriculture Total				8,594,967	1,390,424	
10.250	COVID-19 – Agricultural and Rural Economic Research, Cooperat		3650	75,073	8,062	
Federal Program 10.250 Total				75,073	8,062	
Economic Research Service Total				75,073	8,062	
10.307	Organic Agriculture Research and Extension Initiat		3650	596,113	51,924	
10.307		202524666	3650	19,747	0	PT
10.307		FAR0035170	3650	128,099	0	PT
10.307		G19419W7408	3650	15,582	0	PT
10.307		UMS1389	3650	109,806	0	PT
Federal Program 10.307 Total				869,347	51,924	
10.310	Agriculture and Food Research Initiative (AFRI)		3600	1,105,945	305,464	
10.310		0001159467AM02	3600	76,114	0	PT
10.310		0001159577AM01	3600	79,039	0	PT
10.310		20142DRESCHLERNIFAA	3600	100,269	0	PT
10.310		GR122209SPC1000004542A	3600	1,392	0	PT
10.310		S1733AM002	3600	14,206	0	PT
10.310		TULHSC5617732324	3600	42,035	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 Cluster

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
10.310	Agriculture and Food Research Initiative (AFRI)		3650	12,126,388	2,927,908	
10.310		0000002631	3650	77,794	0	PT
10.310		023423A	3650	82,432	0	PT
10.310		09974217884	3650	24,469	0	PT
10.310		102117659	3650	(1)	0	PT
10.310		1211114300B	3650	57,257	0	PT
10.310		2023184701	3650	149,113	0	PT
10.310		21A550	3650	124,088	0	PT
10.310		21A59702	3650	46,671	0	PT
10.310		21A60401	3650	3,368	0	PT
10.310		21A63901	3650	30,659	0	PT
10.310		24012W	3650	75,832	0	PT
10.310		2M0127531	3650	74,228	0	PT
10.310		3TC156	3650	18,667	0	PT
10.310		8605PO137170	3650	(3,551)	0	PT
10.310		9500092915	3650	26,242	0	PT
10.310		A211270S001	3650	20,747	0	PT
10.310		A221483S020	3650	67,685	0	PT
10.310		A230136S002	3650	9,198	0	PT
10.310		A232591S005	3650	634	0	PT
10.310		AG5936848689	3650	1,586	0	PT
10.310		AL7048875728	3650	6,067	0	PT
10.310		AWD00000384SUB0000019	3650	130,306	0	PT
10.310		AWD10040101	3650	5,250	0	PT
10.310		BGK418SB001	3650	(1)	0	PT
10.310		C0564AA	3650	56,589	0	PT
10.310		C0597BD	3650	353,027	0	PT
10.310		C0645BE	3650	14,058	0	PT
10.310		G5016903	3650	133,046	0	PT
10.310		M1903768	3650	2,873	0	PT
10.310		NR6185691597	3650	15,223	0	PT
10.310		RC111302G	3650	20,111	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 Cluster

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
10.310	Agriculture and Food Research Initiative (AFRI)	S002184USDA	3650	24,596	0	PT
10.310		SL7016804798	3650	55,297	0	PT
10.310		SUB00003790	3650	38,701	0	PT
10.310		WKFC20242463	3650	18,629	0	PT
10.310		3200003877-21-271 / 78	3800	58,357	0	PT
10.310			4950	148,463	114,009	
10.310			6990	45,603	0	
Federal Program 10.310 Total				15,558,701	3,347,381	
10.320	Sun Grant Program		3650	271,020	152,874	
10.320		U1522CD	3650	21,967	0	PT
10.320		U1522CF	3650	111,576	0	PT
Federal Program 10.320 Total				404,563	152,874	
10.331	Food Insecurity Nutrition Incentive Grants Program	GUSNIPUW1050	3600	12,032	0	PT
Federal Program 10.331 Total				12,032	0	
National Institute of Food and Agriculture Total				16,844,643	3,552,179	
10.336	Veterinary Services Grant Program		3650	33,180	0	
Federal Program 10.336 Total				33,180	0	
USDA Contract Number Only Provided Total				33,180	0	
10.664	Cooperative Forestry Assistance		3600	142,661	0	
Federal Program 10.664 Total				142,661	0	
10.680	Forest Health Protection		3600	60,149	0	
10.680			3650	22,120	0	
10.680			4900	364,473	0	
10.680			4950	341,313	229,738	
Federal Program 10.680 Total				788,055	229,738	
10.684	International Forestry Programs		3600	511,782	0	
Federal Program 10.684 Total				511,782	0	
10.699	Partnership Agreements	1005290UW	3600	8,298	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 Cluster

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 10.699 Total				8,298	0	
Forest Service Total				1,450,796	229,738	
10.937	Partnerships for Climate-Smart Commodities		3600	211,057	11,446	
Federal Program 10.937 Total				211,057	11,446	
Natural Resources Conservation Service Total				211,057	11,446	
Dept of Agriculture Total				34,315,937	5,298,049	

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Research and Development Cluster

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	717,309	294,477	
11.011		UAF240021	3600	32,474	0	PT
Federal Program 11.011 Total				749,783	294,477	
11.012	Integrated Ocean Observing System (IOOS)		3600	5,363,787	2,058,166	
11.012		H3152AM03	3600	115,189	0	PT
11.012		NA388AAAM01	3600	4,331	0	PT
11.012		UA230060PO564748	3600	1,119	0	PT
Federal Program 11.012 Total				5,484,426	2,058,166	
National Oceanic and Atmospheric Administration (N Total)				6,234,209	2,352,643	
11.016	Statistical, Research, and Methodology Assistance		3600	1,139,326	0	
Federal Program 11.016 Total				1,139,326	0	
U.S. Census Bureau Total				1,139,326	0	
11.017	Ocean Acidification Program (OAP)		3600	30,266	0	
Federal Program 11.017 Total				30,266	0	
11.405	Cooperative Institute (Inter-Agency Funded Activities)		3600	131,971	0	
11.405		202448	3600	65,866	0	PT
Federal Program 11.405 Total				197,837	0	
11.417	Sea Grant Support		3600	4,818,047	1,025,851	
11.417		426131AM03	3600	19,905	0	PT
11.417		705227AM01	3600	15,354	0	PT
11.417		UA230037	3600	28,730	0	PT
Federal Program 11.417 Total				4,882,036	1,025,851	
11.419	Coastal Zone Management Administration Awards	SUBK00014242AM01	3600	15,526	0	PT
Federal Program 11.419 Total				15,526	0	
11.420	Coastal Zone Management Estuarine Research Reserve		3600	52,368	0	
11.420			3800	528	0	
11.420			4610	1,024,455	0	

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Research and Development Cluster

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
Federal Program 11.420 Total				1,077,351	0	
11.427	Fisheries Development and Utilization Research and		3600	102,971	0	
11.427		959902300	3600	(2,393)	0	PT
11.427			3800	194,933	0	
Federal Program 11.427 Total				295,511	0	
11.431	Climate and Atmospheric Research		3600	2,932,142	230,047	
11.431		GR18441	3600	37,495	0	PT
Federal Program 11.431 Total				2,969,637	230,047	
11.432	National Oceanic and Atmospheric Administration (N		3600	21,330,545	1,934,942	
Federal Program 11.432 Total				21,330,545	1,934,942	
11.437	Pacific Fisheries Data Program	22055GAM02	3600	48,377	0	PT
11.437		23016GJOB115B23	3600	(15,669)	0	PT
11.437		24048G	3600	2,950	0	PT
11.437		GRANT24049GJOB1270B2	3600	48,377	0	PT
Federal Program 11.437 Total				84,035	0	
11.459	Weather and Air Quality Research		3600	462,240	0	
Federal Program 11.459 Total				462,240	0	
11.467	Meteorologic and Hydrologic Modernization Development		2450	660,697	37,483	
Federal Program 11.467 Total				660,697	37,483	
11.468	Applied Meteorological Research		3600	15,574	0	
Federal Program 11.468 Total				15,574	0	
11.469	Congressionally Identified Awards and Projects		3600	777,608	0	
Federal Program 11.469 Total				777,608	0	
11.472	Unallied Science Program	NA18NMF7420007	3050	85,628	0	PT
11.472			3600	41,210	0	
11.472		1914A	3600	6,237	0	PT
11.472		2004G1AM03	3600	22,054	0	PT

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Dept of Commerce

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11.472	Unallied Science Program	2006B	3600	29,569	0	PT
11.472		2008	3600	29,306	0	PT
11.472		2104	3600	13,726	0	PT
11.472		21146GAM02	3600	19,556	0	PT
11.472		2202AM01	3600	73,798	0	PT
11.472		2210A	3600	11,905	0	PT
11.472		2213	3600	14,506	0	PT
11.472		228108AM3	3600	75,831	0	PT
11.472		23001	3600	58,608	0	PT
11.472		COOP18082AM07	3600	54,869	0	PT
11.472		IERP61T230201	3600	81,036	0	PT
11.472		IERP62F216203AM01	3600	99,975	0	PT
11.472		L3601C	3600	8,864	0	PT
11.472		2108 / F9108-00	3800	78,109	0	PT
11.472		L37-02D	3800	1,386	0	PT
11.472		23-148	4770	30,182	0	PT
11.472		J2391A-C	4770	11,115	0	PT
11.472		NA21NMF4720285	4770	243,779	0	
11.472		NA21NMF4720287	4770	405,966	0	
Federal Program 11.472 Total				1,497,215	0	
11.473	Office for Coastal Management	NONE	3600	219,800	0	PT
Federal Program 11.473 Total				219,800	0	
11.477	Fisheries Disaster Relief	23077G	3600	135,273	0	PT
11.477		23084G	3600	79,397	0	PT
11.477		23087G	3600	112,945	46,509	PT
Federal Program 11.477 Total				327,615	46,509	
11.478	Center for Sponsored Coastal Ocean Research_Coasta		3600	390,817	89,376	
11.478		A101508PROJECT24018900	3600	72,622	0	PT
11.478		NA355AAAM06	3600	37,763	0	PT
11.478		NA374AAAM2	3600	41,256	0	PT
11.478		NWIC22907SAUWAPLAM2	3600	2,157	0	PT

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Dept of Commerce

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Federal Program 11.478 Total				544,615	89,376	
National Oceanic and Atmospheric Administration (N Total)				35,388,108	3,364,208	
11.609	Measurement and Engineering Research and Standards		3600	262,676	0	
Federal Program 11.609 Total				262,676	0	
11.617	Congressionally-Identified Projects		3600	1,007,912	0	
Federal Program 11.617 Total				1,007,912	0	
National Institute of Standards and Technology (Ni Total)				1,270,588	0	
11.RD	Commerce - Unknown ALN	1305M321CNFFN0034P240	3600	220,486	0	
11.RD		AC2104AREV1	3600	4,353	0	PT
Federal Program 11.RD Total				224,839	0	
Commerce Contract Number Only Provided Total				224,839	0	
Dept of Commerce Total				44,257,070	5,716,851	

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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
12.005	Conservation and Rehabilitation of Natural Resource		3600	52,762	0	
Federal Program 12.005 Total				52,762	0	
DOD Undetermined Total				52,762	0	
12.114	Collaborative Research and Development	W911S8-15-2-0007	3760	(29)	0	
Federal Program 12.114 Total				(29)	0	
12.116	Department of Defense Appropriation Act of 2003		3600	253,535	0	
Federal Program 12.116 Total				253,535	0	
Department of the Army, Office of the Chief of Eng Total				253,506	0	
12.300	Basic and Applied Scientific Research		3600	23,540,622	1,594,974	
12.300		0205GIA876	3600	119,901	0	PT
12.300		1140209405780AM07	3600	41,897	0	PT
12.300		1140217441214AM04	3600	187,505	0	PT
12.300		1140225468569AM001	3600	17,112	0	PT
12.300		202201601UW	3600	290,107	0	PT
12.300		34553MARB111176AM001	3600	88,224	0	PT
12.300		417318URFAOGR510770A	3600	127,844	0	PT
12.300		5126684AM001	3600	400,587	0	PT
12.300		572339AM08	3600	157,798	0	PT
12.300		62733327220488AM05	3600	29,456	0	PT
12.300		9828811844882AM01	3600	25,756	0	PT
12.300		A10142913294804	3600	74,580	0	PT
12.300		A10145413260300AM05	3600	67,719	0	PT
12.300		A10146213296800AM03	3600	9,452	0	PT
12.300		E2045223AM06	3600	203,085	0	PT
12.300		F116803AM06	3600	(5,502)	0	PT
12.300		KK2108AM03	3600	25,971	0	PT
12.300		N0357AAAM03	3600	128,090	0	PT
12.300		N0373AA	3600	117,929	0	PT
12.300		R1687AM03	3600	172,913	0	PT
12.300		SMC7XOBO54	3600	52,411	0	PT

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Research and Development Cluster

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	UA220028PO554891AM01	3600	65,302	0	PT
12.300		UA230023AM01	3600	98,407	0	PT
12.300		UA230027P0562613	3600	37,444	0	PT
12.300			3650	420,008	0	
12.300		N6833522C0647	3650	114,721	0	PT
Federal Program 12.300 Total				26,609,339	1,594,974	
Department of the Navy, Office of the Chief of Nav Total				26,609,339	1,594,974	
12.351	Scientific Research - Combating Weapons of Mass De		3600	1,206,330	0	
12.351		60060420UWA04	3600	471,783	0	PT
12.351			3650	1,069,801	131,529	
12.351		07137709652346	3650	252,796	0	PT
12.351		2004721972	3650	261,006	0	PT
12.351		BS12NBODTR002DTR0020	3650	21,728	0	PT
Federal Program 12.351 Total				3,283,444	131,529	
Office of the Secretary of Defense Total				3,283,444	131,529	
12.420	Military Medical Research and Development		3600	14,083,974	1,181,125	
12.420		0001039633AM04	3600	62,985	0	PT
12.420		0001128445AM01	3600	71,055	0	PT
12.420		0001153252	3600	42,937	0	PT
12.420		0001165487	3600	30,987	0	PT
12.420		0258A9214605AM01	3600	5,645	0	PT
12.420		0258A9214609AM1	3600	517,546	0	PT
12.420		1001453UWAAM02	3600	200,152	0	PT
12.420		11281SCAM04	3600	3,180	0	PT
12.420		115002	3600	896,820	0	PT
12.420		11948SCAM005	3600	(1,743)	0	PT
12.420		2004338156AM05	3600	661	0	PT
12.420		2005909948MOD01	3600	4,805	0	PT
12.420		3RME5	3600	7,043	0	PT
12.420		5770PO1030289HJF66716	3600	157,452	0	PT
12.420		578105AM02	3600	9,792	0	PT

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Dept of Defense

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12.420	Military Medical Research and Development	60054759UWAM02	3600	6,959	0	PT	
12.420		7045313551UWAM01	3600	5,319	0	PT	
12.420		8058311223AM09	3600	44,994	0	PT	
12.420		A954924	3600	39,587	0	PT	
12.420		AM01	3600	3,354	0	PT	
12.420		AWD000075394209051	3600	61,867	0	PT	
12.420		AWD000076934203211	3600	28,680	0	PT	
12.420		CNTR20PROP05AM01	3600	129,724	0	PT	
12.420		FP00013312SA002AMEND	3600	178,614	22,831	PT	
12.420		FP00017827SA001AM01	3600	84,508	0	PT	
12.420		GJ112UW1AM04	3600	27,731	0	PT	
12.420		MJ23UW1	3600	12,867	0	PT	
12.420		NA	3600	4,353	0	PT	
12.420		PO66220AM03	3600	107,694	0	PT	
12.420		SUB00004063	3600	4,193	0	PT	
12.420		UWA28151901AM02	3600	9,393	0	PT	
12.420		UWIHEAL01	3600	81,293	0	PT	
12.420		W81XWH221075501001AM	3600	100,127	0	PT	
12.420			3650	967,118	255,765		
12.420			7034DHA2SWSU	3650	56,588	0	PT
Federal Program 12.420 Total				18,048,254	1,459,721		
U.S. Army Medical Command Total				18,048,254	1,459,721		
12.431	Basic Scientific Research		3600	4,416,750	88,318		
12.431		ASUB00000760AM03	3600	222,023	0	PT	
12.431		KK1810AM10	3600	(28,735)	0	PT	
12.431		S4661PO236230AM10	3600	422,761	0	PT	
12.431		SCON00002261AM03	3600	69,747	0	PT	
12.431			3650	3,014,342	123,669		
12.431		06080336152701	3650	359,769	0	PT	
12.431		SUBK00016350	3650	448,422	0	PT	
Federal Program 12.431 Total				8,925,079	211,987		

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Dept of Defense

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U.S. Army Materiel Command Total				8,925,079	211,987	
12.630	Basic, Applied, and Advanced Research in Science A		3600	922,565	216,114	
12.630		PO401183821	3600	166,605	0	PT
12.630		RM1542A	3600	21,921	0	PT
12.630			3650	8,553	0	
Federal Program 12.630 Total				1,119,644	216,114	
Office of the Secretary of Defense Total				1,119,644	216,114	
12.750	Uniformed Services University Medical Research Pro	HJF66982PO1051944SUBA	3600	81,446	0	PT
Federal Program 12.750 Total				81,446	0	
Uniformed Services University of the Health Science Total				81,446	0	
12.800	Air Force Defense Research Sciences Program		3600	5,858,842	1,418,443	
12.800		00010733AM03	3600	242,805	0	PT
12.800		000531881SC001AM02	3600	67,948	0	PT
12.800		0205GYD166AM03	3600	101,626	0	PT
12.800		204282UWAM02	3600	119,461	0	PT
12.800		89660Z8261201AMC	3600	10,211	0	PT
12.800		AWD004055G4AM02	3600	380,396	0	PT
12.800		PAMP23000890SA04AM00	3600	24,333	0	PT
12.800		UTAUSUB00001123	3600	61,044	0	PT
12.800		WASH2410004	3600	10,536	0	PT
12.800			3650	239,575	55,250	
12.800		10059059WSU	3650	316,950	0	PT
12.800		SA10012021MM0336	3650	683,753	223,234	PT
Federal Program 12.800 Total				8,117,480	1,696,927	
Department of the Air Force, Materiel Command Total				8,117,480	1,696,927	
12.902	Information Security Grants		3600	85,503	0	
12.902			6990	1,368,809	0	
Federal Program 12.902 Total				1,454,312	0	
National Security Agency Total				1,454,312	0	

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12.910	Research and Technology Development		3600	5,241,104	202,996	
12.910		00010533AM06	3600	381,886	0	PT
12.910		N010492401	3600	262,929	0	PT
12.910		UTAUSUB00000953AM00	3600	173,951	0	PT
12.910			3650	(1,302)	0	
12.910		1046192	3650	5,523	0	PT
Federal Program 12.910 Total				6,064,091	202,996	
Advanced Research Projects Agency Total				6,064,091	202,996	
12.RD	DOD - Unknown ALN	K17969	2250	273,154	0	
12.RD		0000003350PROJECT10172	3600	36,393	0	PT
12.RD		0000004900	3600	50,000	0	PT
12.RD		000002SOW001AAM2	3600	85,789	0	PT
12.RD		10062	3600	44	0	PT
12.RD		11154SCW81XWH1590001	3600	65,239	0	PT
12.RD		162643010000010043C1	3600	1,825	0	PT
12.RD		177830MOD02	3600	16,279	0	PT
12.RD		18323	3600	82,257	0	PT
12.RD		184281MOD02	3600	18,507	0	PT
12.RD		184602MOD01	3600	26,217	0	PT
12.RD		185517	3600	66,639	0	PT
12.RD		2021010MOD12	3600	244,695	0	PT
12.RD		20230007	3600	7,079	0	PT
12.RD		20230073MOD02	3600	447,537	0	PT
12.RD		4021615801AM01	3600	91,230	0	PT
12.RD		613205MOD01	3600	39,908	0	PT
12.RD		6123UW	3600	35,342	0	PT
12.RD		73337MOD04	3600	167,060	0	PT
12.RD		90280PO4202746832MOD0	3600	287,760	0	PT
12.RD		A159116	3600	10,426	0	PT
12.RD		A161935	3600	142,658	0	PT
12.RD		A184160	3600	92,977	0	PT
12.RD		AM07	3600	59,206	0	PT

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Research and Development Cluster

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.RD	DOD - Unknown ALN	ARM199II	3600	133,203	0	PT
12.RD		AWD000298811PRIMEW81	3600	211,131	0	PT
12.RD		AZ401805MOD2	3600	51,543	0	PT
12.RD		BBNPONO4202338794MO	3600	287,442	0	PT
12.RD		COVID19NAB3	3600	125,241	0	PT
12.RD		CS20180009AM03	3600	67,408	0	PT
12.RD		FA489019PA002	3600	104,184	0	
12.RD		H9823019C0445	3600	320,429	0	
12.RD		HR001121C0171	3600	1,065,351	545,458	
12.RD		HR00112290005	3600	866,908	534,675	
12.RD		HR001123C0150	3600	4,374,275	3,290,239	
12.RD		K00390500S04MOD1	3600	285,754	0	PT
12.RD		N0001419C2054	3600	282,917	0	
12.RD		N0001419C2076	3600	1,458,040	0	
12.RD		N0001421C2021	3600	473,720	0	
12.RD		N0002410D6318N0002419F	3600	591,526	105,332	
12.RD		N0002410D6318N0002420F	3600	1,885,612	617,691	
12.RD		N0002421D6400N0002421F	3600	6,726,943	852,782	
12.RD		N0002421D6400N0002422F	3600	15,350,340	5,306,423	
12.RD		N0002421D6400N0002423F	3600	22,242,491	5,824,777	
12.RD		N0002421D6400N0002424F	3600	253,866	0	
12.RD		N624732220006	3600	56,963	0	
12.RD		N6833522C0647	3600	49,997	0	PT
12.RD		P010262074MOD06	3600	32,828	0	PT
12.RD		PE26UW1AM05	3600	99,426	0	PT
12.RD		PO0059038	3600	39,126	0	PT
12.RD		PO17508C001	3600	3,000	0	PT
12.RD		PO20170059	3600	11,019	0	PT
12.RD		PO20220110MOD03	3600	532,168	0	PT
12.RD		PO401153010AM03	3600	187,582	0	PT
12.RD		PO47109MOD10	3600	394,898	0	PT
12.RD		PO57718MOD08	3600	196,684	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington
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Research and Development Cluster

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.RD	DOD - Unknown ALN	PROJECT200080000002146	3600	66,268	0	PT
12.RD		PROJECTARM279	3600	(136)	0	PT
12.RD		S005338UWA	3600	254,439	0	PT
12.RD		S200335004250UWAMOD0	3600	222,993	0	PT
12.RD		S6087PO958079AM02	3600	137,590	0	PT
12.RD		S6179	3600	5,438	0	PT
12.RD		S802SOW101042302005RE	3600	350,630	0	PT
12.RD		SCN09848MOD005	3600	4,305,010	0	PT
12.RD	COVID-19 – DOD - Unknown ALN	SCOV2AGOTC2AM06	3600	45,870	0	PT
12.RD	DOD - Unknown ALN	SD00040F05IMEA02UWM	3600	1,084,017	0	PT
12.RD		SD00045119UWMOD01	3600	675,907	0	PT
12.RD		SD001830000305UWPO220	3600	69,919	0	PT
12.RD		SOCIALITESC01MOD04	3600	119,730	0	PT
12.RD		SUBK00020337AM001	3600	276,469	0	PT
12.RD		UWAWD-007866	3600	819,693	0	PT
12.RD		UWAWD-010034	3600	8,677	0	PT
12.RD		UWAWD-020561	3600	148,440	0	PT
12.RD		UWAWD-020798	3600	150,993	0	PT
12.RD		W81K0222P0094	3600	43,908	0	
12.RD		W81XWH22C0134	3600	475,945	0	
12.RD		W912CG20C0032	3600	207,233	79,375	
12.RD		W912HQ18C0067	3600	(3,748)	0	
12.RD		W912HQ19C0058	3600	9,891	0	
12.RD		W912HQ20C0061	3600	118,416	0	
12.RD		W912HQ20C0072	3600	98,965	0	
12.RD		W912HQ22C0046	3600	102,539	0	
12.RD		W912HQ23C0029	3600	79,834	0	
12.RD		W912HQ23C0063	3600	224,209	0	
12.RD		W912HQ23C0074P00002	3600	493,129	284,902	
12.RD		W912HQ23C0076	3600	212,883	0	
12.RD		W912HQ23P0033	3600	177,249	0	
12.RD		W912HQ23P0062	3600	78,649	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 Cluster

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.RD	DOD - Unknown ALN	WASH2110460MOD2	3600	76,201	0	PT
12.RD		143751001	3650	59,832	0	PT
12.RD		144715001	3650	5,806	0	PT
12.RD		19400036138901	3650	(944)	0	PT
12.RD		19400036139301	3650	(548)	0	PT
12.RD		20010	3650	26,554	0	PT
12.RD		23141P	3650	168,514	15,039	PT
12.RD		42177	3650	(52)	0	PT
12.RD		42187	3650	176,471	0	PT
12.RD		EXMATWSU122C001	3650	196,262	0	PT
12.RD		HT942520C0124	3650	2,520	0	
12.RD		SD00328TO1WSU	3650	696,005	0	PT
12.RD		N44255-23-2-4003	4770	190,444	0	
12.RD		N44255-23-2-4004	4770	181,964	0	
12.RD		N62473-20-2-0005	4770	12,664	0	
12.RD		W9127N23C0020	4770	550,981	0	
12.RD		W912DW21P0019	4770	41,525	0	
Federal Program 12.RD Total				74,555,484	17,456,693	
DOD Contract Number Only Provided Total				74,555,484	17,456,693	
Dept of Defense Total				148,564,841	22,970,941	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Research and Development Cluster

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.RD	HUD - Unknown ALN	MALTS001319AM05	3600	220,817	0	
Federal Program 14.RD Total				220,817	0	
HUD Contract Number Only Provided Total				220,817	0	
Housing & Urban Development Total				220,817	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 Cluster

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
15.232	Joint Fire Science Program		3600	32,626	0	
15.232		PG246216201	3600	16,338	0	PT
Federal Program 15.232 Total				48,964	0	
15.245	Plant Conservation and Restoration Management		3600	44,042	0	
Federal Program 15.245 Total				44,042	0	
15.246	Threatened and Endangered Species		3600	2,052	0	
Federal Program 15.246 Total				2,052	0	
Bureau of Land Management Total				95,058	0	
15.512	Central Valley Improvement Act, Title XXXIV		3600	643,713	0	
Federal Program 15.512 Total				643,713	0	
15.560	Secure Water Act - Research Agreements		3600	29,291	0	
15.560			3650	39,537	0	
Federal Program 15.560 Total				68,828	0	
Bureau of Reclamation Total				712,541	0	
15.615	Cooperative Endangered Species Conservation Fund	4384010C	3600	323,757	0	PT
Federal Program 15.615 Total				323,757	0	
15.654	National Wildlife Refuge System Enhancements		3600	37,747	0	
Federal Program 15.654 Total				37,747	0	
15.657	Endangered Species Recovery Implementation		3600	194,757	13,542	
15.657		F23AC01352	3600	31,906	0	PT
Federal Program 15.657 Total				226,663	13,542	
15.664	Fish and Wildlife Coordination and Assistance		3650	(10,673)	0	
15.664			4670	57,974	0	
15.664		Agreement	4770	172,112	0	
Federal Program 15.664 Total				219,413	0	
Fish and Wildlife Service Total				807,580	13,542	

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Research and Development Cluster

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
15.805	Assistance to State Water Resources Research Insti		3650	149,555	(1,050)	
Federal Program 15.805 Total				149,555	(1,050)	
15.807	Earthquake Hazards Program Assistance		3600	75,415	0	
Federal Program 15.807 Total				75,415	0	
15.808	U.S. Geological Survey_ Research and Data Collecti		3600	506,882	35,310	
15.808			3650	71,814	0	
15.808		G21AC10877-00	3700	37,861	0	
15.808		G200AC00045	3750	97,414	0	
15.808		G21AC10523	3750	257,478	0	
15.808			4610	44,307	0	
15.808			4900	17,276	0	
Federal Program 15.808 Total				1,033,032	35,310	
15.812	Cooperative Research Units		3600	380,437	4,295	
Federal Program 15.812 Total				380,437	4,295	
15.820	National and Regional Climate Adaptation Science C		3600	2,216,012	779,164	
Federal Program 15.820 Total				2,216,012	779,164	
U.S. Geological Survey Total				3,854,451	817,719	
15.945	Cooperative Research and Training Programs - Resou		3600	161,049	0	
15.945			3650	90,404	0	
15.945		P24AC00092 MOD 1	3700	4,226	0	
15.945		P19AC00717	3750	16,318	0	
15.945			3800	107,431	0	
Federal Program 15.945 Total				379,428	0	
National Park Service Total				379,428	0	
15.RD	Department of the Interior - Unknown ALN	A180234MOD01	3600	632,555	0	PT
Federal Program 15.RD Total				632,555	0	
DOI Contract Number Only Provided Total				632,555	0	
Dept of the Interior Total				6,481,613	831,261	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Research and Development Cluster

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	62,838	0	
	Federal Program 16.026 Total			62,838	0	
16.525	Grants to Reduce Domestic Violence, Dating Violence		3600	184,201	0	
	Federal Program 16.525 Total			184,201	0	
	Violence Against Women Office Total			247,039	0	
16.560	National Institute of Justice Research, Evaluation		3600	291,389	13,774	
16.560			3650	348,604	0	
	Federal Program 16.560 Total			639,993	13,774	
	National Institute of Justice Total			639,993	13,774	
	Dept of Justice Total			887,032	13,774	

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State of Washington
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Research and Development Cluster

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	IDEAS21UWASH01	3600	16,010	0	PT
Federal Program 19.009 Total				16,010	0	
Bureau of Educational and Cultural Affairs Total				16,010	0	
19.RD	Department of State - Unknown ALN	MTAPS20037PO21MSH032	3600	(1,034)	0	PT
19.RD		MTAPS22056AM04	3600	(13,644)	0	PT
Federal Program 19.RD Total				(14,678)	0	
State Contract Number Only Provided Total				(14,678)	0	
Dept of State Total				1,332	0	

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Research and Development Cluster

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	208,368	85,552	
Federal Program 20.108 Total				208,368	85,552	
20.109	Air Transportation Centers of Excellence		3600	382,763	0	
20.109			3650	2,075,401	193,960	
Federal Program 20.109 Total				2,458,164	193,960	
Federal Aviation Administration (Faa) Total				2,666,532	279,512	
20.200	Highway Research and Development Program		3600	2,985,484	1,464,671	
20.200		ECONW25557	3600	76,571	0	PT
20.200		HR17100POSUB0001800	3600	217,781	82,607	PT
20.200		1033080	3650	9,801	0	PT
20.200		1047787	3650	64,441	0	PT
20.200		1047792	3650	52,868	0	PT
20.200		1052957	3650	6,513	0	PT
20.200			4050	1,513,902	0	
Federal Program 20.200 Total				4,927,361	1,547,278	
20.205	Highway Planning and Construction	22028839821	3600	13,055	0	PT
Federal Program 20.205 Total				13,055	0	
Federal Highway Administration (FHWA) Total				4,940,416	1,547,278	
20.701	University Transportation Centers Program		3600	2,658,501	1,092,272	
20.701		000751AM07	3600	293,758	0	PT
20.701		000796	3600	38,753	0	PT
20.701		17175AM07PTE69A355174	3600	480,078	54,390	PT
20.701		C5168AM2	3600	97,863	0	PT
20.701		F235706AM01	3600	21,887	0	PT
20.701		F235706AMEND02	3600	16,366	0	PT
20.701		F235706AMEND03	3600	70,033	0	PT
20.701		F874103AM06	3600	55,099	0	PT
20.701		UAF18005469A3551747129	3600	334,644	0	PT
20.701		UTAUSUB00001163AM02	3600	22,256	0	PT
Federal Program 20.701 Total				4,089,238	1,146,662	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development Cluster

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
Research and Innovative Technology Administration Total				4,089,238	1,146,662	
20.941	Strengthening Mobility and Revolutionizing Transpo	TASKORDER13	3600	179,055	0	PT
20.941		UWAWD-022011	3600	1,808	0	PT
Federal Program 20.941 Total				180,863	0	
Off of Secretary (OST) Administration Secretariate Total				180,863	0	
20.RD	Department of Transportation - Unknown ALN	00011586	3600	42,000	0	PT
20.RD		1990739456464AM01	3600	36,053	0	PT
20.RD		743493POUS001000074349	3600	31,855	0	PT
20.RD		884299	3600	41,883	0	PT
Federal Program 20.RD Total				151,791	0	
DOT Contract Number Only Provided Total				151,791	0	
Dept of Transportation Total				12,028,840	2,973,452	

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 Cluster

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	243,317	0	
Federal Program 21.008 Total				243,317	0	
Internal Revenue Service (IRS) Total				243,317	0	
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	6406005	3600	118,864	0	PT
21.027		KC000635139216AM01	3600	287,868	0	PT
Federal Program 21.027 Total				406,732	0	
Undetermined Total				406,732	0	
Dept of the Treasury Total				650,049	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development Cluster

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	13,604,343	1,633,799	
43.001		0000001801AM04	3600	133,122	0	PT
43.001		00001738AM03	3600	76,517	0	PT
43.001		0965GLA709AM1	3600	12,511	0	PT
43.001		100436602AM03	3600	56,112	0	PT
43.001		1110244437124AM04	3600	107,935	0	PT
43.001		131965Z6571201	3600	5,853	0	PT
43.001		1559326AM04	3600	32,790	0	PT
43.001		1685887	3600	58,194	0	PT
43.001		1695761	3600	13,494	0	PT
43.001		1699716	3600	20,437	0	PT
43.001		1699852MOD01	3600	2,827	0	PT
43.001		1707019	3600	15,000	0	PT
43.001		1708549	3600	15,285	0	PT
43.001		1708966	3600	1,947	0	PT
43.001		1709852	3600	14,594	0	PT
43.001		1826UWASHAM02	3600	134,741	0	PT
43.001		2020241UWAM06	3600	47,715	0	PT
43.001		21M14AM03	3600	20,450	0	PT
43.001		225300C	3600	35,746	0	PT
43.001		239700AAM06	3600	46,866	0	PT
43.001		3GG015418AM04	3600	(41,100)	0	PT
43.001		5127073AM01	3600	114,655	0	PT
43.001		A10162523131200	3600	85,797	0	PT
43.001		AWD102489SUB00000614A	3600	39,784	0	PT
43.001		C000774066AM03	3600	27,295	0	PT
43.001		G23819W7767AM05	3600	172,606	0	PT
43.001		GO122080XAM02	3600	6,942	0	PT
43.001		GO223096XAM003	3600	19,368	0	PT
43.001		GRT00206W2AM03	3600	25,769	0	PT
43.001		HSTAR16120005AAM1	3600	10,615	0	PT
43.001		HSTAR16122002AAM02	3600	8,667	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	HSTAR16144009A	3600	4,037	0	PT
43.001		HSTAR16611003AAM02	3600	16,593	0	PT
43.001		HSTAR16635002AAM04	3600	42,265	0	PT
43.001		HSTAR16640003AAM01	3600	13,692	0	PT
43.001		HSTAR17040003A	3600	35,685	0	PT
43.001		HSTAR17057005A	3600	8,697	0	PT
43.001		HSTGO1205501AAM13	3600	5,676	0	PT
43.001		HSTGO15302004AAM005	3600	3,712	0	PT
43.001		HSTGO15875004AAM04	3600	622	0	PT
43.001		HSTGO15877005AAM06	3600	54,127	0	PT
43.001		HSTGO15891005AAM04	3600	19,014	0	PT
43.001		HSTGO15912006AAM02	3600	12,830	0	PT
43.001		HSTGO15932005AAM04	3600	28,571	0	PT
43.001		HSTGO16046001AAM01	3600	1,995	0	PT
43.001		HSTGO16162007AAM02	3600	18,487	0	PT
43.001		HSTGO16165006A	3600	(1,102)	0	PT
43.001		HSTGO16185013AAM01	3600	28,871	0	PT
43.001		HSTGO16191016AAM3	3600	53,807	0	PT
43.001		HSTGO16292007A	3600	(888)	0	PT
43.001		HSTGO16293004AAM01	3600	24,118	0	PT
43.001		HSTGO16513009A	3600	16,057	0	PT
43.001		HSTGO16650001AAM04	3600	52,011	0	PT
43.001		HSTGO16659007A	3600	4,556	0	PT
43.001		HSTGO16679001AAM02	3600	59,490	0	PT
43.001		HSTGO16730010A	3600	19,734	0	PT
43.001		HSTGO16778001A	3600	221,377	0	PT
43.001		HSTGO17076002A	3600	80,939	0	PT
43.001		HSTGO17158012A	3600	33,132	0	PT
43.001		HSTGO17203006A	3600	10,308	0	PT
43.001		HSTHF251471001AAM02	3600	24,051	0	PT
43.001		JWSTERS01334007A	3600	14,960	0	PT
43.001		JWSTGO02128005A	3600	20,914	0	PT

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Research and Development Cluster

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	NASA000402AM05	3600	(303)	0	PT
43.001		NS343ABAM04	3600	24,132	0	PT
43.001		OS00001105AM02	3600	4,905	0	PT
43.001		R230064AM001	3600	98,968	0	PT
43.001		SC3365MOD09	3600	9,172	0	PT
43.001		SC3979	3600	35,746	0	PT
43.001		SUBAWD002895M01	3600	10,263	0	PT
43.001		SUBAWD004402M01	3600	55,127	0	PT
43.001		UAF200140AM04	3600	58,828	0	PT
Federal Program 43.001 Total				16,152,053	1,633,799	
43.002	Aeronautics		3600	733,732	299,566	
43.002		BL176172841AM02	3600	127,425	0	PT
Federal Program 43.002 Total				861,157	299,566	
43.003	Exploration		3600	171,639	100,495	
43.003		7000001853AM002	3600	296,057	0	PT
Federal Program 43.003 Total				467,696	100,495	
43.008	Office of Stem Engagement (OSTEM)		3600	1,125,739	128,833	
Federal Program 43.008 Total				1,125,739	128,833	
43.009	Safety, Security and Mission Services		3650	(817)	0	
Federal Program 43.009 Total				(817)	0	
43.012	Space Technology		3600	643,490	0	
43.012		1110257461316AM02	3600	164,280	0	PT
Federal Program 43.012 Total				807,770	0	
National Aeronautic & Space Administration Total				19,413,598	2,162,693	
43.RD	National Aeronautics and Space Administration - Un	0000004180	3600	74,968	0	PT
43.RD		10160	3600	10,326	0	PT
43.RD		1655697MOD17	3600	434,502	0	PT
43.RD		1665856MOD02	3600	96,526	0	PT
43.RD		1686173MOD02	3600	155,435	0	PT
43.RD		1707545	3600	19,155	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 Cluster

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	230083	3600	18,929	0	PT
43.RD		PO20170057	3600	204,078	0	PT
43.RD		SBIRSUBAGREEMENTMO	3600	85,489	0	PT
Federal Program 43.RD Total				1,099,408	0	
NASA Contract Number Only Provided Total				1,099,408	0	
National Aeronautics & Space Admin Total				20,513,006	2,162,693	

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Research and Development Cluster

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
45.160	Promotion of the Humanities Fellowships and Stipend		3600	60,070	0	
Federal Program 45.160 Total				60,070	0	
45.169	Promotion of the Humanities Office of Digital Huma	14555922026AM1	3600	23,613	0	PT
Federal Program 45.169 Total				23,613	0	
National Endowment for the Humanities Total				83,683	0	
45.312	National Leadership Grants		3600	1,000	0	
45.312		3211505985S01	3600	(13,348)	0	PT
Federal Program 45.312 Total				(12,348)	0	
45.313	Laura Bush 21ST Century Librarian Program		3600	287,971	0	
45.313		RE248876OLSUW	3600	2,171	0	PT
Federal Program 45.313 Total				290,142	0	
Institute of Museum and Library Services Total				277,794	0	
National Foundation on the Arts and the Humanities Total				361,477	0	

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Research and Development Cluster

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	19,342,147	3,186,239	
47.041	COVID-19 – Engineering		3600	28,356	0	
47.041	Engineering	00010849AM004	3600	246,529	0	PT
47.041		10001604009AM05	3600	8,963	0	PT
47.041		10343318508AM03	3600	7,521	0	PT
47.041		11502GR	3600	18,792	0	PT
47.041		1556900AM02	3600	9,910	0	PT
47.041		1563013AM01	3600	78,132	0	PT
47.041		60051245UWAM03	3600	14,198	0	PT
47.041		60059495UWAMA02	3600	7,421	0	PT
47.041		63063844257109AM002	3600	78,555	0	PT
47.041		7692104	3600	124,133	0	PT
47.041		7692106	3600	126,256	0	PT
47.041		8901911283AM04	3600	19,894	0	PT
47.041		A160090S001AM05	3600	11,048	0	PT
47.041		AWD000065100128544	3600	49,349	0	PT
47.041		AWD005338G1	3600	3,487	0	PT
47.041		GR128185SPC1000006851	3600	5,078	0	PT
47.041		S2239AAAM01	3600	(26,400)	0	PT
47.041		SCON00006259	3600	36,077	0	PT
47.041		SCON00006260	3600	9,330	0	PT
47.041		UNR2459	3600	1,144	0	PT
47.041		UTAUSSUB00000156AM03	3600	96,966	0	PT
47.041			3650	2,142,906	83,347	
47.041		135456004	3650	141,505	0	PT
47.041		358007874P	3650	266,884	0	PT
47.041		7692069	3650	29,913	0	PT
47.041		FAR0032826	3650	(433)	0	PT
47.041		FY2020018	3650	69,015	0	PT
47.041		AWD00006510	3700	17,041	0	PT
47.041		AWD00006510 (012854-1)	3700	16,000	0	PT
47.041		203935-861	3750	8,795	0	PT

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National Science Foundation

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47.041	Engineering		3800	65,077	0	
Federal Program 47.041 Total				23,053,589	3,269,586	
47.049	Mathematical and Physical Sciences		3600	19,441,531	2,367,971	
47.049		00010006AM04	3600	210,377	0	PT
47.049		10745PO141521	3600	29,536	0	PT
47.049		2023000219NSF2139007	3600	29,616	0	PT
47.049		3332770AM01	3600	322,833	0	PT
47.049		AWD068599SUB00000622A	3600	134,113	0	PT
47.049		AWD104312SUB00000998	3600	3,329	0	PT
47.049		GR105425AM003	3600	42,738	0	PT
47.049		MA1713AM02	3600	43,247	0	PT
47.049		N00017343CAM01	3600	1,633,112	0	PT
47.049		N51948CAM11	3600	2,090,045	0	PT
47.049		S2270BOAM03	3600	29,906	0	PT
47.049		S6117PO954115	3600	89,943	0	PT
47.049		SUB0000734	3600	94,484	0	PT
47.049			3650	2,285,598	0	
47.049		920202	3650	50,715	0	PT
47.049		10745-P0141516	3700	9,638	0	PT
47.049		NSF NOA ID 2104167	3700	112,794	0	
47.049		DMS-2050692	3750	117,702	0	
47.049		PHY-1915477	3750	35,918	0	
47.049			3800	1,386,076	0	
Federal Program 47.049 Total				28,193,251	2,367,971	
47.050	Geosciences		3600	27,503,156	571,914	
47.050		0000000506AM03	3600	2,138	0	PT
47.050		00001936AM002	3600	38,486	0	PT
47.050		024680AAM01	3600	17,231	0	PT
47.050		0796UWAM02	3600	30,319	0	PT
47.050		1243705118902AM03	3600	59,576	0	PT
47.050		202111AM003	3600	116,459	0	PT
47.050		20DGG00939304AM01	3600	(3,495)	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
47.050	Geosciences	2110911AM04	3600	323,282	0	PT
47.050		5857UWNSF8934AM07	3600	51,280	0	PT
47.050		705619AM01	3600	5,844	0	PT
47.050		706154AM01	3600	58,327	0	PT
47.050		A101403AMEND24	3600	6,620,413	0	PT
47.050		A101651	3600	5,397,563	0	PT
47.050		AWD002863G1AM03	3600	118,115	0	PT
47.050		E2048691AM05	3600	6,919	0	PT
47.050		KK2329AM01	3600	20,380	0	PT
47.050		KR704187AM004	3600	97,333	0	PT
47.050		PO2011050MOD009	3600	2,772,990	0	PT
47.050		PO2110546AM03	3600	164,133	0	PT
47.050		S2119AAAM05	3600	111,335	0	PT
47.050		S2274AA	3600	14,152	0	PT
47.050		S2295CDAM04	3600	1,616,159	0	PT
47.050		SIPN213310832	3600	16,780	0	PT
47.050		SU19100107UWATO106AM	3600	55,568	0	PT
47.050		SUBAWD003261MOD1	3600	76,175	0	PT
47.050			3650	2,682,477	0	
47.050		026267	3650	38,648	0	PT
47.050		S2295CE	3650	33,047	0	PT
47.050		5862-CWU-NSF-8934	3750	95,146	0	PT
47.050		EAR-1735954	3750	5,174	0	
47.050		EAR-1753440	3750	23,251	0	
47.050		EAR-2147967	3750	61,829	0	
47.050		S18-EAR1724794-S1	3750	126,235	0	PT
47.050			3800	1,392,363	0	
47.050		53C(GG009393-04) /SAPO	3800	5,100	0	PT
47.050		EEID_DIMOND_01	3800	33,423	0	PT
47.050		P0571558 / UAF-24-0028	3800	71,541	0	PT
47.050		SAPO G17260 53B(GG0093	3800	19,085	0	PT
Federal Program 47.050 Total				49,877,937	571,914	

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National Science Foundation

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47.070	Computer and Information Science and Engineering		3600	22,321,828	3,566,041	
47.070		00010972AM02	3600	22,673	0	PT
47.070		1121PO1215394MOD05	3600	(159)	0	PT
47.070		1122928460436AM01	3600	145,344	0	PT
47.070		121847117MPINVS9002372	3600	389,708	0	PT
47.070		1556133AM06	3600	(4,735)	0	PT
47.070		1562954AM001	3600	105,536	0	PT
47.070		2006061Z4AM04	3600	28,163	0	PT
47.070		2021CIFUWASHINGTON29	3600	21,398	0	PT
47.070		2021CIFUWASHINGTON66	3600	96,563	0	PT
47.070		61688AM01	3600	65,600	0	PT
47.070		AWD000082170129501	3600	1,419	0	PT
47.070		CSE001	3600	19,196	0	PT
47.070		FORD011830409	3600	2,827	0	PT
47.070		G1A004	3600	2,183	0	PT
47.070		G1A016AM01	3600	39,767	0	PT
47.070		G1B024	3600	3,533	0	PT
47.070		G1B025AM01	3600	41,308	0	PT
47.070		G2A065	3600	45,185	0	PT
47.070		G2A066MOD01	3600	43,750	0	PT
47.070		G2A067	3600	41,697	0	PT
47.070		GR133937SPC10000012526	3600	9,072	0	PT
47.070		KK2376AM01	3600	155,774	0	PT
47.070		S5834PO824664	3600	116,976	0	PT
47.070		SPC1000005464GR124632A	3600	79,271	0	PT
47.070		SUB0000281AM05	3600	34,037	0	PT
47.070		UTA20000943AM04	3600	568,194	0	PT
47.070		UTAUSSUB00000704AM01	3600	107,557	0	PT
47.070		WU240253MOD1	3600	58,710	0	PT
47.070	COVID-19 – Computer and Information Science and Engineering		3650	1,183,753	(24,394)	
47.070	Computer and Information Science and Engineering	A230007S011	3650	45,464	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	ASUB00001062	3650	9,257	0	PT
47.070		S001664	3650	42,089	0	PT
47.070		Z0051A-B	3650	117,323	0	PT
47.070		CNS-2318258	3750	1,888	0	
47.070		2216492	3760	94,405	0	
47.070			3800	148,436	0	
Federal Program 47.070 Total				26,204,990	3,541,647	
47.074	Biological Sciences		3600	7,374,913	515,662	
47.074		0002	3600	13,236	0	PT
47.074		1658PO1392504MOD04	3600	9,020	0	PT
47.074		493174AM05	3600	27,819	0	PT
47.074		91874Z3500201AMC	3600	805	0	PT
47.074		A230252S001AM01	3600	49,186	0	PT
47.074		KK2128AM02	3600	(143)	0	PT
47.074		PAMP23002762SA01	3600	32,891	0	PT
47.074		S5173PO524705AM04	3600	193,387	0	PT
47.074	COVID-19 – Biological Sciences		3650	4,601,491	853,952	
47.074	Biological Sciences	140002	3650	3,127	0	PT
47.074		146028001	3650	9,520	0	PT
47.074		24U425251	3650	15,951	0	PT
47.074		425338GR425286YR1WSU	3650	430,825	0	PT
47.074		5GG014070	3650	812	0	PT
47.074		AWARD 1817717	3700	41,226	0	
47.074		AWARD 2115191	3700	168,213	0	
47.074		4-86659	3750	6,273	0	PT
47.074			3800	896,724	0	
47.074		FP00014692_SA005	3800	6,584	0	PT
47.074		LINA DAHLBERG	3800	3,000	0	PT
47.074		UAF 18-0059/P0521291	3800	138,628	0	PT
Federal Program 47.074 Total				14,023,488	1,369,614	
47.075	Social, Behavioral, and Economic Sciences		3600	1,407,401	21,301	

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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
47.075	Social, Behavioral, and Economic Sciences	3029105288S01AM06	3600	96,019	0	PT
47.075		3230106033S01	3600	53,011	0	PT
47.075			3650	564,170	49,900	
47.075		40460WSU	3650	119,747	0	PT
47.075		501835SG2253	3650	4,293	0	PT
47.075		S004576	3650	30,007	0	PT
47.075			3800	204,289	0	
Federal Program 47.075 Total				2,478,937	71,201	
47.076	Stem Education (Formerly Education and Human Resou		3600	19,041,626	975,408	
47.076		0000001018AM05	3600	30,566	0	PT
47.076		0000003210	3600	9,427	0	PT
47.076		000734	3600	45,160	0	PT
47.076		0499000001AM02	3600	32,825	0	PT
47.076		09546417496AM03	3600	(55)	0	PT
47.076		1562797AM001	3600	23,096	0	PT
47.076		1564484	3600	6,164	0	PT
47.076		18717UW	3600	25,939	0	PT
47.076		190115665485949AM03	3600	1,808	0	PT
47.076		2012U0BAM04	3600	21,741	0	PT
47.076		206002CAM03	3600	154,362	0	PT
47.076		210148807001AM03	3600	17,850	0	PT
47.076		21COSAM200840UWAAM0	3600	133,674	0	PT
47.076		2224571	3600	103,710	0	PT
47.076		226100996P	3600	39,119	0	PT
47.076		2466C	3600	124,784	0	PT
47.076		3270403	3600	13,860	0	PT
47.076		3332804AM02	3600	181,691	0	PT
47.076		48080119124AMEND1	3600	15,178	0	PT
47.076		5126006AM1	3600	147,192	0	PT
47.076		769UWWA	3600	(106)	0	PT
47.076		A170794A191036AM001	3600	184,050	0	PT
47.076		G22224WA567	3600	48,224	0	PT

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47.076	Stem Education (Formerly Education and Human Resou	NA	3600	5,654	0	PT
47.076		NSF0009901AM02	3600	4,366	0	PT
47.076		R1340094AM02	3600	237,545	0	PT
47.076		R220003AM004	3600	11,868	0	PT
47.076		RC107451UWAM03	3600	34,973	0	PT
47.076		SUB00002722AM2	3600	143,784	0	PT
47.076		UW2023KNOWLEDGE	3600	11,528	0	PT
47.076		UWAWD-003996	3600	44,063	0	PT
47.076	COVID-19 – Stem Education (Formerly Education and Human Resou		3650	2,730,876	366,109	
47.076	Stem Education (Formerly Education and Human Resou	01884524	3650	55,421	1	PT
47.076		0499000002	3650	23,466	0	PT
47.076		134038001	3650	10,979	0	PT
47.076		138306-001	3650	192	0	PT
47.076		138714002	3650	(1,602)	0	PT
47.076		139000	3650	30,469	0	PT
47.076		141748001	3650	15,786	0	PT
47.076		143446	3650	4,180	0	PT
47.076		31162B	3650	52,715	0	PT
47.076		CRESCENT-01	3650	103,096	0	PT
47.076		GR103587SUB00001082	3650	26,710	0	PT
47.076		GT3202107	3650	39,801	0	PT
47.076		PS957605	3650	25,274	0	PT
47.076		RES602845	3650	35,215	0	PT
47.076		SORTOR42	3650	47,886	0	PT
47.076		TULHSC5606252223	3650	17,652	0	PT
47.076		TULHSC5609942223	3650	23,553	0	PT
47.076		TULHSC5616282324	3650	68,128	0	PT
47.076		WSU003988	3650	9,277	0	PT
47.076		WSU004153	3650	73,366	0	PT
47.076		2150787	3700	66,177	0	
47.076		DUE 1660606	3700	2,435	0	

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47.076	Stem Education (Formerly Education and Human Resou	DUE 2150787	3700	86,276	0	
47.076		ED6357-726951 PTE:V210	3700	122,079	0	PT
47.076		SUBAWARD 402139-EWU	3700	48,081	0	PT
47.076		0499000004	3750	26,207	0	PT
47.076		DUE-1524098	3750	5,014	0	
47.076		DUE-2013338	3750	341,889	176,481	
47.076		DUE-2150054	3750	216,912	0	
47.076		ESC-20-1	3760	1,627	0	PT
47.076		NSF00099-05	3760	1,539	0	PT
47.076			3800	1,629,605	0	
47.076		00010783 / BB01636964	3800	60,812	0	PT
47.076		0499000003	3800	2,789	0	PT
47.076		1826637 / WWU-18-2	3800	2,400	0	PT
47.076		CRIRE-WWU-23-1	3800	1,658	0	PT
47.076			6990	6,202,169	0	
47.076		2055722	6990	12,934	0	PT
47.076		21601	6990	2,386	0	PT
47.076		21620	6990	2,238	0	PT
47.076		2301095	6990	2,936	0	PT
47.076		STEM	6990	64,046	0	
Federal Program 47.076 Total				33,190,315	1,517,999	
47.078	Polar Programs		3600	4,740,645	214,781	
47.078		5857UWNSF8934AM07	3600	14,180	0	PT
47.078		S2306LNAME04	3600	1,002,449	0	PT
47.078		S2319AAAM02	3600	8,511	0	PT
47.078		SUB0000386AM04	3600	572,449	0	PT
47.078			3650	758,271	120,057	
47.078		R1831	3650	38,184	0	PT
47.078		OPP-1914767	3750	455	0	
47.078			3800	193,881	0	
Federal Program 47.078 Total				7,329,025	334,838	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development Cluster

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
47.079	Office of International Science and Engineering		3600	193,174	0	
47.079		20221069399	3600	14,909	0	PT
47.079		FP065300C54405486012AM	3600	51,662	0	PT
47.079		G20240371806	3600	1,211	0	PT
47.079			3650	254,546	0	
Federal Program 47.079 Total				515,502	0	
47.083	Integrative Activities		3600	2,735,287	892,403	
47.083		00011677	3600	8,394	0	PT
47.083		0178199131	3600	1,962	0	PT
47.083		028092GAM01	3600	61,482	0	PT
47.083		ASUB00001468	3600	27,579	0	PT
47.083			3650	442,460	0	
47.083		132359001	3650	14,297	0	PT
47.083		AWARD NO 2117210	3700	526,033	0	
47.083		OIA:2422765	3700	758	0	
47.083			3800	270,099	0	
47.083		017819-9133	3800	2,931	0	PT
Federal Program 47.083 Total				4,091,282	892,403	
47.084	NSF Technology, Innovation, and Partnerships		3600	4,135,341	1,775,232	
47.084		00011489	3600	42,842	0	PT
47.084		1123036470928AM001	3600	97,291	0	PT
47.084		19689	3600	62,523	0	PT
47.084		204694838AM01	3600	137,894	0	PT
47.084		9911	3600	92,290	0	PT
47.084		A176690	3600	49,619	0	PT
47.084		ASUB00001434	3600	946	0	PT
47.084		S2431AA	3600	86,156	0	PT
47.084		UNIV62475AM01	3600	76,682	0	PT
47.084		UWAWD-009523	3600	46,832	0	PT
47.084			3650	20,609	0	
47.084		141948001	3650	10,899	0	PT

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Research and Development Cluster

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
47.084	NSF Technology, Innovation, and Partnerships	2017V0C	3650	16,669	0	PT
47.084		CC7636539986	3650	27,463	0	PT
47.084		HRSAGA1RH3954605	3650	5,796	0	PT
Federal Program 47.084 Total				4,909,852	1,775,232	
National Science Foundation Total				193,868,168	15,712,405	
47.RD	NSF - Unknown ALN	2328510	3600	35,668	0	
47.RD		2022N6	3650	(445)	0	
47.RD		2342500	3650	127,966	0	
47.RD		1902491	6990	766	0	
Federal Program 47.RD Total				163,955	0	
NSF - Contract Number Only Provided Total				163,955	0	
National Science Foundation Total				194,032,123	15,712,405	

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Research and Development Cluster

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	875,156	210,428	
Federal Program 66.034 Total				875,156	210,428	
Office of Air and Radiation Total				875,156	210,428	
66.123	Geographic Programs - Puget Sound Action Agenda: T	WAC230706001	3600	34,632	0	PT
Federal Program 66.123 Total				34,632	0	
Office of Federal Activities Total				34,632	0	
66.126	Geographic Programs - San Francisco Bay Water Qual	1566	3600	42,022	0	PT
66.126		1632AM01	3600	13,424	0	PT
Federal Program 66.126 Total				55,446	0	
EPA Region 9 Total				55,446	0	
66.509	Science to Achieve Results (Star) Research Program		3600	880,204	0	
66.509		A009907501	3600	59,315	0	PT
66.509		P0564947AM01	3600	71,674	0	PT
Federal Program 66.509 Total				1,011,193	0	
66.511	Office of Research and Development Consolidated Re	4975RFA1912093	3600	84,617	16,086	PT
66.511		5202	3600	40,444	0	PT
Federal Program 66.511 Total				125,061	16,086	
Office of Research and Development Total				1,136,254	16,086	
Environmental Protection Agency Total				2,101,488	226,514	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development Cluster

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
81.010	Office of Technology Transitions (OTT)-Technology	UAWAD-005896	3600	132,508	0	PT
Federal Program 81.010 Total				132,508	0	
Department of Energy Undetermined Total				132,508	0	
81.049	Office of Science Financial Assistance Program		3600	25,528,338	1,924,120	
81.049		10568818689AM01	3600	14,989	0	PT
81.049		1070142464347AM01	3600	127,700	0	PT
81.049		1561326PO1001569134AM0	3600	67,888	0	PT
81.049		202123AM03	3600	8,477	0	PT
81.049		20231853AM01	3600	23,155	0	PT
81.049		271817874J	3600	66,937	0	PT
81.049		4GG01449638POG17188	3600	949,639	0	PT
81.049		A167035AM01	3600	72,108	0	PT
81.049		A177974	3600	9,139	0	PT
81.049		A230499S004AM01	3600	2,353	0	PT
81.049		AWD004059G1AM01	3600	85,612	0	PT
81.049		CON80004101GR118812	3600	62,066	0	PT
81.049		R000002914AM02	3600	240,082	0	PT
81.049		RC114586UWAM01	3600	99,480	0	PT
81.049		UAF240018AM01	3600	48,452	0	PT
81.049			3650	3,492,913	544,807	
81.049		14000496003	3650	44,950	0	PT
81.049		140937001	3650	41,253	0	PT
81.049		2512150123011	3650	(6)	0	PT
81.049		2512150265008	3650	183,762	0	PT
81.049		740058874P	3650	36,413	0	PT
81.049		7624942	3650	113,731	0	PT
81.049		A210036S006	3650	364,044	0	PT
81.049		C1937	3650	3,033	0	PT
81.049		C3249	3650	2,635	0	PT
81.049		C3604	3650	115,873	0	PT
81.049		C4550	3650	989	0	PT

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Research and Development Cluster

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 Program	DUE1700496WSU	3650	(111)	0	PT
81.049		DUE2202038001	3650	28,115	0	PT
81.049		G14821W8564	3650	221,148	0	PT
81.049		RC105251	3650	10,610	0	PT
81.049			3800	21,421	0	
Federal Program 81.049 Total				32,087,188	2,468,927	
Headquarters Office Total				32,087,188	2,468,927	
81.086	Conservation Research and Development		3600	584,213	188,048	
81.086			3650	1,069,584	468,409	
81.086		503048-78051	3650	72,280	0	PT
81.086		23-054 BPA CONTRACT 74	3700	187,047	0	PT
81.086		EWU 24-123	3700	24,798	0	PT
81.086		SUBAWARD TSC21-066	3700	1,079	0	PT
Federal Program 81.086 Total				1,939,001	656,457	
81.087	Renewable Energy Research and Development		3600	745,871	103,826	
81.087		A192163	3600	8,711	0	PT
81.087		A199737	3600	37,118	0	PT
81.087		G0152ABAM12	3600	37,775	0	PT
81.087		G0196AAAM03	3600	56,200	0	PT
81.087		G0217AA	3600	8,156	0	PT
81.087		UWOSPA190459AM01	3600	49,977	0	PT
81.087	COVID-19 – Renewable Energy Research and Development		3650	2,147,370	1,058,919	
81.087	Renewable Energy Research and Development	142380003	3650	135,985	0	PT
81.087		143265	3650	483,818	0	PT
81.087		7729660	3650	48,325	0	PT
81.087		HHSN275201300024I	3650	40,894	0	PT
81.087		M1900171	3650	22,604	0	PT
81.087		SUB202210359	3650	110,024	13,363	PT
81.087		UND0026128S1	3650	39,235	0	PT
81.087		14-2-12-153443-66019	3800	68,496	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
Federal Program 81.087 Total				4,040,559	1,176,108	
Energy Efficiency and Renewable Energy Total				5,979,560	1,832,565	
81.089	Fossil Energy Research and Development	UTA17000308AM011	3600	134,836	0	PT
81.089			3650	102,024	0	
Federal Program 81.089 Total				236,860	0	
Office of Fossil Energy Total				236,860	0	
81.104	Environmental Remediation and Waste Processing and	139764002	3650	11,610	0	PT
81.104		144664001	3650	22,478	0	PT
81.104		24102740300	3650	183,181	0	PT
Federal Program 81.104 Total				217,269	0	
Office of Bilingual Education and Minority Language Total				217,269	0	
81.112	Stewardship Science Grant Program	M1803341AM007	3600	35,975	0	PT
81.112		M2400616	3600	41,988	0	PT
Federal Program 81.112 Total				77,963	0	
Electricity Delivery & Energy Reliab 1000 Total				77,963	0	
81.113	Defense Nuclear Nonproliferation Research	AWD000372G1	3650	166,678	0	PT
Federal Program 81.113 Total				166,678	0	
National Nuclear Security Administration Total				166,678	0	
81.117	Energy Efficiency and Renewable Energy Information		3600	185,055	0	
Federal Program 81.117 Total				185,055	0	
Energy Efficiency and Renewable Energy Total				185,055	0	
81.121	Nuclear Energy Research, Development and Demonstra		3600	143,279	0	
Federal Program 81.121 Total				143,279	0	
National Nuclear Security Administration Total				143,279	0	
81.135	Advanced Research Projects Agency - Energy		3600	2,506,023	428,173	
81.135		54679	3600	38,648	0	PT

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Dept of Energy

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81.135	COVID-19 – Advanced Research Projects Agency - Energy		3650	164,393	128,681	
81.135	Advanced Research Projects Agency - Energy	20171	3650	(4,118)	0	PT
81.135		ASUB00001315	3650	161,091	0	PT
Federal Program 81.135 Total				2,866,037	556,854	
Electricity Delivery & Energy Reliab 1000 Total				2,866,037	556,854	
81.214	Environmental Monitoring/Cleanup, Cultural and Res		2450	929,118	303,953	
81.214			3030	743,878	0	
81.214		OSA00000203	3650	85,968	0	PT
81.214			4610	3,013,604	0	
Federal Program 81.214 Total				4,772,568	303,953	
Savannah River Operations Office Total				4,772,568	303,953	
81.RD	Department of Energy - Unknown ALN	082023AM01	3600	163,866	0	PT
81.RD		1303809MOD38	3600	80,421	0	PT
81.RD		1318945MOD32	3600	122,137	0	PT
81.RD		168751MOD03	3600	125,228	0	PT
81.RD		190039MOD04	3600	79,133	0	PT
81.RD		1F60592M0004	3600	116,734	0	PT
81.RD		20220003AM01	3600	1,696	0	PT
81.RD		243766TO257527MOD02	3600	41,051	0	PT
81.RD		252206AM17	3600	26,968	0	PT
81.RD		2587242	3600	46,098	0	PT
81.RD		260424AM05	3600	83,117	0	PT
81.RD		286607AM01	3600	110,056	0	PT
81.RD		2F60005M0007	3600	91,683	0	PT
81.RD		344773AM10	3600	8,864	0	PT
81.RD		364211MOD08	3600	28,102	0	PT
81.RD		391075MOD007	3600	239,154	0	PT
81.RD		4000192550MOD17	3600	57,389	0	PT
81.RD		4000203159	3600	136,845	0	PT
81.RD		403709MOD02	3600	52,398	0	PT

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Research and Development Cluster

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	412823MOD02	3600	9,352	0	PT
81.RD		424770	3600	(68)	0	PT
81.RD		431103MOD01	3600	86,875	0	PT
81.RD		431458	3600	49,361	0	PT
81.RD		432426	3600	9,207	0	PT
81.RD		442686	3600	28,530	0	PT
81.RD		589676MOD03	3600	66,311	0	PT
81.RD		619333MOD03	3600	46,644	0	PT
81.RD		619818M0D02	3600	133,958	0	PT
81.RD		632001MOD05	3600	141,790	0	PT
81.RD		647684MOD02	3600	339,953	0	PT
81.RD		654408MOD003	3600	118,053	0	PT
81.RD		655019MOD02	3600	3,969	0	PT
81.RD		655512MOD1	3600	179,382	0	PT
81.RD		655539MOD01	3600	56,725	0	PT
81.RD		659770MOD1	3600	153,051	0	PT
81.RD		660338M0D01	3600	85,473	0	PT
81.RD		662653MOD01	3600	124,456	0	PT
81.RD		663685	3600	95,740	0	PT
81.RD		667498	3600	7,502	0	PT
81.RD		670186MOD01	3600	7,303	0	PT
81.RD		673307	3600	79,122	0	PT
81.RD		676213AM01	3600	155,568	0	PT
81.RD		678162MOD02	3600	138,199	0	PT
81.RD		679565	3600	18,745	0	PT
81.RD		684923	3600	74,500	0	PT
81.RD		698216	3600	53,751	0	PT
81.RD		703195MOD001	3600	74,514	0	PT
81.RD		711979	3600	41,405	0	PT
81.RD		713734	3600	82,781	0	PT
81.RD		723300	3600	7,375	0	PT
81.RD		724337	3600	28,609	0	PT

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Dept of Energy

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81.RD	Department of Energy - Unknown ALN	724552	3600	38,164	0	PT
81.RD		729299	3600	37,125	0	PT
81.RD		729873	3600	22,276	0	PT
81.RD		729902	3600	5,262	0	PT
81.RD		736567	3600	19,419	0	PT
81.RD		738570	3600	2,996	0	PT
81.RD		7642072	3600	(6,124)	0	PT
81.RD		7659890MOD09	3600	351,775	0	PT
81.RD		7675946	3600	95,571	0	PT
81.RD		7701521	3600	46,759	0	PT
81.RD		7714780	3600	30,096	0	PT
81.RD		84060REL2	3600	226,388	0	
81.RD		A151091AM01	3600	1,430	0	PT
81.RD		A192163	3600	129,153	0	PT
81.RD		AM01	3600	69,774	0	PT
81.RD		CHECK316794	3600	21,526	0	PT
81.RD		CHECK319254	3600	2,102	0	PT
81.RD		CR36549884060REL003	3600	313,614	0	
81.RD		CR36612184060REL004	3600	219,087	0	
81.RD		CR36612384060REL005	3600	467,012	0	
81.RD		CW34314	3600	27,945	0	PT
81.RD		CW49418	3600	222,133	0	PT
81.RD		MA243766TO450523MOD0	3600	216,326	0	PT
81.RD		MA243766TO475381MOD0	3600	688	0	PT
81.RD		MA243766TO594113	3600	22,982	0	PT
81.RD		MA243766TO618109MOD0	3600	50,264	0	PT
81.RD		MA243766TO624893AM02	3600	13,795	0	PT
81.RD		MA487139TO495959MOD0	3600	4,430	0	PT
81.RD		MA487139TO500469AM00	3600	1,021	0	PT
81.RD		MA487139TO516639MOD0	3600	175,603	0	PT
81.RD		MA487139TO535499MOD0	3600	263,047	0	PT
81.RD		MA487139TO549009MOD0	3600	73,694	0	PT

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Dept of Energy

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81.RD	Department of Energy - Unknown ALN	MA487139TO555131MOD0	3600	28,352	0	PT
81.RD		MA487139TO574823MOD0	3600	73,143	0	PT
81.RD		MA487139TO590896MOD0	3600	21,206	0	PT
81.RD		MA487139TO592008MOD0	3600	662,525	0	PT
81.RD		MA487139TO630347MOD0	3600	35,048	0	PT
81.RD		MA650145MOD02	3600	446	0	PT
81.RD		NA	3600	59,194	0	PT
81.RD		PO2294283	3600	8,771	0	PT
81.RD		PO2322648REV01	3600	(34)	0	PT
81.RD		PO2445018REV01	3600	143,723	0	PT
81.RD		PO2445269	3600	55,404	0	PT
81.RD		PO2460409	3600	47,973	0	PT
81.RD		PO2478645	3600	20,227	0	PT
81.RD		PO2527967	3600	79,184	0	PT
81.RD		PO2542600	3600	3,039	0	PT
81.RD		S220349	3600	18,538	0	PT
81.RD		SUB202210174MOD2	3600	62,791	0	PT
81.RD		SUB202310349	3600	89,597	0	PT
81.RD		SUB202310517AM01	3600	32,703	0	PT
81.RD		TASKORDER335418MOD0	3600	1,422	0	PT
81.RD		TEAMERTBUW	3600	32,361	0	PT
81.RD		TO647365MA487139MOD0	3600	53,884	0	PT
81.RD		UAWWD-003938	3600	(3,750)	0	PT
81.RD		UAWWD-009528	3600	7,500	0	PT
81.RD		UAWWD-009535	3600	7,500	0	PT
81.RD		UAWWD-009542	3600	61,871	0	PT
81.RD		UAWWD-009567	3600	7,500	0	PT
Federal Program 81.RD Total				8,884,527	0	
DOE Contract Number Only Provided Total				8,884,527	0	
Dept of Energy Total				55,749,492	5,162,299	

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Research and Development Cluster

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 Lang	84.015A	3600	776,669	0	
84.015		84.015B	3600	2,500	0	
Federal Program 84.015 Total				779,169	0	
84.019	Overseas Programs - Faculty Research Abroad	84.019A	3600	38,973	0	
Federal Program 84.019 Total				38,973	0	
84.022	Overseas Programs - Doctoral Dissertation Research	84.022A	3600	19,785	0	
84.022			3650	(22)	0	
Federal Program 84.022 Total				19,763	0	
84.116	Fund for the Improvement of Postsecondary Education	84.116D	3600	11,988	0	PT
Federal Program 84.116 Total				11,988	0	
Office of Postsecondary Education Total				849,893	0	
84.149	Migrant Education_College Assistance Migrant Program	84.149A	3600	455,637	0	
Federal Program 84.149 Total				455,637	0	
Office of Elementary and Secondary Education Total				455,637	0	
84.305	Education Research, Development and Dissemination	0440100001MOD05	3600	76,859	0	PT
84.305		0518400001MOD02	3600	8,584	0	PT
84.305		12622SUBMOD02	3600	48,288	0	PT
84.305		35802UWAAM2	3600	62,758	0	PT
84.305		54422078003AM03	3600	70,500	0	PT
84.305		84.305A	3600	1,404,248	105,148	
84.305		84.305B	3600	302,006	0	
84.305		84.305D	3600	199,525	71,875	
84.305		F143401AM003	3600	10,342	0	PT
84.305		FP00013590SA003AM002	3600	29,700	0	PT
84.305		PO046220001MOD05	3600	263,292	0	PT
84.305			3650	724,004	365,882	
Federal Program 84.305 Total				3,200,106	542,905	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development Cluster

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
Office of Educational Research and Improvement Total				3,200,106	542,905	
84.324	Research in Special Education	61540AM03	3600	173,660	0	PT
84.324		84.324A	3600	1,087,084	1,019	
Federal Program 84.324 Total				1,260,744	1,019	
84.325	Special Education - Personnel Development to Impro	84.325D	3600	54,390	0	
84.325		84.325K	3600	252,277	0	
Federal Program 84.325 Total				306,667	0	
84.326	Special Education_Technical Assistance and Dissemi	84.326M	3600	342,055	0	
Federal Program 84.326 Total				342,055	0	
Office of Special Education and Rehabilitative Ser Total				1,909,466	1,019	
84.365	English Language Acquisition State Grants	84.365Z	3600	190,941	0	
Federal Program 84.365 Total				190,941	0	
Office of English Language Acquisition Total				190,941	0	
Dept of Education Total				6,606,043	543,924	

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Research and Development Cluster

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 Preventi	G157UWA03AM01	3600	13,336	0	PT
Federal Program 93.068 Total				13,336	0	
Centers for Disease Control and Prevention Total				13,336	0	
93.077	Family Smoking Prevention and Tobacco Control Act	R1335499AM01	3600	7,837	0	PT
Federal Program 93.077 Total				7,837	0	
National Institutes of Health Total				7,837	0	
93.079	Cooperative Agreements to Promote Adolescent Health	903402UWASHAM02	3600	111,112	44,821	PT
Federal Program 93.079 Total				111,112	44,821	
93.080	Blood Disorder Program: Prevention, Surveillance,	12047SCAM04	3600	8,886	0	PT
Federal Program 93.080 Total				8,886	0	
Centers for Disease Control and Prevention Total				119,998	44,821	
93.103	Food and Drug Administration_Research		3030	368,607	0	
93.103		N/A	3030	45,523	0	PT
93.103			3600	240,904	0	
93.103		0001178392	3600	8,402	0	PT
93.103		12512SUBMOD04	3600	23,491	0	PT
93.103		13271SUB	3600	20,314	0	PT
93.103		AIOFDAREACH2024	3600	23,493	0	PT
93.103		SUB00000445AM1URFAO	3600	30,941	0	PT
93.103			3650	133,953	0	
93.103		G-SE-2306-04137	4770	12,703	0	
93.103		G-SE-2405-04490	4770	(165)	0	
93.103			4950	2,122,774	33,881	
Federal Program 93.103 Total				3,030,940	33,881	
Food and Drug Administration Total				3,030,940	33,881	
93.110	Maternal and Child Health Federal Consolidated Pro	13517SCAM02	3600	2,454	0	PT
93.110		1920GIA130	3600	16,979	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 93.110 Total				19,433	0	
Health Resources and Services Administration Total				19,433	0	
93.113	Environmental Health		3600	7,924,516	966,202	
93.113		1021982UWAAM01	3600	76,628	0	PT
93.113		1033935UWAM01	3600	26,714	0	PT
93.113		1034049UW	3600	9,604	0	PT
93.113	COVID-19 – Environmental Health	12947SUB	3600	25,366	0	PT
93.113	Environmental Health	13053SUBMOD1	3600	170,725	0	PT
93.113		1553GIA330AM01	3600	71,138	0	PT
93.113		1553GZE171AM02	3600	155,680	0	PT
93.113		19896	3600	5,222	0	PT
93.113		1GG01304701AM05	3600	14,333	0	PT
93.113		33959UWAM01	3600	122,053	0	PT
93.113		3419052249011AM04	3600	31,279	0	PT
93.113		671400S002AM05	3600	74,852	0	PT
93.113		9157UW02	3600	27,170	0	PT
93.113		GR104703CON80001507A	3600	33,294	0	PT
93.113		R1281337AM02	3600	47,077	0	PT
93.113		S0146401AM05	3600	112,569	0	PT
93.113		SCON00004419AM01	3600	9,188	0	PT
93.113		SUBK00010622AM05	3600	8,369	0	PT
93.113		UW2020082001AM03	3600	675	0	PT
93.113		WU18174MOD4AM04	3600	(38,156)	0	PT
93.113			3650	1,473,041	424,854	
93.113		141566002	3650	(3,048)	0	PT
93.113		P0516AA	3650	2,013	0	PT
93.113		P0516BA	3650	9,368	0	PT
Federal Program 93.113 Total				10,389,670	1,391,056	
93.121	Oral Diseases and Disorders Research		3600	6,059,091	1,235,251	
93.121		121660AM04	3600	115,990	0	PT
93.121		129788	3600	24,355	0	PT
93.121		13590SCAM02	3600	96,784	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
93.121	Oral Diseases and Disorders Research	3259AM01	3600	54,160	0	PT
93.121		PO20437170AM02	3600	105,552	0	PT
93.121		S0330001AM02	3600	32,227	0	PT
93.121		SUB00000291AM01	3600	40,347	0	PT
93.121		UWASH0238102665AM07	3600	97,194	0	PT
93.121		UWASH0312742770AM02	3600	47,231	0	PT
93.121		UAWAD-003551	3600	9,776	0	PT
93.121		UAWAD-005703	3600	180,928	0	PT
93.121			3650	193,241	0	
Federal Program 93.121 Total				7,056,876	1,235,251	
National Institutes of Health Total				17,446,546	2,626,307	
93.135	Centers for Research and Demonstration for Health		3600	2,188,393	220,451	
93.135		SUB00000099AM03	3600	32,040	0	PT
Federal Program 93.135 Total				2,220,433	220,451	
93.136	Injury Prevention and Control Research and State A		3030	4,758,999	1,102,986	
93.136			3600	1,674,039	519,346	
93.136		13182SUB	3600	47,182	0	PT
93.136		5129450	3600	44,443	0	PT
93.136		9991PREVAMENDMENT1	3600	34,986	0	PT
93.136		SUBK00013121AM04	3600	70,899	0	PT
Federal Program 93.136 Total				6,630,548	1,622,332	
Centers for Disease Control and Prevention Total				8,850,981	1,842,783	
93.142	NIEHS Hazardous Waste Worker Health and Safety Tra	0000123614	3600	354,169	0	PT
Federal Program 93.142 Total				354,169	0	
93.143	NIEHS Superfund Hazardous Substances_Basic Research		3600	257	0	
Federal Program 93.143 Total				257	0	
National Institutes of Health Total				354,426	0	
93.155	Rural Health Research Centers		3600	450,372	0	

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Research and Development Cluster

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
93.155	Rural Health Research Centers	02900HRSARCORPEVALW	3600	208,852	0	PT
93.155			3650	13,120	0	
Federal Program 93.155 Total				672,344	0	
Health Resources and Services Administration Total				672,344	0	
93.172	Human Genome Research		3600	23,512,713	2,172,074	
93.172		00010386AM04	3600	24,560	0	PT
93.172		0001167214	3600	125,479	0	PT
93.172		0255C6214609AM6	3600	220,585	0	PT
93.172		1090708456851AM03	3600	254,051	0	PT
93.172		131153455AM04	3600	67,036	0	PT
93.172		210314032502	3600	17,007	0	PT
93.172		210314052303AM05	3600	368,920	0	PT
93.172		210368022415	3600	72,532	0	PT
93.172		22A000006793PROJECT267	3600	21,203	0	PT
93.172		50090678051	3600	227,415	0	PT
93.172		5131462AM04	3600	22,431	0	PT
93.172		62305015135394AM04	3600	24,994	0	PT
93.172		A138585AM05	3600	70,371	0	PT
93.172		A200450S005P0727662AM0	3600	552,490	0	PT
93.172		OS00001098	3600	379,172	0	PT
93.172		POP700000338AM04	3600	45,771	0	PT
93.172		SUB00000408	3600	71,705	0	PT
93.172		VUMC100326AM02	3600	306,268	0	PT
93.172		000525321002	3650	90,002	0	PT
Federal Program 93.172 Total				26,474,705	2,172,074	
93.173	Research Related to Deafness and Communication DIS		3600	6,495,019	594,113	
93.173		0601146325AM05	3600	198,781	63,413	PT
93.173		1017309UWA	3600	12,808	0	PT
93.173		1019479UWAM01	3600	196,550	0	PT
93.173		2109403POS339385AM03	3600	7,122	0	PT
93.173		417738GURFAOGR511053	3600	27,142	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
93.173	Research Related to Deafness and Communication DIS	4500004019AM003	3600	105,036	0	PT
93.173		531109	3600	41,371	0	PT
93.173		ASUB00001274AM02	3600	48,095	0	PT
93.173		CM0000882200	3600	16,848	0	PT
93.173		GRT00312	3600	53,474	0	PT
93.173		P010475901	3600	136,055	0	PT
93.173		UDR0000435AM01	3600	29,572	0	PT
93.173		WU1845MOD7AM08	3600	34,285	0	PT
93.173	COVID-19 – Research Related to Deafness and Communication DIS		3650	309,304	52,123	
93.173	Research Related to Deafness and Communication DIS	R000003365	3650	30,103	0	PT
Federal Program 93.173 Total				7,741,565	709,649	
National Institutes of Health Total				34,216,270	2,881,723	
93.178	Nursing Workforce Diversity		3600	645,945	0	
Federal Program 93.178 Total				645,945	0	
Health Resources and Services Administration Total				645,945	0	
93.185	Immunization Research, Demonstration, Public Infor	HED29123	3030	28,089	0	PT
93.185		1014154WSU	3650	126,393	0	PT
Federal Program 93.185 Total				154,482	0	
Centers for Disease Control and Prevention Total				154,482	0	
93.191	Graduate Psychology Education		3600	388,335	0	
Federal Program 93.191 Total				388,335	0	
93.211	Telehealth Programs		3600	350,000	0	
Federal Program 93.211 Total				350,000	0	
Health Resources and Services Administration Total				738,335	0	
93.213	Research and Training in Complementary and Integra		3600	4,052,238	737,560	
93.213		001UW	3600	73,192	0	PT
93.213		303000821	3600	5,391	0	PT

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Research and Development Cluster

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
93.213	Research and Training in Complementary and Integra	303002520	3600	3,989	0	PT
93.213		5R44AT01159303	3600	290,460	0	PT
93.213		900361UW	3600	14,946	0	PT
93.213		A032242AM6	3600	14,929	0	PT
93.213			3650	1,806,535	876,267	
93.213		1016600WSU	3650	66,416	0	PT
93.213		62266166139496	3650	255,028	0	PT
Federal Program 93.213 Total				6,583,124	1,613,827	
National Institutes of Health Total				6,583,124	1,613,827	
93.225	National Research Service Awards_Health Services R		3600	486,942	0	
Federal Program 93.225 Total				486,942	0	
93.226	Research on Healthcare Costs, Quality and Outcomes		3600	1,775,109	99,703	
93.226		00001745AM04	3600	20,324	0	PT
93.226		127946AM02	3600	423,472	0	PT
93.226		706002AM001	3600	137,565	0	PT
93.226		FRT65919	3600	10,576	0	PT
93.226		RNG210906BUDG05UW	3600	33,047	0	PT
93.226		RNG211909UWAM03	3600	17,212	0	PT
93.226		RNG212907UW	3600	28,404	0	PT
Federal Program 93.226 Total				2,445,709	99,703	
Agency for Health Care Policy and Research Total				2,932,651	99,703	
93.231	Epidemiology Cooperative Agreements	C2237AM02	3600	30,432	0	PT
Federal Program 93.231 Total				30,432	0	
Indian Health Service Total				30,432	0	
93.233	National Center on Sleep Disorders Research		3600	789,400	143,340	
93.233		0255I9114609	3600	3,028	0	PT
93.233		126816AM01	3600	21,959	0	PT
93.233		PO41897AM03	3600	(43)	0	PT
93.233		SCON00005315	3600	37,861	0	PT

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Research and Development Cluster

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
93.233	National Center on Sleep Disorders Research		3650	196,218	0	
Federal Program 93.233 Total				1,048,423	143,340	
National Institutes of Health Total				1,048,423	143,340	
93.239	Policy Research and Evaluation Grants	0000002968AM01	3600	22,455	0	PT
Federal Program 93.239 Total				22,455	0	
Office of the Secretary Total				22,455	0	
93.242	Mental Health Research Grants		3600	31,973,836	4,910,593	
93.242		000014266AAM01	3600	32,317	0	PT
93.242		00001791AM03	3600	19,886	0	PT
93.242		000539092SC002	3600	40,172	0	PT
93.242		000541591SC002A01	3600	169,877	0	PT
93.242		100156AM04	3600	17,846	0	PT
93.242		1006129802UWAM2	3600	90,349	0	PT
93.242		12185SUBMOD06	3600	19,509	0	PT
93.242		12662SUBMOD02	3600	14,135	0	PT
93.242		12724SUBMOD02	3600	86,150	0	PT
93.242		15340251110110002MOD02	3600	12,145	0	PT
93.242		2000GWE286AM06	3600	26,086	0	PT
93.242		20193804AM02	3600	37,496	0	PT
93.242		20200613	3600	142,500	0	PT
93.242		20210606AM02	3600	113,035	0	PT
93.242		20210747AM04	3600	108,075	0	PT
93.242		20220630AM03	3600	818,486	0	PT
93.242		2022100101AM01	3600	31,951	0	PT
93.242	COVID-19 – Mental Health Research Grants	22A0001007616AM02	3600	43,947	0	PT
93.242	Mental Health Research Grants	242599AM01	3600	57,951	0	PT
93.242		3C202201	3600	19,387	0	PT
93.242		401664AM03	3600	249,367	0	PT
93.242		4500004584AM001	3600	177,865	0	PT
93.242		5127903	3600	130,408	0	PT
93.242		5127914AM001	3600	8,087	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
93.242	Mental Health Research Grants	626514UOW05AM06	3600	517,283	0	PT
93.242		62825646144480AM02	3600	85,282	0	PT
93.242		A032074AM06	3600	63,174	0	PT
93.242		A613986AM4	3600	29,531	0	PT
93.242		AM01	3600	285,238	0	PT
93.242		CON80004671GR121965	3600	964,932	0	PT
93.242		D919804SA951A15A945B7	3600	97,130	0	PT
93.242		FP00011780SA003AM03	3600	13,888	0	PT
93.242		FY21930001FY22930004A	3600	22,230	0	PT
93.242		GR101250SUB00000446	3600	91,798	0	PT
93.242		KNHSC230902	3600	118,127	0	PT
93.242		KR705212AM02	3600	253,155	0	PT
93.242		NOUONUW1R01MH13326	3600	35,763	0	PT
93.242		R41MH130299	3600	94,132	0	PT
93.242		RC112834D	3600	62,195	0	PT
93.242		RES515454AM02	3600	121,597	0	PT
93.242		RNG210241BUDG01UW01	3600	120,839	0	PT
93.242		RNG211776UWAM01	3600	22,857	0	PT
93.242		RNG212610UWAM01	3600	9,246	0	PT
93.242		S00851105AM01	3600	59,376	0	PT
93.242		SA0004122	3600	231,722	0	PT
93.242		UTAUSSUB00000385AM2	3600	8,405	0	PT
93.242		UWAWD-002983	3600	16,626	0	PT
93.242		UWAWD-009055	3600	259,253	0	PT
93.242		UWSCAPPA4733	3600	97,776	0	PT
93.242		WU19408MOD5	3600	167,096	0	PT
93.242			3650	1,976,257	559,036	
93.242		140069001	3650	(1,017)	0	PT
93.242		FY18001018	3650	94,994	0	PT
Federal Program 93.242 Total				40,359,748	5,469,629	
National Institutes of Health Total				40,359,748	5,469,629	

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Dept of Health & Human Services

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93.243	Substance Abuse and Mental Health Services_Project		3600	1,931,896	0	
93.243		0012188600081904AM2	3600	376,965	0	PT
93.243		4312021718665733LMOD06	3600	21,484	0	PT
93.243		SORTOR2244	3600	4,085	0	PT
Federal Program 93.243 Total				2,334,430	0	
Substance Abuse and Mental Health Services Adminis Total				2,334,430	0	
93.247	Advanced Nursing Education Workforce Grant Program		3600	123,397	0	
Federal Program 93.247 Total				123,397	0	
93.250	Geriatric Academic Career Awards Department of Hea		3600	11,660	0	
Federal Program 93.250 Total				11,660	0	
Health Resources and Services Administration Total				135,057	0	
93.262	Occupational Safety and Health Program		2350	453,664	0	
93.262	COVID-19 – Occupational Safety and Health Program		2350	17,500	0	
93.262	Occupational Safety and Health Program		3600	3,596,757	243,049	
93.262		1019570UWAAM02	3600	20,607	0	PT
93.262		SPC1000007189GR129302A	3600	33,619	0	PT
93.262			3650	128,192	0	
Federal Program 93.262 Total				4,250,339	243,049	
Centers for Disease Control and Prevention Total				4,250,339	243,049	
93.266	Health Systems Strengthening and HIV/AIDS Preventi	582025	3600	29,588	0	PT
Federal Program 93.266 Total				29,588	0	
Health Resources and Services Administration Total				29,588	0	
93.273	Alcohol Research Programs		3600	7,767,023	407,720	
93.273	COVID-19 – Alcohol Research Programs		3600	54,748	0	
93.273	Alcohol Research Programs	1031MOD04	3600	65,964	0	PT
93.273		2005307204AM03	3600	274,573	0	PT
93.273		2005466982AM02	3600	239,781	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
93.273	Alcohol Research Programs	2005638482AM01	3600	38,839	0	PT
93.273		320000508723091AM01	3600	10,365	0	PT
93.273		5127059AM001	3600	18,398	0	PT
93.273		5127063	3600	5,294	0	PT
93.273		5130929AM02	3600	15,319	0	PT
93.273		5207UWASH05NCEA3AM0	3600	1,249	0	PT
93.273		60066660UWASH	3600	33,156	0	PT
93.273		6118110700A1	3600	15,865	0	PT
93.273		6523UWASH02A1AM01	3600	9,632	0	PT
93.273		70171375971AM02	3600	(537)	0	PT
93.273		A997170AM2	3600	163,304	0	PT
93.273		D994406SA640A659355E78	3600	29,902	0	PT
93.273		NJ13KELLYM2SIBCR	3600	6,440	0	PT
93.273		NJ13NJ12SIBCR	3600	3,184	0	PT
93.273		NJ13SCSG32SIBCR	3600	2,407	0	PT
93.273		NJ13WILLIR2SIBCR	3600	498	0	PT
93.273		POR121522101	3600	20,000	0	PT
93.273		RF0012320180189AM08	3600	49,654	0	PT
93.273		RF0014320180407AM006	3600	64,935	0	PT
93.273		RF0022520210283AM4	3600	30,176	0	PT
93.273		RNG212730UW2024444006	3600	6,691	0	PT
93.273		SP0001494702AM02	3600	61,472	0	PT
93.273		SUB00002521AM001	3600	5,070	0	PT
93.273		UWAWD-004817	3600	13,547	0	PT
93.273			3650	2,177,199	546,041	
93.273		R43AA028456WSU	3650	(126)	0	PT
Federal Program 93.273 Total				11,184,022	953,761	
93.279	Drug Abuse and Addiction Research Programs	R01DA052975	1070	118,353	0	PT
93.279		12752SUB	3070	51,775	0	PT
93.279			3600	29,101,151	3,029,346	
93.279		000517103SC003AMA05	3600	311	0	PT
93.279		052020ADDENDUMNO2A	3600	45	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	052020AM02	3600	11,018	0	PT
93.279		123125	3600	4,139	0	PT
93.279		12750SUBMOD02	3600	115,518	0	PT
93.279		12902SUBMOD01	3600	193,275	0	PT
93.279		14806SC	3600	193,803	0	PT
93.279		2000001005210AM03	3600	50,931	0	PT
93.279		20210469AMO3	3600	123,113	0	PT
93.279		2023333065	3600	55,164	0	PT
93.279		22010291AM03	3600	423,633	0	PT
93.279		2274511AM03	3600	24,229	0	PT
93.279		22830916	3600	17,552	0	PT
93.279		41251319124AM01	3600	(57,799)	0	PT
93.279		60062766UWASH	3600	715	0	PT
93.279		7147185HEJAM02	3600	7,037	0	PT
93.279		A000322S004AM2	3600	34,875	0	PT
93.279		A240499S002	3600	5,068	0	PT
93.279		A848085	3600	40,257	0	PT
93.279		AM05	3600	(903)	0	PT
93.279		CON80005266GR125130A	3600	205,393	0	PT
93.279		D010059602AM01	3600	19,729	0	PT
93.279		ERS2198744197AM05	3600	74,992	0	PT
93.279		GMO230918PO0000002777	3600	204,707	0	PT
93.279		NJ12ASARCA2SIBCR	3600	2,291	0	PT
93.279		NJ12ASARCA3SIBCR	3600	23,223	0	PT
93.279		NJ12BERGKD3SIBCR	3600	74,246	0	PT
93.279		NJ12KELLYM3SIBCR	3600	77,405	0	PT
93.279		NJ12NJ13SIBCR	3600	21,793	0	PT
93.279		NJ12RIEGEN3SIBCR	3600	45,816	0	PT
93.279		NJ12SILVAP2SIBCR	3600	4,582	0	PT
93.279		NJ12SILVAP3SIBCR	3600	12,189	0	PT
93.279		PO155581AM03	3600	(321,198)	0	PT
93.279		PO162619	3600	657,193	0	PT

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93.279	Drug Abuse and Addiction Research Programs	RNG210129UWAM06	3600	21,029	0	PT
93.279		RNG210715UW01AM03	3600	7,331	0	PT
93.279		SCON00002498AM03	3600	5,063	0	PT
93.279		SPC1000012018GR132177A	3600	81,280	0	PT
93.279		UWAWD-008447	3600	83,409	0	PT
93.279			3650	2,002,745	218,338	
93.279		3292403	3650	15,687	0	PT
93.279		3RGH5C	3650	36,549	0	PT
93.279		62930019146563	3650	126,283	0	PT
93.279		BS202301	3650	117,578	0	PT
93.279		SUB00000164	3650	6,776	0	PT
93.279		WAS297565	3650	18,891	0	PT
Federal Program 93.279 Total				34,138,242	3,247,684	
93.286	Discovery and Applied Research for Technological I		3600	5,925,790	1,482,782	
93.286		2004999881AM02	3600	35,386	0	PT
93.286		590063AM3	3600	66,315	0	PT
93.286		60065917UWASHA01	3600	5,654	0	PT
93.286		9803	3600	38,448	0	PT
93.286		A008521201AM03	3600	68,699	0	PT
93.286		UWAWD-007004	3600	40,890	0	PT
93.286	COVID-19 – Discovery and Applied Research for Technological I		3650	447,730	0	
93.286	Discovery and Applied Research for Technological I	135610006	3650	157,398	0	PT
93.286		1425SUB	3650	(47)	0	PT
93.286		CCF24124166	3650	84,459	0	PT
Federal Program 93.286 Total				6,870,722	1,482,782	
National Institutes of Health Total				52,192,986	5,684,227	
93.300	National Center for Health Workforce Analysis		3600	1,312,442	0	
93.300		P010074161AM01	3600	88,120	0	PT
93.300	COVID-19 – National Center for Health Workforce Analysis	P010074161AM01	3600	25,534	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 93.300 Total				1,426,096	0	
Health Resources and Services Administration Total				1,426,096	0	
93.307	Minority Health and Health Disparities Research		3600	2,093,958	337,610	
93.307		00002096AM02	3600	9,181	0	PT
93.307		00002251AM01	3600	6,411	0	PT
93.307		12723SUBMOD04	3600	163,792	0	PT
93.307		303000172AM01	3600	(14,238)	0	PT
93.307		303000924	3600	(248)	0	PT
93.307		577433AM05	3600	3,411	0	PT
93.307		583611AM02	3600	37,657	0	PT
93.307		OSP2017201AM007	3600	32,738	0	PT
93.307		S0342001AM01	3600	7,714	0	PT
93.307			3650	2,098,061	797,967	
93.307		A220004S002	3650	25,905	0	PT
93.307		FY18001024	3650	131,664	0	PT
93.307		FY22.1146.002	3650	(48)	0	PT
Federal Program 93.307 Total				4,595,958	1,135,577	
93.310	Trans-NIH Research Support		3600	10,294,320	1,333,418	
93.310	COVID-19 – Trans-NIH Research Support		3600	668,378	96,392	
93.310	Trans-NIH Research Support	0000002440	3600	34,044	0	PT
93.310		0000003196	3600	24,834	0	PT
93.310		0000003221	3600	24,833	0	PT
93.310		1005478202UWAM03	3600	253,540	0	PT
93.310		13099SUB	3600	553,840	0	PT
93.310		13191SUB	3600	21,793	0	PT
93.310		13241SUB	3600	132,817	0	PT
93.310		13326SUB	3600	3,546	0	PT
93.310		1GG01757701AM001POG1	3600	8,119	0	PT
93.310		1OT2OD03611301	3600	294,231	0	PT
93.310		303001154	3600	8,203	0	PT
93.310		312228AM05	3600	(2,428)	0	PT

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93.310	Trans-NIH Research Support	383001966	3600	40,866	0	PT
93.310		383002293	3600	468	0	PT
93.310		62984393248018AM01	3600	8,434	0	PT
93.310		63307447233304	3600	11,518	0	PT
93.310		900244AM08	3600	59,541	0	PT
93.310		AWD0002510AM01	3600	32,277	0	PT
93.310		RF00280SUB00280	3600	52,513	0	PT
93.310		UCHC7176199782	3600	145,389	0	PT
93.310	COVID-19 – Trans-NIH Research Support		3650	978,553	277,034	
93.310	Trans-NIH Research Support	303001261	3650	18,688	0	PT
93.310		3OT2OD03258101S1229	3650	50,000	0	PT
93.310		OT2OD032581	3650	9,871	0	PT
Federal Program 93.310 Total				13,728,188	1,706,844	
93.350	National Center for Advancing Translational Science		3600	18,371,270	3,923,614	
93.350		12880SUBMOD01	3600	2,189	0	PT
93.350		FY221126015AM03	3600	(364)	0	PT
93.350		UWAWD-006980	3600	227,823	0	PT
93.350		UWAWD-021603	3600	114,879	0	PT
Federal Program 93.350 Total				18,715,797	3,923,614	
93.351	Research Infrastructure Programs		3600	28,938,655	0	
93.351		1021707UW	3600	5,167	0	PT
93.351			3650	194,818	34,685	
Federal Program 93.351 Total				29,138,640	34,685	
93.353	21ST Century Cures Act-Beau Biden Cancer Moonshot		3600	1,382,053	341,328	
Federal Program 93.353 Total				1,382,053	341,328	
93.361	Nursing Research		3600	5,503,084	1,343,819	
93.361		0255E1114609AM02	3600	1,887	0	PT
93.361		12695SUBAM03	3600	19,906	0	PT
93.361		2023587AMEND2	3600	29,042	0	PT
93.361		22010705SUB02AM01	3600	19,367	0	PT

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93.361	Nursing Research	51147323AM01	3600	28,641	0	PT
93.361		CCF23314268AM01	3600	57,160	0	PT
93.361		P700000479AM07	3600	133,801	0	PT
93.361		P700000682AM05	3600	16,119	0	PT
93.361			3650	315,414	52,201	
Federal Program 93.361 Total				6,124,421	1,396,020	
93.368	21ST Century Cures Act-Precision Medicine Initiati		3600	14,558,842	36,518	
Federal Program 93.368 Total				14,558,842	36,518	
93.393	Cancer Cause and Prevention Research		3600	6,584,308	1,984,891	
93.393		0000003154	3600	32,404	0	PT
93.393		0001134550	3600	37,988	0	PT
93.393		0001150154	3600	29,716	0	PT
93.393		0001155987	3600	87,684	0	PT
93.393		0001162499	3600	93,605	0	PT
93.393		1557GWA025AM05	3600	304,131	0	PT
93.393		20231891AM1	3600	15,412	0	PT
93.393		3803204110000114410AM0	3600	9,204	0	PT
93.393		425074GR413943UWAM02	3600	42,529	0	PT
93.393		44956AM07	3600	5,432	0	PT
93.393		5129038	3600	17,380	0	PT
93.393		5131288	3600	11,704	0	PT
93.393		60066404UWASHA01	3600	15,198	0	PT
93.393		A221534S011A01	3600	509,319	0	PT
93.393		AM01	3600	4,486	0	PT
93.393		AWD00000046SUB0000001	3600	23,679	0	PT
93.393		AWD000006641328812AM0	3600	4,418	0	PT
93.393		AWD0001743	3600	30,245	0	PT
93.393		AWD102024SUB00000502A	3600	1,382	0	PT
93.393		CK11WE34SIBCR	3600	10,094	0	PT
93.393		GJ116GJ15SIBCR	3600	14,308	0	PT
93.393		GJ116UW5	3600	43,568	0	PT

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Dept of Health & Human Services

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93.393	Cancer Cause and Prevention Research	GR11857AM001	3600	32,277	0	PT
93.393		N008519501AM02	3600	72,596	0	PT
93.393		N010807601	3600	94,441	0	PT
93.393		RNG210178UWAM07	3600	60,140	0	PT
93.393		S0135401AM04	3600	68,991	0	PT
93.393		SPC1000006686GR127438A	3600	14,610	0	PT
93.393		SPC1000007321GR130873A	3600	21,697	0	PT
93.393		SUB00002526	3600	23,330	0	PT
93.393		UWAWD-000464	3600	182,160	0	PT
93.393		UWAWD-001563	3600	(9)	0	PT
93.393		UWAWD-009416	3600	40,371	0	PT
93.393		UWCA237153AM05	3600	43,883	0	PT
93.393			3650	1,491,122	333,889	
93.393		20006333	3800	7,012	0	PT
Federal Program 93.393 Total				10,080,815	2,318,780	
93.394	Cancer Detection and Diagnosis Research		3600	7,020,302	2,275,581	
93.394		0001109989AM02	3600	133,987	0	PT
93.394		0001110230AM01	3600	1,972	0	PT
93.394		0001130627	3600	4,940	0	PT
93.394		0001134168	3600	6,920	0	PT
93.394		0001136315AM02	3600	119,753	0	PT
93.394		0001147911AM01	3600	70,763	0	PT
93.394		0001158763	3600	33,305	0	PT
93.394		0001159863	3600	267,609	0	PT
93.394		0001160032	3600	30,555	0	PT
93.394		0001160396	3600	30,085	0	PT
93.394		0001162318AM001	3600	260,016	0	PT
93.394		0001165561	3600	14,653	0	PT
93.394		0001166467	3600	77,445	0	PT
93.394		0001191402	3600	9,259	0	PT
93.394		1018110UWAAM05	3600	96,489	0	PT
93.394		11124SCAM04	3600	52,323	0	PT

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93.394	Cancer Detection and Diagnosis Research	1162616	3600	60,133	0	PT
93.394		20210016AM03	3600	59,275	0	PT
93.394		20220011AM01	3600	34,380	0	PT
93.394		62969778182562AM01	3600	2,457	0	PT
93.394		7137836AM2	3600	28,630	0	PT
93.394		A147966A161226AM02	3600	17,783	0	PT
93.394		A147966AM01	3600	9,538	0	PT
93.394		A164794AM01	3600	190,356	53,685	PT
93.394		A221537S001	3600	177,130	0	PT
93.394		A231304S001	3600	80,121	0	PT
93.394		NIH204AM2	3600	108,592	0	PT
93.394		P700000485AM005	3600	(478)	0	PT
93.394		SUBK00013600AM03	3600	96,690	0	PT
93.394		UWAWD-003528	3600	243,354	0	PT
93.394		UWAWD-009154	3600	46,517	0	PT
93.394		WU230543AM01	3600	3,150	0	PT
93.394			3650	111,201	68,385	
93.394		11515SUB	3650	6,374	0	PT
93.394		G0019077500	3650	3,403	0	PT
93.394		G0021937510	3650	8,530	0	PT
Federal Program 93.394 Total				9,517,512	2,397,651	
93.395	Cancer Treatment Research		3600	5,795,935	719,113	
93.395		0001124579AM01	3600	75,842	0	PT
93.395		0001124766AM1	3600	36,450	0	PT
93.395		0001125412AM1	3600	55,253	0	PT
93.395		0001125685AM01	3600	1,128	0	PT
93.395		0001142735	3600	26,411	0	PT
93.395		0001143014	3600	120,126	0	PT
93.395		0001143572	3600	13,733	0	PT
93.395		0001155307AM01	3600	220,390	0	PT
93.395		0001156343	3600	50,381	0	PT
93.395		0001163534	3600	6,602	0	PT

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93.395	Cancer Treatment Research	0001163984AM01	3600	88,999	0	PT
93.395		0001169194	3600	29,692	0	PT
93.395		0001173818	3600	6,770	0	PT
93.395		0001176155	3600	357,158	0	PT
93.395		0001188166	3600	69,822	0	PT
93.395		0001191536	3600	20,905	0	PT
93.395		0129405S02	3600	120,539	0	PT
93.395		1330402AM01	3600	127,146	0	PT
93.395		15129SC	3600	124,986	0	PT
93.395		1516300YR02MOD2AM2	3600	4,792	0	PT
93.395		239887AM01	3600	66,737	0	PT
93.395		3419052282201AM002	3600	101,637	0	PT
93.395		5UM1CA12194717MOD3	3600	97,081	0	PT
93.395		A147165AM01	3600	(2,748)	0	PT
93.395		AWD102398G1AM05PO500	3600	111	0	PT
93.395		BMXMBM001AM02	3600	17,898	0	PT
93.395		GJ129DA11SIBCR	3600	9,158	0	PT
93.395		GJ129GJ11SIBCR	3600	4,496	0	PT
93.395		GJ129UW1	3600	71,462	0	PT
93.395		U10CA18082006WASH1CA	3600	10,748	0	PT
93.395		U10CA18082006WASH2CA	3600	6,661	0	PT
93.395		UWAWD-004538	3600	62,884	0	PT
93.395		UWAWD-007481	3600	16,182	0	PT
93.395		UWAWD-009118	3600	281,806	0	PT
93.395		UWAWD-009744	3600	7,937	0	PT
93.395			3650	49,877	0	
93.395		SUBAWD004809	3650	23,258	0	PT
Federal Program 93.395 Total				8,178,245	719,113	
93.396	Cancer Biology Research		3600	4,741,080	1,083,531	
93.396		0001133041	3600	137,275	0	PT
93.396		0001135299AM2	3600	26,443	0	PT
93.396		12288SUBMOD03	3600	13,246	0	PT

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93.396	Cancer Biology Research	14900000118490AM02	3600	32,825	0	PT
93.396		18A1001000999AM06	3600	(13,063)	0	PT
93.396		GRT65240AM04	3600	33,442	0	PT
93.396		ME13ME11SIBCR	3600	6,751	0	PT
93.396			3650	1,156,169	46,121	
93.396		08003800S37701	3650	69,630	0	PT
Federal Program 93.396 Total				6,203,798	1,129,652	
93.397	Cancer Centers Support Grants	0001110182AM01	3600	37,961	0	PT
93.397		0001126802AM01	3600	7,338	0	PT
93.397		0001138716	3600	3,333	0	PT
93.397		0001139391	3600	175,857	0	PT
93.397		0001139414	3600	19,158	0	PT
93.397		0001139419	3600	16,036	0	PT
93.397		0001139498	3600	15,663	0	PT
93.397		0001139500	3600	111,478	0	PT
93.397		0001139502AM2	3600	316,748	0	PT
93.397		0001139511	3600	125,295	0	PT
93.397		0001140451	3600	21,776	0	PT
93.397		0001140767	3600	(161)	0	PT
93.397		0001140818	3600	8,976	0	PT
93.397		0001140820	3600	74,455	0	PT
93.397		0001141229	3600	112,506	0	PT
93.397		0001148977	3600	111,495	0	PT
93.397		0001148996	3600	16,419	0	PT
93.397		0001148997	3600	7,780	0	PT
93.397		0001148999	3600	47,276	0	PT
93.397		0001149002	3600	37,496	0	PT
93.397		0001150563	3600	5,693	0	PT
93.397		0001153019	3600	18,731	0	PT
93.397		0001158921	3600	45,954	0	PT
93.397		0001162670	3600	116,215	0	PT
93.397		0001165255	3600	43,838	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
93.397	Cancer Centers Support Grants	0001165314	3600	171,376	0	PT
93.397		0001166236	3600	15,426	0	PT
93.397		0001166237	3600	18,652	0	PT
93.397		0001173025AM01	3600	29,237	0	PT
93.397		0001173043AM01	3600	91,662	0	PT
93.397		0001173065AM01	3600	75,063	0	PT
93.397		0001173067AM1	3600	54,309	0	PT
93.397		0001173069AM1	3600	15,680	0	PT
93.397		0001173244	3600	23,251	0	PT
93.397		0001173465AM01	3600	44,665	0	PT
93.397		0001183764	3600	18,292	0	PT
93.397		0001183765	3600	52,036	0	PT
93.397		0001183768	3600	14,709	0	PT
93.397		0001183819	3600	74,194	0	PT
93.397		0001183820	3600	59,276	0	PT
93.397		0001183821	3600	21,058	0	PT
93.397		0001183822	3600	35,665	0	PT
93.397		0001185913	3600	11,274	0	PT
93.397		001028765AM01	3600	18,389	0	PT
93.397		1334401	3600	19,998	0	PT
93.397		TBCRC051MC1831AM01	3600	15,514	0	PT
93.397		UWAWD-008485	3600	278,743	0	PT
93.397		UWAWD-009604	3600	176,173	0	PT
93.397		UWAWD-009898	3600	103,864	0	PT
Federal Program 93.397 Total				2,935,822	0	
93.398	Cancer Research Manpower		3600	1,024,076	180,682	
93.398		000115450301	3600	73,796	0	PT
93.398		0001155266AM01	3600	76,768	0	PT
93.398		0001155285AM01	3600	73,186	0	PT
93.398		0001172333	3600	71,204	0	PT
93.398		0001172334	3600	71,204	0	PT
93.398		0001172428	3600	70,963	0	PT

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93.398	Cancer Research Manpower	0001172761	3600	73,958	0	PT
Federal Program 93.398 Total				1,535,155	180,682	
93.399	Cancer Control		3600	455,123	189,670	
93.399		0000002459	3600	226,904	0	PT
93.399		0000003154	3600	5,725	0	PT
93.399		0000003177	3600	22,844	0	PT
93.399		0001128098	3600	895	0	PT
93.399		0001134687	3600	67,086	0	PT
93.399		0001174358	3600	90,044	0	PT
93.399		1014562UWSHANKARAN	3600	5,850	0	PT
93.399		3004538756AM08	3600	11,564	0	PT
Federal Program 93.399 Total				886,035	189,670	
National Institutes of Health Total				127,581,281	15,510,134	
93.421	Strengthening Public Health Systems and Services	00FE20670600REQ0759	3600	60,635	0	PT
93.421		AWD00000738SUB0000031	3600	43,377	0	PT
93.421		G2463AM01	3600	145,520	0	PT
93.421		G2586AM01	3600	22,334	0	PT
93.421		G2708AG1350	3600	1,133,249	0	PT
93.421		PO8067	3600	158,734	0	PT
93.421	COVID-19 – Strengthening Public Health Systems and Services	PO8067	3600	20,765	0	PT
93.421	Strengthening Public Health Systems and Services	REQUISITION0118AM01	3600	58,769	0	PT
Federal Program 93.421 Total				1,643,383	0	
Centers for Disease Control and Prevention Total				1,643,383	0	
93.433	ACL National Institute on Disability, Independent		3600	1,275,318	0	
93.433		000532312SC001A02	3600	15,421	0	PT
93.433		2023YR1ADAPARCUWAS	3600	4,620	0	PT
93.433		2694UWNCEAM07	3600	25,856	0	PT
93.433		7258AM05	3600	98,175	0	PT
93.433		8699AM3	3600	7,010	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 93.433 Total				1,426,400	0	
Administration for Community Living Total				1,426,400	0	
93.516	Public Health Training Centers Program		3600	918,561	0	
Federal Program 93.516 Total				918,561	0	
Health Resources and Services Administration Total				918,561	0	
93.556	Marylee Allen Promoting Safe and Stable Families P	202451	3600	10,052	0	PT
Federal Program 93.556 Total				10,052	0	
93.564	Child Support Enforcement Research		3000	535,234	68,517	
Federal Program 93.564 Total				535,234	68,517	
93.648	Child Welfare Research Training Or Demonstration	03500000057537AM01	3600	79,594	0	PT
Federal Program 93.648 Total				79,594	0	
93.652	Adoption Opportunities	90CO1134HHS2017ACFAC	3600	330,243	36,249	PT
93.652		90CO1142HHS2021ACFAC	3600	386,944	47,120	PT
Federal Program 93.652 Total				717,187	83,369	
Administration for Children and Families Total				1,342,067	151,886	
93.732	Mental and Behavioral Health Education and Training	710072122300AM01	3600	50,725	0	PT
Federal Program 93.732 Total				50,725	0	
93.822	Health Careers Opportunity Program (HCOP)		3600	176,198	0	
Federal Program 93.822 Total				176,198	0	
Health Resources and Services Administration Total				226,923	0	
93.825	COVID-19 – National Ebola Training and Education Center (NETEC)	3401143001102AM05	3600	82,691	0	PT
Federal Program 93.825 Total				82,691	0	
Office of the Secretary Total				82,691	0	
93.837	Cardiovascular Diseases Research		3600	26,269,030	2,847,914	
93.837		0001161078AM01	3600	237,065	0	PT
93.837		01460400003AM01	3600	2,467	0	PT

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93.837	Cardiovascular Diseases Research	01539300002	3600	547,746	0	PT
93.837		02551I1514609	3600	86,689	0	PT
93.837		08018007S27801AM06	3600	1,328	0	PT
93.837		125858	3600	17,238	0	PT
93.837		12730SUBMOD2	3600	214,499	0	PT
93.837		12920SCAM002	3600	20,256	0	PT
93.837		13050SUBMOD01	3600	4,987	0	PT
93.837		13369SCAM01	3600	17,770	0	PT
93.837		1R43HL15632701A1	3600	13,676	0	PT
93.837		2005511521AM001	3600	138,985	0	PT
93.837		218518601AM003	3600	104,040	0	PT
93.837		236957AM03	3600	46,571	0	PT
93.837		240841	3600	21,153	0	PT
93.837		242757	3600	9,764	0	PT
93.837		3147004UWPO24002035A	3600	104,494	0	PT
93.837		5024712SERVAM01	3600	38,494	0	PT
93.837		5113177AM04	3600	57,522	0	PT
93.837		60058454UOWA04	3600	94,802	0	PT
93.837		704820AM02	3600	324,237	0	PT
93.837		7312021703065767LMOD05	3600	39,222	0	PT
93.837		900087AM03	3600	22,793	0	PT
93.837		A138591AM02	3600	31,489	0	PT
93.837		A181484	3600	18,104	0	PT
93.837		A186847	3600	101,886	0	PT
93.837		AM09	3600	32,385	0	PT
93.837		AWD0000431413945419AA	3600	38,400	0	PT
93.837		GMO210303PO0000002279	3600	24,719	0	PT
93.837		GR105731CON80001726A	3600	28,656	0	PT
93.837		OS00000482400515	3600	47,566	0	PT
93.837		OS00001263	3600	1,639	0	PT
93.837		OS00001469	3600	2,313	0	PT
93.837		POREFERENCE5294615	3600	25,130	0	PT

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93.837	Cardiovascular Diseases Research	PS224978MOD11	3600	586	0	PT
93.837		SA0002995	3600	41,219	0	PT
93.837		SUBK00012868003AM04	3600	145,764	0	PT
93.837		UWAWD-004697	3600	2,108	0	PT
93.837		VUMC118535AM1	3600	26,203	0	PT
93.837		VUMC95800AM02	3600	88,020	0	PT
93.837		WU240539	3600	40,990	0	PT
93.837			3650	582,715	67,990	
93.837		320000360821114	3650	209,437	0	PT
93.837		599745	3650	(3,214)	0	PT
93.837		FY23001021	3650	29,045	0	PT
93.837		GR131240	3650	17,386	0	PT
93.837		HHS0009001	3650	188,559	0	PT
93.837		KA1958	3650	10,617	0	PT
93.837		A995141	3800	56,322	0	PT
Federal Program 93.837 Total				30,222,872	2,915,904	
93.838	Lung Diseases Research		3600	7,359,995	446,246	
93.838		01522200002	3600	116,139	0	PT
93.838		0164104S01	3600	158,397	0	PT
93.838		1020315UWAM01	3600	2,289	0	PT
93.838		1021391UWAM01	3600	31,418	0	PT
93.838		1023342UWAAM1	3600	61,957	0	PT
93.838		20210011MOD07	3600	568,719	0	PT
93.838		224404AM02	3600	30,634	0	PT
93.838		22662817AM01	3600	54,061	0	PT
93.838		2278974AM4	3600	29,645	0	PT
93.838		2317816	3600	58,514	0	PT
93.838		239080AM02	3600	32,123	0	PT
93.838		2GG01166201AM06	3600	43,633	0	PT
93.838		2GG01799803G18052AM01	3600	20,557	0	PT
93.838	COVID-19 – Lung Diseases Research	32GG01599703POG17705A	3600	81,356	0	PT
93.838	Lung Diseases Research	5129019	3600	100,949	0	PT

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93.838	Lung Diseases Research	582591AM002	3600	38,973	0	PT
93.838		583172AM01	3600	24,255	0	PT
93.838		62850767151323AM02	3600	18,148	0	PT
93.838		6GG01792904AM03	3600	256,632	0	PT
93.838		8534RECOVERNEUROSTA	3600	433,506	0	PT
93.838		AM6	3600	7,826	0	PT
93.838		ASUB00000775AM04	3600	101,429	0	PT
93.838		AWD000070291390257AM0	3600	36,291	0	PT
93.838		OS00000404316463AM02	3600	164,676	0	PT
93.838		SUBK00016195AM04	3600	102,852	0	PT
93.838		UWAWD-005264	3600	45,900	0	PT
93.838		UWAWD-005536	3600	39,782	0	PT
93.838		UWAWD-009333	3600	184,033	0	PT
93.838		WU250022	3600	40,895	0	PT
Federal Program 93.838 Total				10,245,584	446,246	
93.839	Blood Diseases and Resources Research		3600	10,411,763	3,277,171	
93.839		0001109957AM03	3600	246,788	0	PT
93.839		0001109975AM3	3600	104,217	0	PT
93.839		0001110428AM02	3600	281,397	0	PT
93.839		0001125798AM03	3600	2,404	0	PT
93.839		000540727SC012A01	3600	53,937	0	PT
93.839		12265SUBMOD02	3600	69,708	0	PT
93.839		12800SUBMOD02	3600	17,941	0	PT
93.839		12978SUBMOD01	3600	12,938	0	PT
93.839		2004868647AM03	3600	201,050	0	PT
93.839		33108SUB52859AM05	3600	132,144	0	PT
93.839		883UW2019AM07	3600	53,980	0	PT
93.839		883UWKONKLEAM03	3600	6,807	0	PT
93.839		AM05	3600	72,810	0	PT
93.839		FP066598BAM05	3600	3,256	0	PT
93.839		RNG212543UWAM01	3600	6,696	0	PT
93.839		SA0000420AM06	3600	38,265	0	PT

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93.839	Blood Diseases and Resources Research	UAWWD-002887	3600	1,027,823	0	PT
93.839		WSU310374	3650	211,962	0	PT
93.839			3800	78,788	0	
Federal Program 93.839 Total				13,034,674	3,277,171	
93.840	Translation and Implementation Science Research Fo		3600	1,091,663	300,974	
93.840	COVID-19 – Translation and Implementation Science Research Fo		3600	167,145	138,549	
93.840	Translation and Implementation Science Research Fo	C0013BAM002	3600	278,744	0	PT
93.840		IDRC007SC	3600	67,882	0	PT
93.840		OS00000273400187AM01	3600	99,312	0	PT
Federal Program 93.840 Total				1,704,746	439,523	
93.846	Arthritis, Musculoskeletal and Skin Diseases Resea		3600	9,398,258	997,165	
93.846		12568SUBMOD04	3600	194,534	0	PT
93.846		2004829001MOD03	3600	17,525	0	PT
93.846		20211473AM03	3600	10,399	0	PT
93.846		4GG01463201	3600	11,610	0	PT
93.846		5130013	3600	721,042	0	PT
93.846		7052813583UWAM01	3600	40,882	0	PT
93.846		90077AM05	3600	(53,486)	0	PT
93.846		LW143LW13SIBCR	3600	8,379	0	PT
93.846		LW143LW14SIBCR	3600	47,229	0	PT
93.846		LW143UW3AM03	3600	98,644	0	PT
93.846		SB226AGELJ2SIBCRM0D	3600	4,821	0	PT
93.846		SB226SCHISJ2SIBCR	3600	2,596	0	PT
93.846		UNI28975501AM2	3600	28,931	0	PT
93.846		UT22876AM01	3600	24,328	0	PT
93.846			3650	816,371	18,540	
Federal Program 93.846 Total				11,372,063	1,015,705	
93.847	Diabetes, Digestive, and Kidney Diseases Extramura		3600	29,544,878	3,869,602	

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93.847	COVID-19 – Diabetes, Digestive, and Kidney Diseases Extramural		3600	64,484	0	
93.847	Diabetes, Digestive, and Kidney Diseases Extramural	00001835AM03	3600	20,264	0	PT
93.847		0001162838AM01	3600	138,678	0	PT
93.847		000524405SC004AM03	3600	20,875	0	PT
93.847		0255B2274609AM001	3600	47,246	0	PT
93.847		098750005328300	3600	99,090	0	PT
93.847		100051118866922	3600	41,677	0	PT
93.847		100222	3600	29,990	0	PT
93.847		1005584144UW	3600	3,822	0	PT
93.847		1014132UWAM01	3600	88,799	0	PT
93.847		10863SCAM06	3600	115,679	0	PT
93.847		11740SCAM04	3600	6,207	0	PT
93.847		12199SUBMOD04	3600	52,436	0	PT
93.847		13049SUBMOD01	3600	273,263	0	PT
93.847		13194SUBAM2	3600	952,232	0	PT
93.847		13240SUB	3600	4,023	0	PT
93.847		1413SUBAM09	3600	11,773	11,773	PT
93.847		14956SC	3600	49,262	0	PT
93.847		15291SC	3600	22,175	0	PT
93.847		16924AM008	3600	12,315	0	PT
93.847		2005822121AM001	3600	51,195	0	PT
93.847		235385AM004	3600	31,581	0	PT
93.847		238171AM03	3600	40,235	0	PT
93.847		238587AM02	3600	26,176	0	PT
93.847		2GG01889201AM01	3600	82,061	0	PT
93.847		3000738402AM001	3600	19,046	0	PT
93.847		363503AM01	3600	10,703	0	PT
93.847		363504AM01	3600	49,781	0	PT
93.847		5119779AM03	3600	17,122	0	PT
93.847		634432009937669307	3600	91,803	79,232	PT
93.847		9853	3600	48,403	0	PT
93.847		A547599AM03	3600	8,826	0	PT

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93.847	Diabetes, Digestive, and Kidney Diseases Extramural	AM01	3600	2,055	0	PT
93.847		BJ211BJ26SIBCR	3600	6,321	0	PT
93.847		FP06836601IAM010	3600	205,240	0	PT
93.847		GMO200501PO0000001992	3600	47,323	0	PT
93.847		R44DK130647AM01	3600	317,501	0	PT
93.847		RES601759AM02	3600	229,716	0	PT
93.847		S002266DHHSAM01	3600	17,341	0	PT
93.847		SCH228401AM03	3600	19,168	0	PT
93.847		SUB00000327AM01	3600	29,613	0	PT
93.847		SUBK00013501AM03	3600	114,549	0	PT
93.847		UK1GRADEKS111SIBCR	3600	1,168	0	PT
93.847		UK1GRADEKS112SIBCRM	3600	40,950	0	PT
93.847		UK1GRADEUK110SIBCR	3600	2,559	0	PT
93.847		UK1GRADEUK19SIBCR	3600	896	0	PT
93.847		UNR2364	3600	38,578	0	PT
93.847		UWAWD-002500	3600	13,806	0	PT
93.847		UWAWD-002904	3600	152,086	0	PT
93.847		UWAWD-007060	3600	157,895	0	PT
93.847		UWAWD-008605	3600	14,034	0	PT
93.847		VUMC101200AM01	3600	142	0	PT
93.847		WP21KS12SIBCR	3600	1,808	0	PT
93.847		WP21KS13SIBCR	3600	936	0	PT
93.847		WP21UW2AM1	3600	298,779	0	PT
93.847		WP21ZS22SIBCR	3600	19,224	0	PT
93.847		WP21ZS23SIBCR	3600	11,433	0	PT
93.847		ZS26ZS22SIBCR	3600	37,134	0	PT
93.847		ZS27ZS21SIBCR	3600	27,806	0	PT
93.847		ZS27ZS22SIBCR	3600	9,365	0	PT
93.847			3650	501,720	55,349	
93.847		3453012214001	3650	259,270	0	PT
93.847		401536	3650	75,690	0	PT
93.847		401707	3650	25,927	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Research and Development Cluster

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
93.847	Diabetes, Digestive, and Kidney Diseases Extramural	575452	3650	(1,820)	0	PT
93.847		FY22001017	3650	22,925	0	PT
93.847		RGF010786A	3650	104,168	0	PT
93.847		S51900000052193	3650	142,254	0	PT
Federal Program 93.847 Total				35,023,660	4,015,956	
93.853	Extramural Research Programs in the Neurosciences		3600	22,196,816	3,473,647	
93.853		010785135574AM02	3600	142	0	PT
93.853		011337135574AM03	3600	10,595	0	PT
93.853		012043135574AMEND1	3600	19,759	0	PT
93.853		012044135574SATURNAM	3600	2,681	0	PT
93.853		013381135574AM01	3600	16,110	0	PT
93.853		013888135574	3600	45,197	0	PT
93.853		0255C8014609AM08	3600	496,525	0	PT
93.853		1013756UWAAM04	3600	189,796	0	PT
93.853		1015158UWAM04	3600	23,012	0	PT
93.853		1090654437057AM004	3600	302,814	0	PT
93.853		10945SCAM03	3600	(5,104)	0	PT
93.853		12753SUBMOD02	3600	132,303	0	PT
93.853		12754SUBMOD2	3600	42,856	0	PT
93.853		12987SCAM02	3600	25,920	0	PT
93.853		1381495122579AM02	3600	37,780	0	PT
93.853		1482SUBAM03	3600	64,084	0	PT
93.853		1580GYB506AM003	3600	40,004	0	PT
93.853		1713GZA878AM02	3600	9,479	0	PT
93.853		173829173805	3600	35,356	0	PT
93.853		1GG01200605AM09	3600	262,626	0	PT
93.853		2021001487	3600	79,603	0	PT
93.853		20210471AM04	3600	281,596	0	PT
93.853		20210503AM03	3600	183,265	0	PT
93.853		20210724AM02	3600	(116,879)	0	PT
93.853		20230607AM02	3600	48,657	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 Cluster

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
93.853	Extramural Research Programs in the Neurosciences	233037UWAAM05	3600	785	0	PT
93.853		235400	3600	39,261	0	PT
93.853		244356	3600	38,080	0	PT
93.853		248677401	3600	5,081	0	PT
93.853		303002275AM01	3600	36,795	0	PT
93.853		320000587024172	3600	17,550	0	PT
93.853		3GG01714316AM02	3600	273,697	0	PT
93.853		428629AM03	3600	68,951	0	PT
93.853		4410141005203AM01	3600	1,723	0	PT
93.853		588521	3600	81,478	0	PT
93.853		589300AM04	3600	2,342	0	PT
93.853		60054064WASHAMA07	3600	236,368	0	PT
93.853		743917	3600	89,056	0	PT
93.853		800178AM001	3600	35,005	0	PT
93.853		9670SCAM12	3600	95,116	0	PT
93.853		A211324S007AM03	3600	75,991	0	PT
93.853		A521966AM03	3600	85,640	0	PT
93.853		A907300	3600	13,290	0	PT
93.853		AM02	3600	20,230	0	PT
93.853		DM24UW3AM04	3600	67,927	0	PT
93.853		EN2101TO2MOD02	3600	62,826	0	PT
93.853		FY22ITN396AM3	3600	3,492	0	PT
93.853		GB10965169717AM02	3600	387,485	0	PT
93.853		H010746310	3600	3,130	0	PT
93.853		IJ23APATARM2SIBCR	3600	12,583	0	PT
93.853		IJ23ATSHCHM1SIBCR	3600	2,023	0	PT
93.853		IJ29IJ21SIBCR	3600	11,226	0	PT
93.853		IJ29IJ22SIBCR	3600	2,967	0	PT
93.853		KB26BECKR3SIBCR	3600	9,730	0	PT
93.853		KB26BJADHAV3SIBCRM0	3600	29,780	0	PT
93.853		KB26BKB25SIBCR	3600	24,503	0	PT
93.853		KB26BLEBLAK2SIBCRM	3600	23,188	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 Cluster

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
93.853	Extramural Research Programs in the Neurosciences	N008333201AM03	3600	95,721	0	PT
93.853		P700001047AM02	3600	166,154	0	PT
93.853		PE165IJ21SIBCR	3600	4,862	0	PT
93.853		PE165REINR1SIBCR	3600	42,164	0	PT
93.853		PE165RM11SIBCRM01	3600	20,933	0	PT
93.853		PE165SHOFEJ2SIBCR	3600	14,937	0	PT
93.853		PE165SIKKEC1SIBCR	3600	30,573	0	PT
93.853		PE165UW2AM01	3600	80,071	0	PT
93.853		PO2005467415MOD02	3600	40,273	0	PT
93.853		S397592AM08	3600	14,590	14,590	PT
93.853		S407472AM05	3600	(10,750)	0	PT
93.853		SUB00000073AM3URFAO	3600	42,937	0	PT
93.853		SUB00004274	3600	100,189	0	PT
93.853		SUBA00000047N008333202	3600	29,920	0	PT
93.853		SUBK00007467AM08	3600	261,515	0	PT
93.853		SUBK10405CSPR002AM00	3600	2,278	0	PT
93.853		T3142024310488UW	3600	282,252	0	PT
93.853		TASKORDER01EN2001MO	3600	29,044	0	PT
93.853		TD116HS26SIBCR	3600	18,136	0	PT
93.853		UWAWD-002045	3600	30,201	0	PT
93.853		UWAWD-007420	3600	314,140	0	PT
93.853		UWAWD-009720	3600	19,900	0	PT
93.853		WAS22406307AM07	3600	148	0	PT
93.853		WU230464MOD1	3600	192,797	0	PT
93.853		WU240168MOD1	3600	11,670	0	PT
93.853		WU240254	3600	71,317	0	PT
93.853			3650	1,289,535	351,196	
Federal Program 93.853 Total				29,477,799	3,839,433	
93.855	Allergy and Infectious Diseases Research		3600	86,959,760	17,003,726	
93.855	COVID-19 – Allergy and Infectious Diseases Research		3600	2,077,353	450,352	
93.855	Allergy and Infectious Diseases Research	0000002293AM01	3600	269,615	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 Cluster

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
93.855	Allergy and Infectious Diseases Research	0000003641	3600	218,077	0	PT
93.855		00002083AM01	3600	8,921	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001107418AM02	3600	54,760	0	PT
93.855	Allergy and Infectious Diseases Research	0001109937AM01	3600	1,985	0	PT
93.855		0001109948AM02	3600	165,279	0	PT
93.855		0001110063AM02	3600	64,198	0	PT
93.855		0001114230AM2	3600	54,561	0	PT
93.855		0001117482AM01	3600	268,735	0	PT
93.855		0001117496AM01	3600	180,494	0	PT
93.855		0001122826AM01	3600	3,151	0	PT
93.855		0001127578AM01	3600	29,553	0	PT
93.855		0001129517AM01	3600	19,821	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001129961AM001	3600	4,917	0	PT
93.855	Allergy and Infectious Diseases Research	0001132716AM01	3600	319,062	0	PT
93.855		0001136337	3600	6,489	0	PT
93.855		0001137333AM01	3600	418,118	0	PT
93.855		0001138583AM01	3600	344,982	0	PT
93.855		0001138842AM01	3600	811,381	0	PT
93.855		0001143509	3600	152,680	0	PT
93.855		0001144692AM01	3600	359,971	0	PT
93.855		0001144972AM01	3600	487,700	0	PT
93.855		0001144973	3600	112,107	0	PT
93.855		0001151471AM01	3600	114,459	0	PT
93.855		0001162193AM01	3600	59,862	0	PT
93.855		0001162350AM001	3600	75,062	0	PT
93.855		0001162351	3600	72,905	0	PT
93.855		0001169353	3600	3,631	0	PT
93.855		0001169354AM01	3600	387,265	0	PT
93.855		0001169423AM01	3600	489,793	0	PT
93.855		0001170184	3600	129,061	0	PT
93.855		0001178084	3600	2,743	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 Cluster

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
93.855	Allergy and Infectious Diseases Research	000510836SC006A03	3600	1,271,535	0	PT
93.855		000520244SP008SC022	3600	70,180	0	PT
93.855		000537808SC001A01	3600	29,435	0	PT
93.855		0139203S01	3600	110,000	0	PT
93.855		0148801S01	3600	19,264	0	PT
93.855		100525301AM03	3600	450,303	0	PT
93.855		10062083UWAM2	3600	127,977	0	PT
93.855		1006210302UWAM02	3600	331,866	0	PT
93.855		1013170UWAAM04	3600	8,003	0	PT
93.855		10182SCAM08	3600	39,476	0	PT
93.855		1020009UWAAM01	3600	323,627	0	PT
93.855		1020638UWAM02	3600	8,174	0	PT
93.855		1022434UWAA3AM01	3600	13,660	0	PT
93.855		10951SCAM06	3600	50,226	0	PT
93.855		11003SCAM06	3600	12,223	0	PT
93.855		11313SCAM08	3600	798,038	0	PT
93.855		11645SUBMOD05	3600	93,908	0	PT
93.855		11670SUBMOD05	3600	7,295	0	PT
93.855		12175SUBMOD05	3600	279,611	0	PT
93.855		12179SUBMOD04	3600	153,054	0	PT
93.855		12234SUBMOD04	3600	537,560	0	PT
93.855		12366SUBMOD4	3600	21,017	0	PT
93.855		12490SUBMOD03	3600	176,316	0	PT
93.855		12491SUBMOD02	3600	32,419	0	PT
93.855		12509SUBMOD03	3600	283,882	0	PT
93.855		1253940005	3600	22,908	0	PT
93.855		12760SUBMOD01	3600	311,510	0	PT
93.855		12773SUBMOD01	3600	80,611	0	PT
93.855		12783SUBMOD02	3600	85,032	0	PT
93.855		12906SCAM002	3600	25,154	0	PT
93.855		12921SUB	3600	51,667	0	PT
93.855		12924SUB	3600	59,302	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington
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Research and Development Cluster

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
93.855	Allergy and Infectious Diseases Research	12944SCAM03	3600	96,898	0	PT
93.855		13124SUBAM01	3600	29,209	0	PT
93.855		13150SCAM03	3600	86,935	0	PT
93.855		13154SUB	3600	329,579	0	PT
93.855		13251SUB	3600	48,957	0	PT
93.855		13307SUB	3600	61,183	0	PT
93.855		13738SCAM01	3600	17,390	0	PT
93.855		13889321147AM03	3600	6,036	0	PT
93.855		14636SCAMEND1	3600	200,302	0	PT
93.855		1559GXG085AM003	3600	393,873	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	1560BLC922AM03	3600	3,695,612	0	PT
93.855	Allergy and Infectious Diseases Research	1560BLD297	3600	122,218	0	PT
93.855		1560BYC861AM06	3600	302,822	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	1560BYC861AM06	3600	1,226	0	PT
93.855	Allergy and Infectious Diseases Research	1560GIA633	3600	1,461	0	PT
93.855		1560GLA895AM01	3600	4,153	0	PT
93.855		16500000064792	3600	389,640	0	PT
93.855		1650GIA020	3600	156,330	0	PT
93.855		1GG01864201	3600	56,053	0	PT
93.855		1R61AI16181101002AM02	3600	17,033	0	PT
93.855		2005307175AM02	3600	626,239	0	PT
93.855		2023469AM1	3600	68,114	0	PT
93.855		20240001	3600	35,427	0	PT
93.855		203504UWAM04	3600	6,356	0	PT
93.855		20M23RAM04	3600	367,532	0	PT
93.855		2590372324AM03	3600	498,761	0	PT
93.855		265708UWASHAM03	3600	22,750	0	PT
93.855		3GG01961201AM3	3600	37,219	0	PT
93.855		5668AM02	3600	140,636	0	PT
93.855		5R42AI13862304	3600	399,481	0	PT
93.855		60060177UWA01	3600	(1,479)	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 Cluster

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
93.855	Allergy and Infectious Diseases Research	7137555AM04	3600	35,499	0	PT
93.855		8989WUAMEND3	3600	(1,367)	0	PT
93.855		90654UNIVOFWASHINGTON	3600	114,001	0	PT
93.855		9167PRIOR9155AM05	3600	172,295	0	PT
93.855		A181422AM01	3600	321,452	0	PT
93.855		A400416AM03	3600	13,135	0	PT
93.855		A611940AM04	3600	371,521	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	A611940AM04	3600	19,005	0	PT
93.855	Allergy and Infectious Diseases Research	A675795	3600	(283)	0	PT
93.855		A680754AM1	3600	333,933	0	PT
93.855		A683318	3600	731,399	0	PT
93.855		A704758AM01	3600	41,843	0	PT
93.855		A780946FORMERLYA7468	3600	7,997	0	PT
93.855		A829618	3600	11,458	0	PT
93.855		A850854	3600	182,251	0	PT
93.855		A885401	3600	134,538	0	PT
93.855		A891295AMD1	3600	141,148	0	PT
93.855		A927294	3600	15,054	0	PT
93.855		A951594FORMERLYA9019	3600	20,552	0	PT
93.855		AGMT00009903AM1	3600	306,881	0	PT
93.855		AH6466846139AM02	3600	215,026	0	PT
93.855		AI152646	3600	77,692	0	PT
93.855		AM2	3600	46,893	0	PT
93.855		AWD000026821349442AM0	3600	86	0	PT
93.855		CB2558SB897826AM09	3600	37,509	0	PT
93.855		FY231210001AM01	3600	13,849	0	PT
93.855		FY23ITN293AM05	3600	31,941	0	PT
93.855		G16418W7010AM09	3600	46,476	0	PT
93.855		GENFD0002265374AM02	3600	120,002	0	PT
93.855		GMO180806AM07	3600	910	0	PT
93.855		GR102740PRIOR60062782	3600	33,121	0	PT
93.855		GRT00001924PO20354777	3600	16,747	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 Cluster

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
93.855	Allergy and Infectious Diseases Research	LDR02PO2004908062MOD	3600	27,900	0	PT
93.855		PO21000543MOD07	3600	17,053	0	PT
93.855		R1629	3600	7,625	0	PT
93.855		RNG210453UWAM3	3600	5,561	0	PT
93.855		S003033DHHSAM02	3600	116,003	0	PT
93.855		S006256	3600	52,252	0	PT
93.855		S1743	3600	15,606	0	PT
93.855		S612634AM01	3600	19,689	0	PT
93.855		SCON00006136	3600	2,358	0	PT
93.855		SUB00000294AM01	3600	95,317	0	PT
93.855		TBC2023UOW	3600	241,703	0	PT
93.855		UCT00035674AM001	3600	70,918	0	PT
93.855		UWAWD-005169	3600	13,219	0	PT
93.855		UWAWD-005189	3600	294,593	0	PT
93.855		UWAWD-008211	3600	751,520	0	PT
93.855		UWAWD-020480	3600	86,422	0	PT
93.855		UWOSPAGREEMENTA151	3600	258,262	0	PT
93.855		VUMC101103AM05	3600	31,632	0	PT
93.855		VUMC74709AM06	3600	274,602	0	PT
93.855		VUMC85048AM04	3600	23,813	0	PT
93.855		VUMC85657AM5	3600	77,383	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research		3650	5,667,957	1,250,355	
93.855	Allergy and Infectious Diseases Research	0000001914	3650	(556)	0	PT
93.855		0000002546	3650	77,513	0	PT
93.855		11312021753066834L	3650	83,027	0	PT
93.855		22348WSU	3650	27,491	0	PT
93.855		5128305	3650	130,679	0	PT
93.855		AWD00001333SUB0000537	3650	85,167	0	PT
93.855		H004942302	3650	(28)	0	PT
93.855		H009691402	3650	23,639	0	PT
93.855		MO070619	3650	21,726	0	PT
93.855		TULHSC5605792223	3650	72,092	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
93.855	Allergy and Infectious Diseases Research	UTAUS-SUB00000654AM1	3650	94,863	0	PT
93.855		WAS255636	3650	61,213	0	PT
Federal Program 93.855 Total				121,272,408	18,704,433	
93.856	Microbiology and Infectious Diseases Research		3650	347,157	0	
Federal Program 93.856 Total				347,157	0	
93.859	Biomedical Research and Research Training		3600	33,121,314	392,845	
93.859		00002186AM001	3600	3,533	0	PT
93.859		0001135621AM01	3600	62,214	0	PT
93.859		1R35GM13357201	3600	20,518	0	PT
93.859		2023480AM002	3600	122,362	0	PT
93.859		2023481AM2	3600	33,480	0	PT
93.859		2023620AM01	3600	56,002	0	PT
93.859		62244825136718AM08	3600	288,840	0	PT
93.859		AWD0002371	3600	13,509	0	PT
93.859	COVID-19 – Biomedical Research and Research Training	G26622W9487AM03	3600	30,335	0	PT
93.859	Biomedical Research and Research Training	PG246137001	3600	15,493	0	PT
93.859		SUB00003607AM01	3600	23,661	0	PT
93.859			3650	5,014,180	275,714	
93.859		139375	3650	531,572	0	PT
93.859		142773001	3650	174,410	0	PT
93.859		74081016	3650	(2,362)	0	PT
93.859		AWD00000238	3650	9,891	0	PT
93.859		M2100083	3650	66,539	0	PT
93.859		NWIC24230SAWSU	3650	197,180	0	PT
93.859		R15GM132845WSU	3650	(39)	0	PT
93.859		WU17182	3650	(138)	0	PT
93.859		7R15GM150043-02	3700	64,579	0	
93.859		621-003-01	3750	27,568	0	PT
93.859			3800	140,241	0	
93.859		205CRE480	6990	5,166	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Research and Development Cluster

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 93.859 Total				40,020,048	668,559	
93.865	Child Health and Human Development Extramural Rese		3600	26,423,594	4,554,432	
93.865		0001109966AM02	3600	24,766	0	PT
93.865		0001127576AM02	3600	171,591	0	PT
93.865		100495102AM02	3600	20,785	0	PT
93.865		11726703875119062	3600	22,211	0	PT
93.865		12380SUBMOD03	3600	18,009	0	PT
93.865		125323AM02	3600	10,343	0	PT
93.865		125594AM05	3600	47,578	0	PT
93.865		12733SUBMOD03	3600	37,307	0	PT
93.865		127603AM01	3600	10,343	0	PT
93.865		127850	3600	13,790	0	PT
93.865		12870SUBMOD04	3600	171,422	0	PT
93.865		12871SUBAWD00000304M	3600	25,304	0	PT
93.865		12952SUBMOD01	3600	153,978	0	PT
93.865		13005SUBMOD01	3600	36,116	0	PT
93.865		13083SUBMOD01	3600	122,022	0	PT
93.865		13325SUB	3600	10,119	0	PT
93.865		134751633AM05	3600	24,105	0	PT
93.865		14043SCAM02	3600	7,278	0	PT
93.865		2006275334AM01	3600	58,866	0	PT
93.865		20221728AM001	3600	28,412	0	PT
93.865		22649423	3600	110,695	0	PT
93.865		238626306AM001	3600	85,862	0	PT
93.865		239457AM03	3600	59,245	0	PT
93.865		243201AM01	3600	18,280	0	PT
93.865		302000341	3600	113,252	0	PT
93.865		4500005006	3600	3,354	0	PT
93.865		49001AM01	3600	13,818	0	PT
93.865		500180103AM04	3600	275,416	0	PT
93.865		5126130AM001	3600	34,042	0	PT
93.865		5126131AM02	3600	395,207	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Research and Development Cluster

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
93.865	Child Health and Human Development Extramural Rese	618B4436SE49714971AM04	3600	107,836	0	PT
93.865		82326UWY2A1AM01	3600	23,639	0	PT
93.865		A186648AM01	3600	16,314	0	PT
93.865		A220163S002	3600	26,380	0	PT
93.865		A861494	3600	9,836	0	PT
93.865		AM01	3600	244,120	0	PT
93.865		AM02	3600	275,779	0	PT
93.865		AWD0000318841932613MO	3600	10,168	0	PT
93.865		AWD000061311387521AM1	3600	18,966	0	PT
93.865		AWD002298G2AM02	3600	13,981	0	PT
93.865		BJ215BJ21SIBCR	3600	3,160	0	PT
93.865		BJ215BJ22SIBCR	3600	3,160	0	PT
93.865		C000793527	3600	22,509	0	PT
93.865		GRT00002485PO20442645A	3600	1,027	0	PT
93.865		IJ25IJ23SIBCR	3600	4,028	0	PT
93.865		R000003132AM01	3600	33,837	0	PT
93.865		R000003162102622AM001	3600	30,119	0	PT
93.865		RC115789	3600	30,670	0	PT
93.865		RNG212701UW	3600	53,107	0	PT
93.865		SHEP230005AM001	3600	6,740	0	PT
93.865		SUBK00013590AM02	3600	13,726	0	PT
93.865		SUBK00016114AM02	3600	227,358	0	PT
93.865		UWA319243P000687535	3600	31,023	0	PT
93.865		UWAWD-007054	3600	50,990	0	PT
93.865		WU19329MOD5	3600	272,083	0	PT
93.865		WU220482MOD3	3600	322,860	0	PT
93.865			3650	2,200,386	645,634	
93.865		74081018	3650	23,853	0	PT
93.865		SUBK00014051	3650	(1,853)	0	PT
Federal Program 93.865 Total				32,622,912	5,200,066	
93.866	Aging Research		3600	48,974,378	6,919,972	
93.866		0000000685AM03	3600	1,949	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 Cluster

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	0000001964AM03	3600	15,977	0	PT
93.866		0000002701AM01	3600	59,448	0	PT
93.866		0000003319	3600	309,062	0	PT
93.866		0000003328	3600	54,397	0	PT
93.866		0000003329	3600	163,928	0	PT
93.866		00001958AM03	3600	33,007	0	PT
93.866		00002080AM03	3600	40,002	28,771	PT
93.866		00002197	3600	20,944	0	PT
93.866		0001177703	3600	26,615	0	PT
93.866		000537726SC002AMA01	3600	70,170	0	PT
93.866		01064588AM1	3600	31,848	0	PT
93.866		0255B7414609AM05	3600	48,072	0	PT
93.866		0255B8514609AM09	3600	180,555	0	PT
93.866		0255E3014609AM01	3600	11,321	0	PT
93.866		0255I1814609	3600	51,035	0	PT
93.866		1004189606WASH	3600	16,847	0	PT
93.866		1015875UWAAM03	3600	174,841	0	PT
93.866		1023960001UWASH01	3600	95,825	0	PT
93.866		10803366411000001944AM	3600	8,327	0	PT
93.866		10841SCAM05	3600	10,987	0	PT
93.866		109309268AM04	3600	(721)	0	PT
93.866		11024511611000000260	3600	184,000	0	PT
93.866		11075SCAM06	3600	7,679	0	PT
93.866		1143366410000551083AM0	3600	201,185	0	PT
93.866		124009907AM04	3600	1,501	0	PT
93.866		125298AM02	3600	233,035	0	PT
93.866		12773366411000000619AM	3600	31,664	0	PT
93.866		131446798AM05	3600	1,215	0	PT
93.866		133033664110000000619	3600	13,343	0	PT
93.866		137298298AM03	3600	83,027	0	PT
93.866		168701168699AM04	3600	67,374	0	PT
93.866		17104510811000000214AM	3600	55,627	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington
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Research and Development Cluster

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	171841171837AM1	3600	91,771	0	PT
93.866		174127173581	3600	12,640	0	PT
93.866		1GG01479201AM04	3600	12,515	0	PT
93.866		20200217AM07	3600	1,330,574	0	PT
93.866		248557603	3600	120,058	0	PT
93.866		2GG01345701AM01	3600	16,302	0	PT
93.866		3713366410000111041AM0	3600	58,625	0	PT
93.866		378455AM01	3600	22,852	0	PT
93.866		3GG01535307AM03	3600	130,447	0	PT
93.866		418400002UWAM04	3600	23,077	0	PT
93.866		4500003082AM05	3600	79,025	0	PT
93.866		4500003432AM004	3600	72,925	0	PT
93.866		4500003470AM04	3600	77,238	0	PT
93.866		4500004410AM008	3600	258,164	0	PT
93.866		46642023UW	3600	13,699	0	PT
93.866		4GG01512901POG16773A	3600	31,475	0	PT
93.866		500116AM02	3600	235,600	0	PT
93.866		5124100AM02	3600	9,252	0	PT
93.866		586117AM03	3600	143,152	0	PT
93.866		587103AM5	3600	64,734	0	PT
93.866		587757	3600	16,378	0	PT
93.866		60060219UWAA02	3600	190,580	0	PT
93.866		6GG01499801	3600	33,170	0	PT
93.866		8GG01582207G15783AM02	3600	167,733	0	PT
93.866		900142AM02	3600	124,986	0	PT
93.866		97832536AM04	3600	150	0	PT
93.866		A033241AM04	3600	366,025	0	PT
93.866		A984919FORMERLYA7006	3600	149,216	0	PT
93.866		AWD000035471358751AM0	3600	215,878	0	PT
93.866		CD39PARTARM1SIBCR	3600	10,814	0	PT
93.866		CD39UW3AM2	3600	103,303	0	PT
93.866		FY22830001AM08	3600	277,512	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 Cluster

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	GJ116HERODM5SIBCR	3600	52,577	0	PT
93.866		GJ118GJ14SIBCR	3600	14,358	0	PT
93.866		GJ118QUIROS2SIBCR	3600	33,778	0	PT
93.866		GJ118UW3	3600	49,695	0	PT
93.866		GL064596UWSY6AM05	3600	72,297	0	PT
93.866		KB210AHANM4SIBCR	3600	39,025	0	PT
93.866		KB210AKB23SIBCR	3600	44,551	0	PT
93.866		KB210AMCMILP4SIBCR	3600	12,011	0	PT
93.866		KB211AECKR1SIBRC	3600	15,486	0	PT
93.866		KB211AKB21SIBCR	3600	20,048	0	PT
93.866		KB216MCMILP1SIBCR	3600	31,630	0	PT
93.866		KB216WINSTJ1SIBCR	3600	44,414	0	PT
93.866		LG16IJ22SIBCR	3600	3,593	0	PT
93.866		LG16LG11SIBCR	3600	4,767	0	PT
93.866		LG16LG12SIBCR	3600	7,274	0	PT
93.866		LG16PE11SIBCR	3600	5,085	0	PT
93.866		LG16UW1	3600	49,671	0	PT
93.866		LN15JADHAV4SIBCR	3600	15,388	0	PT
93.866		LN15LONGA2SIBCR	3600	71,025	0	PT
93.866		LN15TOSCAL4SIBCR	3600	78,885	0	PT
93.866		LN15UW3AM2	3600	156,430	0	PT
93.866		OS00001485	3600	2,313	0	PT
93.866		PE158PE14SIBCRM01	3600	202	0	PT
93.866		PE158PE15SIBCR	3600	12,255	0	PT
93.866		PE158REINR11SIBCRM01	3600	64,154	0	PT
93.866		PE158RM11SIBCR	3600	45,123	0	PT
93.866		PE162BUW1AM02	3600	865	0	PT
93.866		PE163LG13SIBCR	3600	13,538	0	PT
93.866		PE163PE13SIBCR	3600	13,300	0	PT
93.866		RNG209925UWAM08	3600	24,252	0	PT
93.866		RNG211392UWONC	3600	263,835	0	PT
93.866		RNG211393UWOFFCAM04	3600	8,125	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington
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Research and Development Cluster

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	RNG211393UWONCAM05	3600	331,677	0	PT
93.866		RNG211393UWSLUAM05	3600	49,992	0	PT
93.866		RNG211394UWONCAM02	3600	113,696	0	PT
93.866		RNG211394UWSLUAM4	3600	630,149	0	PT
93.866		RNG211395UWONCAM05	3600	189,280	0	PT
93.866		RNG211396UWOFFCAM04	3600	801,571	0	PT
93.866		RNG211396UWONCAM4	3600	147,377	0	PT
93.866		RNG211397UWONCAM4	3600	55,273	0	PT
93.866		RNG211398UWONCAM03	3600	965,362	0	PT
93.866		RNG211398UWSLUAM02	3600	152,017	0	PT
93.866		RNG211399UWONCAM04	3600	772,180	0	PT
93.866		RNG211399UWSLUAM04	3600	158,422	0	PT
93.866		RNG211400UWOFFCAM04	3600	142,292	0	PT
93.866		RNG211400UWONCAM03	3600	88,919	0	PT
93.866		SHL212004AM05	3600	9,237	0	PT
93.866		SUB00000699URFAOGR53	3600	34,337	0	PT
93.866		SUB00002628AM04	3600	12,021	0	PT
93.866		SUBK00009657AM04	3600	31,784	0	PT
93.866		SUBK00016445AM02	3600	188,754	0	PT
93.866		SUBK00017248AM01	3600	42,729	0	PT
93.866		TD112ATD16SIBCR	3600	14,408	0	PT
93.866		TD122BHS22SIBCR	3600	18,174	0	PT
93.866		TD122BLG11SIBCR	3600	12,080	0	PT
93.866		TD122BTD11SIBCR	3600	45,688	0	PT
93.866		TD122BUW2	3600	18,728	0	PT
93.866		UNI30438301AM02	3600	101,606	0	PT
93.866		UNW312328PO000055634	3600	31,191	0	PT
93.866		UTAUSSUB00000895AMD	3600	30,079	0	PT
93.866		UWAWD-002906	3600	157,520	0	PT
93.866		UWAWD-008497	3600	12,756	0	PT
93.866		VUMC68180AM06	3600	159,799	0	PT
93.866		VUMC95666AM03	3600	21,010	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Research and Development Cluster

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	VUMC95855AM03	3600	1,011,811	0	PT
93.866		WAS26313403	3600	185,530	0	PT
93.866		WU19279MOD7AM07	3600	4,654	0	PT
93.866			3650	9,383,398	3,352,598	
93.866		1GG019220	3650	17,194	0	PT
93.866		217990A	3650	19,153	0	PT
93.866		676032	3650	251,258	0	PT
93.866		A201801S001	3650	115,635	0	PT
93.866		FY16001015	3650	(4,727)	0	PT
93.866		OS00001331	3650	218,099	0	PT
93.866		WRK326	3650	8,275	0	PT
Federal Program 93.866 Total				73,758,672	10,301,341	
93.867	Vision Research		3600	12,899,264	598,530	
93.867		000521712SC002	3600	22,200	0	PT
93.867		1GG01795901AM1	3600	46,558	0	PT
93.867		2004876349AM04	3600	250	0	PT
93.867		2005261524AM03	3600	153,196	0	PT
93.867		20200288AM02	3600	(24,248)	0	PT
93.867		62015716136077AM07	3600	33,796	0	PT
93.867		62746996206461AM04	3600	76,351	0	PT
93.867		63129299133041AM01	3600	160,146	0	PT
93.867		AM002	3600	11,415	0	PT
93.867		F196001AM03	3600	103,115	0	PT
93.867		PO6302958	3600	39,660	0	PT
93.867		R1343633	3600	6,050	0	PT
93.867		SUB00004150	3600	3,786	0	PT
93.867		UG1EY033293MOD1	3600	37	0	PT
93.867			3650	195,738	0	
93.867		7314801	3650	552	0	PT
93.867		74081019	3650	47,097	0	PT
93.867		CB4725897942	3650	30,226	0	PT
Federal Program 93.867 Total				13,805,189	598,530	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development Cluster

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
National Institutes of Health Total				412,907,784	51,422,867	
93.877	Autism Collaboration, Accountability, Research, Ed	1557PLA58501	3600	20,549	0	PT
Federal Program 93.877 Total				20,549	0	
Health Resources and Services Administration Total				20,549	0	
93.879	Medical Library Assistance		3600	3,204,884	366,199	
93.879		E2060341AM002	3600	30,558	0	PT
Federal Program 93.879 Total				3,235,442	366,199	
National Institutes of Health Total				3,235,442	366,199	
93.941	HIV Demonstration, Research, Public and Profession		3600	1,186,637	65,964	
93.941		UW001	3600	8,148	0	PT
Federal Program 93.941 Total				1,194,785	65,964	
Centers for Disease Control and Prevention Total				1,194,785	65,964	
93.989	International Research and Research Training		3600	2,766,642	563,855	
93.989		005AM04	3600	150,495	0	PT
93.989		1005926203POU000334651	3600	13,979	0	PT
93.989		1G11TW01227001	3600	12,971	0	PT
93.989		A110910819CHS0502AM08	3600	49,062	0	PT
93.989		AM1	3600	17,668	0	PT
93.989		HEPIYEAR5UONUW1R25	3600	77,484	0	PT
93.989		KNHSC230401	3600	377,350	0	PT
93.989		UWAWD-003453	3600	92,797	0	PT
93.989		UWU01TW012236	3600	6,299	0	PT
93.989			3650	145,813	40,284	
Federal Program 93.989 Total				3,710,560	604,139	
National Institutes of Health Total				3,710,560	604,139	
93.RD	Department of Health and Human Services - Unknown	0001063279AM05	3600	9,673	0	PT
93.RD		00011170AM01	3600	111,113	0	PT
93.RD		000524050T007007AM03	3600	841	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 Cluster

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	Department of Health and Human Services - Unknown	00062660AM05	3600	3,641	0	PT
93.RD		0215104S01	3600	35,391	0	PT
93.RD		1014432UWAAM06	3600	517,813	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	1020599UWAAM02	3600	75	0	PT
93.RD	Department of Health and Human Services - Unknown	1023803UWAM01	3600	16,907	0	PT
93.RD		1097865110787AM07	3600	664,994	0	PT
93.RD		12913SUB	3600	766,329	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	12913SUB	3600	167,079	0	PT
93.RD	Department of Health and Human Services - Unknown	12930SUB	3600	1,132,139	0	PT
93.RD		12934SUBAM01	3600	188,867	0	PT
93.RD		131446521AM03	3600	364	0	PT
93.RD		13158SUB	3600	39,957	0	PT
93.RD		13159SUB	3600	38,845	0	PT
93.RD		13161SUB	3600	145,056	0	PT
93.RD		13164SUB	3600	28,484	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	13164SUB	3600	17,896	0	PT
93.RD	Department of Health and Human Services - Unknown	13203SUBAM02	3600	453,042	0	PT
93.RD		20042803SUB02AM02	3600	455,034	455,034	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	20042803SUB02AM02	3600	142,744	0	PT
93.RD	Department of Health and Human Services - Unknown	20042803SUB08	3600	110,080	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	22CTADM0019MOD04	3600	244,883	0	PT
93.RD	Department of Health and Human Services - Unknown	23PPADM0011	3600	18,375	0	PT
93.RD		5122494AM06	3600	10,073	0	PT
93.RD		53415	3600	16,770	0	PT
93.RD		721201	3600	2,243	0	PT
93.RD		722101	3600	93,597	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 Cluster

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	Department of Health and Human Services - Unknown	7506PREVAM1	3600	19,411	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	75D30121C10207MOD04	3600	74,639	0	
93.RD	Department of Health and Human Services - Unknown	75D30121C11341	3600	104,581	0	PT
93.RD		75D30123D1597375D30123	3600	468,150	385,459	
93.RD		75N92020F00001	3600	2,940,477	212,204	
93.RD		75N92021D0000675N92021	3600	1,587,357	225,004	
93.RD		75N93019C00063PO631942	3600	959,683	81,445	
93.RD		75N94020D0000675N94020	3600	35,092	0	
93.RD		75N95021C00008P00006	3600	217,982	0	
93.RD		7820162400001	3600	6,064	0	PT
93.RD		8308BMS01	3600	31	0	PT
93.RD		A175366AM02	3600	120,876	0	PT
93.RD		AWD000061711392382AM0	3600	110,032	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	AWD101462EAM08	3600	194,516	0	PT
93.RD	Department of Health and Human Services - Unknown	GG01890801	3600	609,004	0	PT
93.RD		HHSN272201800008CP0001	3600	1,572,395	101,964	
93.RD		HHSN275201300025IP0000	3600	724,396	378,972	
93.RD		HHSN275201300025IP0001	3600	218,234	0	
93.RD		MA243766TO474098MOD0	3600	217,469	0	PT
93.RD		MW20180621	3600	87,067	0	PT
93.RD		OOS030579UW02AM04	3600	11,795,185	315,677	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	OOS030579UW02AM04	3600	8,228,275	320,910	PT
93.RD	Department of Health and Human Services - Unknown	PG236117005AM02	3600	584,135	0	PT
93.RD		PO2152280REV04	3600	108,338	0	PT
93.RD		SHSTA1001UW	3600	21,302	0	PT
93.RD		SP14542SB11AM05	3600	12,247	0	PT
93.RD		SUBCONTRACTNO4MOD	3600	124,454	0	PT
93.RD		UWAWD-002317	3600	7,678	0	PT
93.RD		UWAWD-004200	3600	14,530	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 Cluster

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	Department of Health and Human Services - Unknown	UAWAD-005412	3600	(8,573)	0	PT
93.RD		UAWAD-007436	3600	5,778	0	PT
93.RD		UAWAD-007682	3600	124,899	0	PT
93.RD		UAWAD-009527	3600	41,923	0	PT
93.RD		UAWAD-009869	3600	225,472	0	PT
93.RD		UAWAD-020112	3600	79,556	0	PT
93.RD		VUMC116505	3600	142,702	0	PT
Federal Program 93.RD Total				37,207,662	2,476,669	
HHS Contract Number Only Provided Total				37,207,662	2,476,669	
Dept of Health & Human Services Total				769,114,290	91,281,148	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development Cluster

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	2122AM01	3600	23,051	0	PT
Federal Program 97.044 Total				23,051	0	
97.061	Centers for Homeland Security	UWAWD-003715	3600	78,879	0	PT
Federal Program 97.061 Total				78,879	0	
Homeland Security Total				101,930	0	
97.RD	Homeland Security - Unknown ALN	70RSAT21CB0000014P0000	3600	112,803	0	
Federal Program 97.RD Total				112,803	0	
Hs Contract Number Only Provided Total				112,803	0	
Dept of Homeland Security Total				214,733	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development Cluster

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	COVID-19 – USAID Foreign Assistance for Programs Overseas	1000190MKTSDOCD	3600	28,204	0	PT
98.001	USAID Foreign Assistance for Programs Overseas	1000334RSSOASST	3600	7,416	0	PT
98.001		AI9014AM09	3600	168,756	0	PT
98.001		PROJECT102716001001005	3600	118,461	0	PT
98.001		SCON10000055MOD07	3600	33,445	0	PT
98.001		UNR2062AM02	3600	35,177	0	PT
98.001		UWAWD-007059	3600	466,628	0	PT
Federal Program 98.001 Total				858,087	0	
International Development Total				858,087	0	
U.S. Agency for International Development Total				858,087	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development Cluster

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	1740060301MOD12PO1900	3600	61,421	0	PT
Federal Program 99.RD Total				61,421	0	
Unknown Fed Agy Contract Number Only Provided Total				61,421	0	
Undetermined Fed Agency Total				61,421	0	
Research and Development Cluster Total				1,297,019,691	152,893,311	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Student Financial Assistance Cluster

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	3,511,694	0	
84.007			3650	771,234	0	
84.007		SEOG	3700	617,797	0	
84.007		P007A234350	3750	447,210	0	
84.007		P07A224350	3750	(59,609)	0	
84.007		P007A234362	3760	487,124	0	
84.007		84.007	6990	4,730,904	0	
Federal Program 84.007 Total				10,506,354	0	
84.033	Federal Work-Study Program	84.033A	3600	1,470,802	0	
84.033			3650	591,657	0	
84.033		FWS	3700	638,701	0	
84.033		P033A224350	3750	28,230	0	
84.033		P033A234350	3750	322,269	0	
84.033		P033A224362	3760	327,578	0	
84.033		Federal Work Study	3800	487,895	0	
84.033		84.033	6990	2,514,360	0	
84.033		84.033A	6990	196,474	0	
Federal Program 84.033 Total				6,577,966	0	
84.038	Federal Perkins Loan Program		3600	13,479,330	0	OL
84.038		84.038	3600	(3,294,747)	0	OL
84.038			3650	5,206,055	0	OL
84.038		Perkins	3650	(1,620,831)	0	OL
84.038			3700	882,905	0	OL
84.038		Perkins	3700	(457,527)	0	OL
84.038			3760	1,567	0	OL
84.038		84.038	3760	(115)	0	OL
84.038			3800	2,410,701	0	OL
84.038		Perkins Loan Program	3800	(717,220)	0	OL
84.038			6990	6,492	0	OL
Federal Program 84.038 Total				15,896,610	0	
84.063	Federal Pell Grant Program	84.063A	3600	53,678,394	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 Cluster

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	34,950,650	0	
84.063		84.141A	3650	443,058	0	
84.063		PELL Grant	3700	13,996,434	0	
84.063		P063P220412	3750	4,365	0	
84.063		P063P230412	3750	16,458,225	0	
84.063		Pell Admin Allowance	3750	15,725	0	
84.063		P063P223051	3760	5,368,431	0	
84.063		Federal Pell Grant Prg	3800	15,767,262	0	
84.063		PELL	6990	172,643,851	0	
Federal Program 84.063 Total				313,326,395	0	
84.268	Federal Direct Student Loans	84.268	3600	296,921,762	0	
84.268		Direct Loans	3700	48,096,865	0	
84.268		P268K230412	3750	340,968	0	
84.268		P268K240412	3750	37,537,876	0	
84.268		P268K233051	3760	11,105,768	0	
84.268		Federal Direct Loans	3800	40,411,674	0	
84.268		Direct Loans	6990	80,157,538	0	
Federal Program 84.268 Total				514,572,451	0	
84.379	Teacher Education Assistance for College and Higher	84.379A	3600	52,183	0	
84.379			3650	194,343	0	
84.379		P379T230412	3750	629	0	
84.379		P379T240412	3750	80,831	0	
84.379		TEACH Grant Program	3800	27,661	0	
Federal Program 84.379 Total				355,647	0	
Dept of Education Total				861,235,423	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 Cluster

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	741,150	0	OL
93.264			3600	1,986,530	0	OL
93.264			3650	(48,594)	0	OL
93.264			3650	2,004,886	0	OL
Federal Program 93.264 Total				4,683,972	0	
93.342	Health Professions Student Loans, Including Primar		3600	13,298,895	0	OL
93.342			3600	(114,034)	0	OL
93.342			3650	2,187,979	0	OL
93.342			3650	313,277	0	OL
Federal Program 93.342 Total				15,686,117	0	
93.364	Nursing Student Loans		3600	461,050	0	OL
93.364			3600	2,938,365	0	OL
93.364			3650	(171,788)	0	OL
93.364			3650	1,854,853	0	OL
Federal Program 93.364 Total				5,082,480	0	
93.925	Scholarships for Health Professions Students From		3600	1,402,653	0	
Federal Program 93.925 Total				1,402,653	0	
Dept of Health & Human Services Total				26,855,222	0	
Student Financial Assistance Cluster Total				888,090,645	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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SNAP Cluster

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	1,928,572,631	0	NC
10.551			3000	(94)	0	
Federal Program 10.551 Total				1,928,572,537	0	
10.561	State Administrative Matching Grants for the Suppl		3000	154,746,327	10,317,443	
Federal Program 10.561 Total				154,746,327	10,317,443	
Dept of Agriculture Total				2,083,318,864	10,317,443	
SNAP Cluster Total				2,083,318,864	10,317,443	

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

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Food Distribution Cluster

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		4950	619,129	595,794	
Federal Program 10.565 Total				619,129	595,794	
10.568	Emergency Food Assistance Program (Administrative)		4950	5,904,067	5,185,222	
Federal Program 10.568 Total				5,904,067	5,185,222	
10.569	Emergency Food Assistance Program (Food Commodities)		4950	48,571,387	48,571,387	NC
Federal Program 10.569 Total				48,571,387	48,571,387	
Dept of Agriculture Total				55,094,583	54,352,403	
Food Distribution Cluster Total				55,094,583	54,352,403	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Child Nutrition Cluster

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	85,357,955	85,357,955	
	Federal Program 10.553 Total			85,357,955	85,357,955	
10.555	National School Lunch Program		3500	320,018,344	320,018,344	
10.555			3500	41,715,106	41,715,106	NC
	Federal Program 10.555 Total			361,733,450	361,733,450	
10.556	Special Milk Program for Children		3500	101,397	101,397	
	Federal Program 10.556 Total			101,397	101,397	
10.559	Summer Food Service Program for Children		3500	5,712,679	5,064,826	
	Federal Program 10.559 Total			5,712,679	5,064,826	
10.582	Fresh Fruit and Vegetable Program		3500	4,432,188	4,347,920	
	Federal Program 10.582 Total			4,432,188	4,347,920	
	Dept of Agriculture Total			457,337,669	456,605,548	
	Child Nutrition Cluster Total			457,337,669	456,605,548	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Fish and Wildlife Cluster

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	F22AF00385	4770	864,515	0	
15.605		F22AF03719	4770	168,949	0	
15.605		F22AF03720	4770	15,735	0	
15.605		F22AF03726	4770	53,104	0	
15.605		F22AF03747	4770	614,621	0	
15.605		F22AF03748	4770	66,442	0	
15.605		F23AF01760	4770	40,666	0	
15.605		F23AF01763	4770	1,335,099	0	
15.605		F23AF01843	4770	391,502	0	
15.605		F23AF02703	4770	1,229,912	0	
15.605		F23AF02840	4770	168,682	0	
15.605		F23AF02879	4770	312,068	0	
15.605		F23AF03176	4770	48,446	0	
15.605		F23AF03244	4770	109,459	0	
15.605		F23AF03274	4770	1,314,122	0	
15.605		F23AF03466	4770	1,385,719	0	
Federal Program 15.605 Total				8,119,041	0	
15.611	Wildlife Restoration and Basic Hunter Education	F23AF02694	4770	470,111	0	
15.611		F23AF03003	4770	453,141	0	
15.611		F23AF03017	4770	6,706,521	0	
15.611		F23AF03023	4770	7,190,103	0	
15.611		F23AF03164	4770	1,840,560	0	
15.611		F23AF03242	4770	1,644,845	0	
15.611		F24AF00404	4770	156,515	0	
Federal Program 15.611 Total				18,461,796	0	
15.626	Enhanced Hunter Education and Safety	F23AF03242	4770	238,762	0	
Federal Program 15.626 Total				238,762	0	
Dept of the Interior Total				26,819,599	0	
Fish and Wildlife Cluster Total				26,819,599	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Employment Service Cluster

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	17,804,458	0	
Federal Program 17.207 Total				17,804,458	0	
17.801	Jobs for Veterans State Grants		5400	5,026,720	0	
Federal Program 17.801 Total				5,026,720	0	
Dept of Labor Total				22,831,178	0	
Employment Service Cluster Total				22,831,178	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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WIOA Cluster

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	22,976,201	22,485,472	
17.258		1205-0526	6990	97,998	0	PT
Federal Program 17.258 Total				23,074,199	22,485,472	
17.259	WIOA Youth Activities		5400	21,854,237	19,860,099	
Federal Program 17.259 Total				21,854,237	19,860,099	
17.278	WIOA Dislocated Worker Formula Grants	AA385622255A53	3650	14,097	0	PT
17.278		WSW2322	3650	43,638	0	PT
17.278			5400	25,524,446	24,887,654	
17.278	COVID-19 – WIOA Dislocated Worker Formula Grants	AA-34801-2	6990	44,400	0	PT
Federal Program 17.278 Total				25,626,581	24,887,654	
Dept of Labor Total				70,555,017	67,233,225	
WIOA Cluster Total				70,555,017	67,233,225	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Transit Cluster

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	90,819	0	
	Federal Program 20.500 Total			90,819	0	
20.507	Federal Transit Formula Grants		4050	54,289,805	0	
	Federal Program 20.507 Total			54,289,805	0	
20.525	State of Good Repair Grants Program		4050	12,566,627	0	
	Federal Program 20.525 Total			12,566,627	0	
20.526	Bus and Bus Facilities Formula, Competitive, and L		4050	2,437,902	2,437,902	
	Federal Program 20.526 Total			2,437,902	2,437,902	
	Dept of Transportation Total			69,385,153	2,437,902	
	Federal Transit Cluster Total			69,385,153	2,437,902	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Highway Safety Cluster

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	10,437,080	7,324,259	
Federal Program 20.600 Total				10,437,080	7,324,259	
20.616	National Priority Safety Programs		2280	7,889,694	7,889,694	
Federal Program 20.616 Total				7,889,694	7,889,694	
Dept of Transportation Total				18,326,774	15,213,953	
Highway Safety Cluster Total				18,326,774	15,213,953	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Special Education (IDEA) Cluster

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	265,787,029	258,108,860	
84.027	COVID-19 – Special Education Grants to States	84.027X	3500	9,484,547	9,484,547	
Federal Program 84.027 Total				275,271,576	267,593,407	
84.173	Special Education Preschool Grants	84.173A	3500	8,743,622	7,640,405	
84.173	COVID-19 – Special Education Preschool Grants	84.173X	3500	934,194	934,194	
Federal Program 84.173 Total				9,677,816	8,574,599	
Dept of Education Total				284,949,392	276,168,006	
Special Education (IDEA) Cluster Total				284,949,392	276,168,006	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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TRIO Cluster

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	595,002	0	
84.042			3650	1,592,828	0	
84.042		P042A200675	3750	378,249	0	
84.042		P042A200420	3760	410,230	0	
84.042		P042A201170	3760	236,667	0	
84.042		84.042	6990	8,972,841	0	
Federal Program 84.042 Total				12,185,817	0	
84.044	TRIO Talent Search	84.044A	3600	358,040	0	
84.044			3650	573,749	0	
84.044		84.044	6990	1,810,290	0	
Federal Program 84.044 Total				2,742,079	0	
84.047	TRIO Upward Bound	84.047A	3600	821,022	0	
84.047		84.047M	3600	565,370	0	
84.047			3650	1,921,178	0	
84.047		84.047A	3650	528,687	0	
84.047		P031A220151	3760	297,458	0	
84.047		P047A220790	3760	525,373	0	
84.047		P047A220833	3760	302,072	0	
84.047		P047A220841	3760	336,094	0	
84.047		P047M170638	3760	23,116	0	
84.047		P047M220325	3760	321,764	0	
84.047		84.047	6990	4,033,384	0	
Federal Program 84.047 Total				9,675,518	0	
84.066	TRIO Educational Opportunity Centers	P066120232	3750	102,451	0	
84.066		P066A210041	3750	188,006	0	
84.066		84.066	6990	851,213	0	
Federal Program 84.066 Total				1,141,670	0	
84.217	TRIO McNair Post-Baccalaureate Achievement	84.217A	3600	240,944	0	
84.217		DOE-McNair Yr 1 of 5	3700	55,186	0	
84.217		P217A2200065-23 ACTION	3700	21,985	0	
84.217		P217A220065 ACTION1	3700	20,650	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, 2024
(Expressed in whole dollars)*

TRIO Cluster

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	P217A220065-23 ACTION4	3700	192,540	0	
84.217		P217A220132	3750	180,194	0	
Federal Program 84.217 Total				711,499	0	
Dept of Education Total				26,456,583	0	
TRIO Cluster Total				26,456,583	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 Cluster

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-G		3000	10,974,899	10,506,982	
93.044	COVID-19 – Special Programs for the Aging-Title III, Part B-G		3000	3,065,773	3,065,773	
Federal Program 93.044 Total				14,040,672	13,572,755	
93.045	Special Programs for the Aging, Title III, Part C,		3000	14,372,448	13,816,324	
93.045	COVID-19 – Special Programs for the Aging, Title III, Part C,		3000	6,819,395	6,819,395	
Federal Program 93.045 Total				21,191,843	20,635,719	
93.053	Nutrition Services Incentive Program		3000	2,742,651	2,742,651	
Federal Program 93.053 Total				2,742,651	2,742,651	
Dept of Health & Human Services Total				37,975,166	36,951,125	
Aging Cluster Total				37,975,166	36,951,125	

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, 2024
(Expressed in whole dollars)*

CCDF Cluster

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	18,439,576	17,787,299	
93.575	COVID-19 – Child Care and Development Block Grant		1070	1,177,670	0	
93.575	Child Care and Development Block Grant		3000	109,000,000	0	
93.575			3070	121,014,730	0	
93.575	COVID-19 – Child Care and Development Block Grant		3070	143,615,380	17,444,815	
Federal Program 93.575 Total				393,247,356	35,232,114	
93.596	Child Care Mandatory and Matching Funds of the Chi		3070	109,883,599	0	
Federal Program 93.596 Total				109,883,599	0	
Dept of Health & Human Services Total				503,130,955	35,232,114	
CCDF Cluster Total				503,130,955	35,232,114	

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, 2024
(Expressed in whole dollars)*

Medicaid Cluster

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	8,283,560	0	
Federal Program 93.775 Total				8,283,560	0	
93.777	State Survey and Certification of Health Care Prov		3000	11,883,201	0	
93.777	COVID-19 – State Survey and Certification of Health Care Prov		3000	437,367	0	
93.777	State Survey and Certification of Health Care Prov		3030	2,562,870	0	
Federal Program 93.777 Total				14,883,438	0	
93.778	Medical Assistance Program	MEDI	1050	310,465	0	
93.778			1070	6,974,566,278	23,613,514	
93.778	COVID-19 – Medical Assistance Program		1070	1,954,738,469	0	
93.778	Medical Assistance Program		3000	4,068,611,604	51,328,559	
93.778	COVID-19 – Medical Assistance Program		3000	30,903,155	28,397,094	
93.778	Medical Assistance Program		3070	33,723,039	0	
Federal Program 93.778 Total				13,062,853,010	103,339,167	
Dept of Health & Human Services Total				13,086,020,008	103,339,167	
Medicaid Cluster Total				13,086,020,008	103,339,167	

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 Cluster

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	15,191,055	0	
Federal Program 10.665 Total				15,191,055	0	
Dept of Agriculture Total				15,191,055	0	
Forest Service Schools and Roads Cluster Total				15,191,055	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, 2024
(Expressed in whole dollars)*

Disability Insurance/SSI Cluster

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	61,707,140	0	
Federal Program 96.001 Total				61,707,140	0	
Social Security Administration Total				61,707,140	0	
Disability Insurance/SSI Cluster Total				61,707,140	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, 2024
(Expressed in whole dollars)*

Economic Development Cluster

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	1,261,444	805,102	
11.307	COVID-19 – Economic Adjustment Assistance		1030	2,234,309	5,357	
11.307	Economic Adjustment Assistance		3400	2,612,251	2,612,251	
11.307		1V210	6990	20,850	0	PT
11.307		21603	6990	13,427	0	PT
Federal Program 11.307 Total				6,142,281	3,422,710	
Dept of Commerce Total				6,142,281	3,422,710	
Economic Development Cluster Total				6,142,281	3,422,710	

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 Cluster

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	5,291,262	4,816,389	
Federal Program 20.513 Total				5,291,262	4,816,389	
Dept of Transportation Total				5,291,262	4,816,389	
Transit Services Programs Cluster Total				5,291,262	4,816,389	

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, 2024
(Expressed in whole dollars)*

Head Start Cluster

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	177,000	0	
93.600		2022090141AM02	3600	1,003,451	0	PT
93.600		4	3600	58,083	0	PT
93.600		5	3600	143,321	0	PT
93.600		TASKORDER202309300497	3600	2,324,395	0	PT
93.600		10CH010913-04-02	3700	399	0	
93.600	COVID-19 – Head Start	10CH010913-04-02	3700	1,044	0	
93.600	Head Start	10CH010913-05-00	3700	2,329,718	0	
93.600		10HE000914-01-01	3700	(94)	0	
93.600			6990	35,298,339	0	
93.600		0102400050	6990	76,170	0	PT
93.600		14440	6990	198,313	0	PT
93.600		1OHP000371	6990	140,847	0	PT
93.600		Head Start	6990	300,376	0	PT
Federal Program 93.600 Total				42,051,362	0	
Dept of Health & Human Services Total				42,051,362	0	
Head Start Cluster Total				42,051,362	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, 2024
(Expressed in whole dollars)*

FMCSA Cluster

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	K18013	2250	1,128,604	0	
20.218		K18880	2250	9,591,098	78,807	
20.218		K20433	2250	256,347	56,646	
Federal Program 20.218 Total				10,976,049	135,453	
20.237	Motor Carrier Safety Assistance High Priority Acti	K16177	2250	14,841	0	
20.237			4050	9,770	0	
Federal Program 20.237 Total				24,611	0	
Dept of Transportation Total				11,000,660	135,453	
FMCSA Cluster Total				11,000,660	135,453	

Total Federal Assistance	27,438,861,617	3,939,263,726
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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 8, 2024.

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Notes to the Schedule of Expenditures of Federal Awards

*For the Fiscal Year Ended
June 30, 2024*

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State of Washington
Schedule of Expenditures of Federal Awards
Notes A – E

For the Fiscal Year Ended
June 30, 2024
(Expressed in Whole Dollars)

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 Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as codified in Title 2 *U.S. Code of Federal Regulations* Part 200.

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 the 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 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 program 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 ALN (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 2024 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 federal 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

*For the Fiscal Year Ended
June 30, 2024
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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 described 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 (May 2024). 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/Special Purpose Grants
 - Housing Voucher
 - Health Center Program
 - HOPE VI
 - CDBG – Disaster Recovery Grants
 - Tribal Self-Governance and Determination
- Some of the assistance listing numbers reported by the University of Washington (agency 360) consisted of R&D and non-R&D awards, which were separately included under Research and Development Cluster and Programs Not Clustered respectively.

Note B2: Reporting Entity - The state reporting entity is fully described in Note 1A to the state’s financial statements. The Schedule includes the activities of all federal assistance programs administered by the state during the fiscal year ending June 30, 2024. 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 Guidance.

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 may also include 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 Cost Allocation Plan, is not reflected on the Schedule. A total of \$1,252,020 was recovered for state central service costs during the fiscal year ending June 30, 2024.
- Matching Costs - The Schedule does not include matching expenditures. The State’s financial participation in the Unemployment Insurance Program is disclosed in Note C of the Schedule.

State of Washington
Schedule of Expenditures of Federal Awards
Notes A – E

*For the Fiscal Year Ended
June 30, 2024
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- Non-monetary Assistance - Non-monetary assistance programs included on the Schedule are identified with a non-cash expenditure footnote code (NC) and include the following:
 1. The **Supplemental Nutrition Assistance Program (SNAP), COVID-19 - Pandemic EBT Food Benefits (PEBT) and Summer Electronic Benefit Transfer Program for Children (SEBT)** 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, PEBT and SEBT consist of actual disbursements for client purchases of authorized food products via the EBT card program.
 2. The **Emergency Food Assistance, National School Lunch and Commodity Supplemental Food** programs are presented at the federally assigned value of product disbursed by the state.
 3. The **Donation of Federal Surplus Personal Property** program is presented at the fair market value of the property distributed. The current fair market valuation assigned by the U.S. General Services Administration is 22.47% of the property's original acquisition value.
 4. The **Immunization Cooperative Agreements**, 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) - Some of the federal assistance that are directly received by the state are passed through to non-state entities and, in certain instances, the same funds are sub-awarded back to the state. An example is the U.S. Department of Labor Workforce Innovation and Opportunity Act (WIOA) programs where the state is a direct recipient and is also a subrecipient when some of these funds are sub-awarded back to the state by non-state entities. The amount of these subawards to the state are not included as pass-through federal assistance on the Schedule because they are already part of the amount reported by the state as direct assistance and included in the scope of the Single Audit. Additional details related to this type of pass-through assistance is disclosed 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 expenditures are only reported by the recipient agency on the Schedule. This prevents duplicate reporting and overstating the aggregate level of federal assistance expended by the state. However, purchases of services between state agencies using federal funds are reported in the financial statements as expenditures or expenses by the purchasing agency and as revenues for services rendered by the providing agency.

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, 2024:

ALN 10.557 – WIC Special Supplemental Nutrition Program for Women, Infants,
and Children..... \$25,474,310
(Infant formula rebates provided by private companies)

ALN 93.917 – HIV Care Formula Grants..... \$45,693,570
(Drug 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, 2024:

ALN 20.205 – Debt service costs for Referendum 49 bonds..... \$13,875,816

- ALN 93.498 – Provide Relief Fund (PRF) - The 2024 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 2024, the state reported program expenditures on the SEFA pertaining to payments received for the period from July 1, 2022, to June 30, 2023.

- ALN 97.036 – Disaster Grants - Public Assistance - After a presidentially declared disaster, the U.S. Federal Emergency Management Agency (FEMA) provides a public assistance grant to reimburse eligible costs associated with repair, replacement, or restoration of disaster-damaged facilities, and costs associated with the state's response to the COVID-19 public health emergency. The federal government reimburses in the form of cost-shared grants which require state matching funds. For the year ending June 30, 2024, \$227,632 of approved eligible expenditures that were incurred in a prior year are included in the Schedule.

The Washington Military Department is the designated recipient agency for the Disaster Grants - Public Assistance grant. Reimbursements from FEMA for expenditures incurred by other state agencies are not reported as pass-through amounts, which is consistent with the Significant Accounting Policies as disclosed in Note B3 of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards
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For the Fiscal Year Ended
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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 17.225, for fiscal year ending June 30, 2024 include:

State of Washington/Employer Funded.....	\$ 1,859,663,211
Federal Funds: non-COVID.....	136,970,405
COVID funding.....	39,723,667
Total	<u>\$ 2,036,357,283</u>

Note D: **Non-monetary Assistance Inventory**

As described previously in Note B3, non-monetary assistance is reported in the Schedule. As of June 30, 2024, the state held the following inventories of non-monetary assistance:

Food Commodities (ALN 10.565 and 10.569)	\$ 6,996,568
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Note E: **Other Remarks**

- 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.
- 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
June 30, 2024
(Expressed in whole dollars)*

Assistance Listing No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
10.001	3600	COLLEGE OF WILLIAM AND MARY	745311A	50,660
10.001	3600	U.S. CIVILIAN RESEARCH AND DEVELOPMENT FOUNDATION	G20221269598	49,532
10.001	3650	COTTON INCORPORATED	130576006	75,676
10.001	3650	COTTON INCORPORATED	M838_130576008	51,458
10.001	3650	DAIRY MANAGEMENT INC	36780	61,396
10.001	3650	OREGON STATE UNIV	R0783AA	7,697
10.001	3650	OREGON STATE UNIV	R0813AH	109,334
10.001	3650	RES CORP SCIENCE ADV	29021	26,724
10.001	3650	UNIV OF MINNESOTA	A009917401	3,680
10.001	3650	WALTERS AG RESEARCH	138557	-2,721
10.025	3650	COLORADO STATE UNIV	G5034639	598,652
10.025	3650	CORNELL UNIVERSITY	13775521417	-4,496
10.025	3650	KANSAS STATE UNIV	A240473S002	16,964
10.025	3650	UNIV CALIFORNIA DAVIS	A212762S001	11,646
10.164	3650	COLORADO STATE UNIV	G4070206	41,205
10.170	3600	UNIVERSITY OF CALIFORNIA, DAVIS	A210144S002AM03	4,224
10.170	3650	POLLINATOR PARTNER	142932001	26,881
10.175	3650	GROW FOOD DBA VIVA FRM	XRJSGX384TD6	17,867
10.175	3650	THURSTON ECON DEV CNCL	AM22LFPPWA1132	33,096
10.176	3650	CA ST UNIV FRESNO FDN	SC3511202208	52,280
10.176	3650	CA ST UNIV FRESNO FDN	SC3511602304	66,000
10.176	3650	CA ST UNIV FRESNO FDN	SC3512482302	12,993
10.200	3650	UNIV OF CA DAVIS	A201347S003	-1,357
10.200	3650	UNIV OF CA DAVIS	A201347S063	-371
10.200	3650	UNIV OF CA DAVIS	A213578S030	96,716
10.200	3650	UNIV OF CA DAVIS	A221241S002	33,967
10.200	3650	UNIVERSITY OF IDAHO	AP5923870186	22,730

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
10.203	3600	NORTH CAROLINA STATE UNIVERSITY	NRSP8	-47
10.212	3650	BANFIELDBIO	20213941235662	7,225
10.212	3650	EN SOLUCION INC	139060001	19,404
10.212	3650	FORMOLOGY INC	139870001	-17
10.212	3650	FORMOLOGY INC	139870004	30,437
10.212	3650	INTEGR LIPID BIOFUELS	141837001	42,550
10.212	3650	INTEGR LIPID BIOFUELS	142565001	206,800
10.212	3650	NUTRABERRY, LLC	143573001	91,734
10.215	3650	MONTANA STATE UNIV	G10822W8612	155,222
10.215	3650	MONTANA STATE UNIV	G12623W921	1,245
10.215	3650	MONTANA STATE UNIV	G15023W9981	71,394
10.215	3650	MONTANA STATE UNIV	G20322W7905	3,952
10.215	3650	MONTANA STATE UNIV	G23422W8615	13,125
10.215	3650	MONTANA STATE UNIV	G25421W7904	4,851
10.215	3650	MONTANA STATE UNIV	G26022W8618	33,223
10.215	3650	MONTANA STATE UNIV	G26624WA508	1,512
10.215	3650	MONTANA STATE UNIV	G29323W9981	115,684
10.215	3650	MONTANA STATE UNIV	G29423W9988	28,304
10.215	3650	MONTANA STATE UNIV	G30523W9212	13,452
10.215	3650	MONTANA STATE UNIV	G36521W8617	22,841
10.215	3650	MONTANA STATE UNIV	G36722W9209	29,230
10.215	3650	MONTANA STATE UNIV	G36921W8612	101,635
10.217	3650	UNIVERSITY OF MAINE	UMS1210	2,006
10.229	3650	EXTENSION	EXC20212179	16,948
10.229	3650	EXTENSION	EXC20232315	224,543
10.234	3650	GROW FOOD DBA VIVA FRM	142843001	67,634
10.237	3650	NORTHERN MARIANAS COL	SA0002ARWIA	43,327
10.303	3650	OREGON STATE UNIV	C0550AA	18,256

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10.304	3650	EXTENSION	FADIEDEN20232318	48,824
10.304	3650	UNIV OF CA DAVIS	A231605S011	23,713
10.307	3650	MONTANA STATE UNIV	G19419W7408	15,582
10.307	3650	NORTH DAKOTA ST UNIV	FAR0035170	128,099
10.307	3650	UNIVERSITY OF MAINE	UMS1389	109,806
10.307	3650	UTAH STATE UNIVERSITY	202524666	19,747
10.309	3650	CORNELL UNIVERSITY	15908122521	96,777
10.309	3650	CORNELL UNIVERSITY	9288420623	78,237
10.309	3650	MICHIGAN STATE UNIV	RC106347WSU	-44
10.309	3650	MICHIGAN STATE UNIV	RC111414F	247,524
10.309	3650	MICHIGAN STATE UNIV	RC111414H	121,346
10.309	3650	MICHIGAN STATE UNIV	RC111480WSU	170,348
10.309	3650	MICHIGAN STATE UNIV	RC115670B	68,227
10.309	3650	MICHIGAN STATE UNIV	RC115888WSU	2,840
10.309	3650	MONTANA STATE UNIV	G18219W7553	83,420
10.309	3650	NORTH CAROLINA ST UNIV	2016149806	1
10.309	3650	NORTH CAROLINA ST UNIV	PAMP20000042SA08	71,024
10.309	3650	OREGON STATE UNIV	C0369BB	134,699
10.309	3650	OREGON STATE UNIV	C0565BE	29,630
10.309	3650	OREGON STATE UNIV	C0598BB	354,315
10.309	3650	PENNSYLVANIA ST UNIV	S000224NIFA	59,091
10.309	3650	TEXAS A&M UNIVERSITY	M2002895	645
10.309	3650	UNIV OF CA - RIVERSIDE	S001381	34,138
10.309	3650	UNIV OF CA - RIVERSIDE	S001505	33,753
10.309	3650	UNIV OF MINNESOTA	A010138705	57,208
10.309	3650	UNIV OF MINNESOTA	H007082509	32,053
10.309	3650	UNIVERSITY OF FLORIDA	SUB00003560	66,579
10.309	3650	UNIVERSITY OF FLORIDA	UFDSP00012310	33

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10.309	3650	UNIVERSITY OF GEORGIA	SUB00002411	289,843
10.309	3650	UNIVERSITY OF IDAHO	AN4829846771	4,555
10.309	3650	UNIVERSITY OF IDAHO	AN6576846120	151,707
10.310	3600	FRED HUTCHINSON CANCER CENTER	0001159467AM02	76,114
10.310	3600	FRED HUTCHINSON CANCER CENTER	0001159577AM01	79,039
10.310	3600	OHIO STATE UNIVERSITY	GR122209SPC1000004542A	1,392
10.310	3600	TULANE UNIVERSITY	TULHSC5617732324	42,035
10.310	3600	UNIVERSITY OF CALIFORNIA, RIVERSIDE	S1733AM002	14,206
10.310	3600	WESTERN UNIVERSITY OF HEALTH SCIENCES	20142DRESCHLERNIFAAM03	100,269
10.310	3650	BAYLOR COL OF MEDICINE	102117659	-1
10.310	3650	BOISE STATE UNIV	8605PO137170	-3,551
10.310	3650	CHICO ST ENTERPRISES	A230136S002	9,198
10.310	3650	CLARK UNIVERSITY	2M0127531	74,228
10.310	3650	COLORADO STATE UNIV	G5016903	133,046
10.310	3650	DON DANFORTH PSC	24012W	75,832
10.310	3650	EXTENSION	WKFC20242463	18,629
10.310	3650	IOWA STATE UNIVERSITY	023423A	82,432
10.310	3650	IOWA STATE UNIVERSITY	RC111302G	20,111
10.310	3650	NORTH CAROLINA ST UNIV	2023184701	149,113
10.310	3650	OREGON STATE UNIV	C0564AA	56,589
10.310	3650	OREGON STATE UNIV	C0597BD	353,027
10.310	3650	OREGON STATE UNIV	C0645BE	14,058
10.310	3650	PENNSYLVANIA ST UNIV	S002184USDA	24,596
10.310	3650	SOUTH DAKOTA ST UNIV	3TC156	18,667
10.310	3650	TEXAS A&M UNIVERSITY	M1903768	2,873
10.310	3650	TEXAS TECH UNIVERSITY	21A550	124,088
10.310	3650	TEXAS TECH UNIVERSITY	21A59702	46,671
10.310	3650	TEXAS TECH UNIVERSITY	21A60401	3,368

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10.310	3650	TEXAS TECH UNIVERSITY	21A63901	30,659
10.310	3650	UNIV OF ARKANSAS	A211270S001	20,747
10.310	3650	UNIV OF ARKANSAS	A221483S020	67,685
10.310	3650	UNIV OF ARKANSAS	A232591S005	634
10.310	3650	UNIV OF ARKANSAS	AWD10040101	5,250
10.310	3650	UNIV OF ILLINOIS	09974217884	24,469
10.310	3650	UNIV OF SOUTH FLORIDA	1211114300B	57,257
10.310	3650	UNIV OF TENNESSEE	9500092915	26,242
10.310	3650	UNIVERSITY OF FLORIDA	AG5936848689	1,586
10.310	3650	UNIVERSITY OF FLORIDA	AL7048875728	6,067
10.310	3650	UNIVERSITY OF FLORIDA	BGK418SB001	-1
10.310	3650	UNIVERSITY OF FLORIDA	NR6185691597	15,223
10.310	3650	UNIVERSITY OF FLORIDA	SL7016804798	55,297
10.310	3650	UNIVERSITY OF FLORIDA	SUB000003790	38,701
10.310	3650	UNIVERSITY OF VERMONT	0000002631	77,794
10.310	3650	UNIVERSITY OF VERMONT	AWD00000384SUB00000190	130,306
10.310	3800	University of Kentucky	3200003877-21-271 / 78	58,357
10.311	3650	GROW FOOD DBA VIVA FRM	20217003335709	88,293
10.311	3650	SAN JUAN ILE AG GUILD	20214940035639001	44,260
10.320	3650	SAN JUAN ILE AG GUILD	U1522CD	21,967
10.320	3650	SAN JUAN ILE AG GUILD	U1522CF	111,576
10.328	3650	CA CERT ORG FARMERS	138735001	4,448
10.328	3650	OREGON STATE UNIV	C0595BB	4,099
10.329	3650	OREGON STATE UNIV	SA22597408	29,912
10.329	3650	UNIV CA DIV AG.NAT REC	SA22597423	1,111
10.331	3600	THE KEYA FOUNDATION	GUSNIPUW1050	12,032
10.333	3650	MICHIGAN STATE UNIV	RC115190WSU	11,799
10.333	3650	UNIVERSITY OF OREGON	2252N0B	44,010

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10.500	3650	KANSAS STATE UNIV	A000983S082	-1,206
10.500	3650	KANSAS STATE UNIV	A240175S016	7,649
10.500	3650	PURDUE UNIVERSITY	17000862-041	22,082
10.500	3650	PURDUE UNIVERSITY	17001094041	35,702
10.500	3650	PURDUE UNIVERSITY	F9001573902025	121,653
10.500	3650	UNIVERSITY OF IDAHO	AQ6134830819	158,472
10.604	3650	AK DEP NAT RES	TASC201809	34,276
10.604	3650	CHAPMAN UNIVERSITY	500625SUB01	22,271
10.674	3600	UNITED STATES ENDOWMENT FOR FORESTRY AND COMMUNITIES, INC.	2300637	39,217
10.674	3650	UNIV OF CA DAVIS	A230778S001	60,364
10.681	3650	UNIV OF MINNESOTA	D009894401	58,173
10.684	3650	WSTN ASSN FISH WLDLFE	141988001	-312
10.699	3600	UNIVERSITY OF WYOMING	1005290UW	8,298
10.707	3650	UNIVERSITY OF IDAHO	(BLANK)	-577
10.912	3650	WHATCOM CONSERVATION	137312001	32,122
10.937	3650	UNIVERSITY OF GUAM	RCUOG202405	12,116
11.011	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF240021	32,474
11.012	3600	ALASKA OCEAN OBSERVING SYSTEM	H3152AM03	115,189
11.012	3600	OREGON STATE UNIVERSITY	NA388AAAM01	4,331
11.012	3600	UNIVERSITY OF ALASKA FAIRBANKS	UA230060PO564748	1,119
11.040	3650	CLALLAM COUNTY	24524002	22,930
11.307	6990	Computing for All	21603	13,427
11.307	6990	Good Jobs Challenge, North Central ESD	1V210	20,850
11.405	3600	UNIVERSITY OF OKLAHOMA	202448	65,866
11.407	4770	Pacific States Marine Fisheries Commission	PSMFC# 23-022G	83,007
11.407	4770	Pacific States Marine Fisheries Commission	PSMFC# 24-132G	125,354
11.417	3600	UNIVERSITY OF ALASKA FAIRBANKS	UA230037	28,730

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11.417	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	705227AM01	15,354
11.417	3600	UNIVERSITY OF CONNECTICUT	426131AM03	19,905
11.419	3600	INSTITUTE FOR APPLIED ECOLOGY	SUBK00014242AM01	15,526
11.419	3800	Institute for Applied Ecology	SUBK00014242	36,447
11.419	3800	Oregon State University	U1645A-B	3,371
11.419	4610	NERRA	NMS-010	4,600
11.419	4610	UNIVERSITY OF ALASKA	NA19NOS4190058	3,903
11.419	4610	UNIVERSITY OF MICHIGAN	NA19NOS4190058	7,632
11.427	3600	SWINOMISH INDIAN TRIBAL COMMUNITY	959902300	-2,393
11.431	3600	DESERT RESEARCH INSTITUTE	GR18441	37,495
11.437	3600	PACIFIC STATES MARINE FISHERIES COMMISSION	22055GAM02	48,377
11.437	3600	PACIFIC STATES MARINE FISHERIES COMMISSION	23016GJOB115B23	-15,669
11.437	3600	PACIFIC STATES MARINE FISHERIES COMMISSION	24048G	2,950
11.437	3600	PACIFIC STATES MARINE FISHERIES COMMISSION	GRANT24049GJOB1270B24	48,377
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC# 19-50G	28,046
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC# 22-026G	409,583
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC# 22-143G	3,823
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC# 23-034G	73,390
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC# 24-007C	80,497
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC# 24-015G	234,987
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC# 24-024G	8,508
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC# 24-046G	614,049
11.438	4770	Columbia Land Trust	20-1545 RCO	7,298
11.439	4770	Pacific States Marine Fisheries Commission	PSMFC# 24-134G	37,383
11.441	4770	North Pacific Fishery Management Council	LIA 2024-3	54,697
11.441	4770	Pacific Fishery Management Council	2023-WDFW	195,715
11.463	3650	SYNOPTIC DATA PBC	S20170118	321,471
11.472	3050	Pacific States Marine Fisheries Commission	NA18NMF7420007	85,628

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11.472	3600	ALASKA DEPARTMENT OF FISH AND GAME	COOP18082AM07	54,869
11.472	3600	NATIVE VILLAGE OF KOTZEBUE	23001	58,608
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1914A	6,237
11.472	3600	NORTH PACIFIC RESEARCH BOARD	2006B	29,569
11.472	3600	NORTH PACIFIC RESEARCH BOARD	2008	29,306
11.472	3600	NORTH PACIFIC RESEARCH BOARD	2104	13,726
11.472	3600	NORTH PACIFIC RESEARCH BOARD	2202AM01	73,798
11.472	3600	NORTH PACIFIC RESEARCH BOARD	2210A	11,905
11.472	3600	NORTH PACIFIC RESEARCH BOARD	2213	14,506
11.472	3600	NORTH PACIFIC RESEARCH BOARD	IERP61T230201	81,036
11.472	3600	NORTH PACIFIC RESEARCH BOARD	IERP62F216203AM01	99,975
11.472	3600	NORTH PACIFIC RESEARCH BOARD	L3601C	8,864
11.472	3600	PACIFIC STATES MARINE FISHERIES COMMISSION	2004G1AM03	22,054
11.472	3600	PACIFIC STATES MARINE FISHERIES COMMISSION	21146GAM02	19,556
11.472	3600	PRINCE WILLIAM SOUND SCIENCE CENTER	228108AM3	75,831
11.472	3800	North Pacific Research Board	2108 / F9108-00	78,109
11.472	3800	North Pacific Research Board	L37-02D	1,386
11.472	4770	Alaska Department of Fish and Game	23-148	30,182
11.472	4770	Oregon State University	J2391A-C	11,115
11.473	3600	QUILEUTE TRIBE	NONE	219,800
11.477	3600	PACIFIC STATES MARINE FISHERIES COMMISSION	23077G	135,273
11.477	3600	PACIFIC STATES MARINE FISHERIES COMMISSION	23084G	79,397
11.477	3600	PACIFIC STATES MARINE FISHERIES COMMISSION	23087G	112,945
11.478	3600	NORTHWEST INDIAN COLLEGE	NWIC22907SAUWAPLAM2	2,157
11.478	3600	OREGON STATE UNIVERSITY	NA355AAAM06	37,763
11.478	3600	OREGON STATE UNIVERSITY	NA374AAAM2	41,256
11.478	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101508PROJECT24018900	72,622
11.RD	3600	BERING SEA FISHERMENS ASSOCIATION	AC2104AREV1	4,353

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12.017	4770	National Fish and Wildlife Foundation	0126.22.074063	608,847
12.017	4900	National Fish and Wildlife Foundation	0314.23.078243	58,611
12.300	3600	CARNEGIE MELLON UNIVERSITY	1140209405780AM07	41,897
12.300	3600	CARNEGIE MELLON UNIVERSITY	1140217441214AM04	187,505
12.300	3600	CARNEGIE MELLON UNIVERSITY	1140225468569AM001	17,112
12.300	3600	DARTMOUTH COLLEGE	R1687AM03	172,913
12.300	3600	FLORIDA INSTITUTE FOR HUMAN AND MACHINE COGNITION INC.	202201601UW	290,107
12.300	3600	GEORGE MASON UNIVERSITY	E2045223AM06	203,085
12.300	3600	NEW YORK UNIVERSITY	F116803AM06	-5,502
12.300	3600	OREGON STATE UNIVERSITY	N0357AAAM03	128,090
12.300	3600	OREGON STATE UNIVERSITY	N0373AA	117,929
12.300	3600	STANFORD UNIVERSITY	62733327220488AM05	29,456
12.300	3600	THE RESEARCH FOUNDATION FOR THE STATE UNIVERSITY OF NEW YORK	9828811844882AM01	25,756
12.300	3600	UNIVERSITY OF ALASKA FAIRBANKS	UA220028PO554891AM01	65,302
12.300	3600	UNIVERSITY OF ALASKA FAIRBANKS	UA230023AM01	98,407
12.300	3600	UNIVERSITY OF ALASKA FAIRBANKS	UA230027P0562613	37,444
12.300	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	0205GIA876	119,901
12.300	3600	UNIVERSITY OF CALIFORNIA, SANTA BARBARA	KK2108AM03	25,971
12.300	3600	UNIVERSITY OF MASSACHUSETTS DARTMOUTH	34553MARB111176AM001	88,224
12.300	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5126684AM001	400,587
12.300	3600	UNIVERSITY OF PENNSYLVANIA	572339AM08	157,798
12.300	3600	UNIVERSITY OF ROCHESTER	417318URFAOGR510770AM0	127,844
12.300	3600	UNIVERSITY OF ST ANDREWS	SMC7XOBO54	52,411
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A10142913294804	74,580
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A10145413260300AM05	67,719
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A10146213296800AM03	9,452

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12.300	3650	HLS) HEAT, LIGHT,	N6833522C0647	114,721
12.351	3600	NORTHWESTERN UNIVERSITY	60060420UWA04	471,783
12.351	3650	ECOHEALTH ALLIANCE	07137709652346	252,796
12.351	3650	INTNL LVSTCK RSCH INST	BS12NBODTR002DTR002001	21,728
12.351	3650	JOHNS HOPKINS UNIV	2004721972	261,006
12.355	3650	BANFIELDDBIO	135993001	13,017
12.420	3600	COALITION FOR NATIONAL TRAUMA RESEARCH	CNTR20PROP05AM01	129,724
12.420	3600	CORNELL UNIVERSITY	8058311223AM09	44,994
12.420	3600	EMORY UNIVERSITY	A954924	39,587
12.420	3600	FRED HUTCHINSON CANCER CENTER	0001039633AM04	62,985
12.420	3600	FRED HUTCHINSON CANCER CENTER	0001128445AM01	71,055
12.420	3600	FRED HUTCHINSON CANCER CENTER	0001153252	42,937
12.420	3600	FRED HUTCHINSON CANCER CENTER	0001165487	30,987
12.420	3600	HDT BIO CORP.	W81XWH221075501001AM00	100,127
12.420	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0258A9214605AM01	5,645
12.420	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0258A9214609AM1	517,546
12.420	3600	MAYO CLINIC	UWA28151901AM02	9,393
12.420	3600	MEDICAL COLLEGE OF WISCONSIN	NA	4,353
12.420	3600	MID-ATLANTIC EPILEPSY & SLEEP CENTER, LLC	AM01	3,354
12.420	3600	NORTHWESTERN UNIVERSITY	60054759UWAM02	6,959
12.420	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1021127UW	0
12.420	3600	SANFORD BURNHAM PREBYS	7045313551UWAM01	5,319
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ112GJ13SIBCR	2,074
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ112MIRANG4SIBCR	775
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ112MIRANG5SIBCR	4,244
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ112UW1AM04	27,731

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12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ124GJ12SIBCR	3,516
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ124GJ13SIBCR	14,902
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ124HERODM2SIBCRM01	11,020
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ124HERODM3SIBCR	35,363
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	MD15MD12SIBCR	8,298
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	MD1HJFMD13SIBCR	55,110
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	ME14ME14SIBCR	8,193
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	ME14ME15SIBCR	25,563
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	MJ23OMERM1SIBCR	36,808
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	MJ23UW1	12,867
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	MJ25OMERM1SIBCR	36,808
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	MJ25TSHCHM1SIBCR	20,873
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE164LG12SIBCR	680
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE164LG13SIBCR	5,384
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE164PE13SIBCR	7,763
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE164PK12SIBCR	10,102
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE169IJ21SIBCR	1,198
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE26PE23SIBCR	52,340
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE26REINR3SIBCR	2,582
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PK112PK12SIBCRM01	61,889

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12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PK112RH11SIBCR	136,843
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PK112SHOFEJ1SIBCR	7,281
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	UAWWD-009290	64,600
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	UAWWD-009291	26,453
12.420	3600	SRI INTERNATIONAL	PO66220AM03	107,694
12.420	3600	TAMPA VA RESEARCH AND EDUCATION FOUNDATION	UWIHEAL01	81,293
12.420	3600	THE HENRY M. JACKSON FOUNDATION FOR THE ADVANCEMENT OF MILITARY MEDICINE	5770PO1030289HJF66716	157,452
12.420	3600	THE JOHNS HOPKINS UNIVERSITY	2004338156AM05	661
12.420	3600	THE JOHNS HOPKINS UNIVERSITY	2005909948MOD01	4,805
12.420	3600	THE SCRIPPS RESEARCH INSTITUTE	115002	896,820
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11281SCAM04	3,180
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11948SCAM005	-1,743
12.420	3600	UNIVERSITY OF FLORIDA	SUB000004063	4,193
12.420	3600	UNIVERSITY OF NEW MEXICO	3RME5	7,043
12.420	3600	UNIVERSITY OF PENNSYLVANIA	578105AM02	9,792
12.420	3600	UNIVERSITY OF PITTSBURGH	AWD000075394209051	61,867
12.420	3600	UNIVERSITY OF PITTSBURGH	AWD000076934203211	28,680
12.420	3600	VERSITI WISCONSIN, INC.	1001453UWAAM02	200,152
12.420	3600	VIRGINIA COMMONWEALTH UNIVERSITY	FP00013312SA002AMENDME	178,614
12.420	3600	VIRGINIA COMMONWEALTH UNIVERSITY	FP00017827SA001AM01	84,508
12.420	3650	LUNA LABS	7034DHA2SWSU	56,588
12.431	3600	ARIZONA STATE UNIVERSITY	ASUB00000760AM03	222,023
12.431	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S4661PO236230AM10	422,761
12.431	3600	UNIVERSITY OF CALIFORNIA, SANTA BARBARA	KK1810AM10	-28,735
12.431	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00002261AM03	69,747

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12.431	3650	MISSISSIPPI STATE UNIV	06080336152701	359,769
12.431	3650	UNIV OF MICHIGAN	SUBK00016350	448,422
12.550	3600	INSTITUTE OF INTERNATIONAL EDUCATION, INC.	0054UW25SSC280PO2MOD02	40,000
12.550	3600	INSTITUTE OF INTERNATIONAL EDUCATION, INC.	BOR21UW21	329,032
12.630	3600	GENERAL ELECTRIC COMPANY	PO401183821	166,605
12.630	3600	OREGON STATE UNIVERSITY	RM1542A	21,921
12.750	3600	THE HENRY M. JACKSON FOUNDATION FOR THE ADVANCEMENT OF MILITARY MEDICINE	HJF66982PO1051944SUBAW	81,446
12.800	3600	CLARKSON AEROSPACE CORP.	WASH2410004	10,536
12.800	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD004055G4AM02	380,396
12.800	3600	NORTH CAROLINA STATE UNIVERSITY	PAMP23000890SA04AM001	24,333
12.800	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000531881SC001AM02	67,948
12.800	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	0205GYD166AM03	101,626
12.800	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00010733AM03	242,805
12.800	3600	UNIVERSITY OF MARYLAND, COLLEGE PARK	89660Z8261201AMC	10,211
12.800	3600	UNIVERSITY OF NOTRE DAME	204282UWAM02	119,461
12.800	3600	UNIVERSITY OF TEXAS AT AUSTIN	UTAUSSUB00001123	61,044
12.800	3650	GRIFFISS INSTITUTE INC	SA10012021MM0336	683,753
12.800	3650	UNIVERSITY OF UTAH	10059059WSU	316,950
12.910	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	N010492401	262,929
12.910	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00010533AM06	381,886
12.910	3600	UNIVERSITY OF TEXAS AT AUSTIN	UTAUSSUB00000953AM002	173,951
12.910	3650	BAE SYSTEMS	1046192	5,523
12.RD	3600	ADVANCED MICRO DEVICES, INC.	UAWAD-007866	819,693
12.RD	3600	AERODYNAMIC TECHNOLOGIES, INC.	AM07	59,206
12.RD	3600	AIVS INC.	A184160	92,977
12.RD	3600	APPLIED RESEARCH ASSOCIATES, INC.	S005338UWA	254,439
12.RD	3600	APPLIED RESEARCH ASSOCIATES, INC.	S200335004250UWAMOD02	222,993

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12.RD	3600	APPLIED RESEARCH ASSOCIATES, INC.	SD00040F05IMEA02UWMOD0	1,084,017
12.RD	3600	APPLIED RESEARCH ASSOCIATES, INC.	SD00045119UWMOD01	675,907
12.RD	3600	APPLIED RESEARCH ASSOCIATES, INC.	SD001830000305UWPO2202	69,919
12.RD	3600	ARCTOS TECHNOLOGY SOLUTIONS, LLC	162643010000010043C1	1,825
12.RD	3600	ARETE ASSOCIATES	AZ401805MOD2	51,543
12.RD	3600	AVALANCHE ENERGY DESIGNS, INC.	000002SOW001AAM2	85,789
12.RD	3600	BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES	4021615801AM01	91,230
12.RD	3600	CFD RESEARCH CORPORATION	0000003350PROJECT10172	36,393
12.RD	3600	CFD RESEARCH CORPORATION	0000004900	50,000
12.RD	3600	CFD RESEARCH CORPORATION	10062	44
12.RD	3600	CFD RESEARCH CORPORATION	PROJECT200080000002146	66,268
12.RD	3600	CLARKSON AEROSPACE CORP.	WASH2110460MOD2	76,201
12.RD	3600	CONVERGENT MANUFACTURING TECHNOLOGIES US INC.	PO20170059	11,019
12.RD	3600	CORNERSTONE RESEARCH GROUP, INCORPORATED	PO20220110MOD03	532,168
12.RD	3600	CREARE LLC	S802SOW101042302005REV	350,630
12.RD	3600	CREONEX SYSTEMS INC.	UAWWD-003408	0
12.RD	3600	DAKOTA RIDGE R&D LLC	UAWWD-010034	8,677
12.RD	3600	ENGINEERING AND SOFTWARE SYSTEM SOLUTIONS, INC.	20230179PO17540	0
12.RD	3600	ENGINEERING AND SOFTWARE SYSTEM SOLUTIONS, INC.	PO17508C001	3,000
12.RD	3600	GALOIS, INC.	2021010MOD12	244,695
12.RD	3600	GENERAL ELECTRIC COMPANY	PO401153010AM03	187,582
12.RD	3600	HEAT, LIGHT, AND SOUND RESEARCH, INC.	N6833522C0647	49,997
12.RD	3600	HEAT, LIGHT, AND SOUND RESEARCH, INC.	UAWWD-020561	148,440
12.RD	3600	INBIOS INTERNATIONAL, INC.	COVID19NAB3	125,241
12.RD	3600	INBIOS INTERNATIONAL, INC.	SCOV2AGOTC2AM06	45,870
12.RD	3600	KITWARE, INC.	K00390500S04MOD1	285,754

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12.RD	3600	LANGUAGE COMPUTER CORPORATION	SOCIALITESC01MOD04	119,730
12.RD	3600	LEIDOS, INC.	P010262074MOD06	32,828
12.RD	3600	LYNNTECH INC.	ARM199II	133,203
12.RD	3600	LYNNTECH INC.	PROJECTARM279	-136
12.RD	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S6087PO958079AM02	137,590
12.RD	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S6179	5,438
12.RD	3600	METRON, INC.	6I23UW	35,342
12.RD	3600	NANOTOK, INC	A159116	10,426
12.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	613205MOD01	39,908
12.RD	3600	PACMAR TECHNOLOGIES	SCN09848MOD005	4,305,010
12.RD	3600	PERATON LABS, INC.	PO0059038	39,126
12.RD	3600	RTX BBN TECHNOLOGIES, INC.	90280PO4202746832MOD04	287,760
12.RD	3600	RTX BBN TECHNOLOGIES, INC.	BBNPONO4202338794MOD21	287,442
12.RD	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE26UW1AM05	99,426
12.RD	3600	SRI INTERNATIONAL	73337MOD04	167,060
12.RD	3600	SRI INTERNATIONAL	PO47109MOD10	394,898
12.RD	3600	SRI INTERNATIONAL	PO57718MOD08	196,684
12.RD	3600	SYSTEMS & TECHNOLOGY RESEARCH LLC	20230007	7,079
12.RD	3600	SYSTEMS & TECHNOLOGY RESEARCH LLC	20230073MOD02	447,537
12.RD	3600	THE JOHNS HOPKINS UNIVERSITY APPLIED PHYSICS LABORATORY LLC	177830MOD02	16,279
12.RD	3600	THE JOHNS HOPKINS UNIVERSITY APPLIED PHYSICS LABORATORY LLC	184281MOD02	18,507
12.RD	3600	THE JOHNS HOPKINS UNIVERSITY APPLIED PHYSICS LABORATORY LLC	184602MOD01	26,217
12.RD	3600	THE JOHNS HOPKINS UNIVERSITY APPLIED PHYSICS LABORATORY LLC	185517	66,639
12.RD	3600	TUNOPTIX, INC.	A161935	142,658
12.RD	3600	TUNOPTIX, INC.	UAWAD-020798	150,993
12.RD	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11154SCW81XWH1590001AM	65,239

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12.RD	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	CS20180009AM03	67,408
12.RD	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00020337AM001	276,469
12.RD	3600	UNIVERSITY OF PITTSBURGH	AWD000298811PRIMEW81XW	211,131
12.RD	3600	UNIVERSITY OF ST ANDREWS	18323	82,257
12.RD	3600	WESTAT, INC.	UWAWD005160	0
12.RD	3650	APPLIED RESEARCH ASSOC	SD00328TO1WSU	696,005
12.RD	3650	CFD RESEARCH CORPORATI	20010	26,554
12.RD	3650	COMPOSITE RECYCLING TE	143751001	59,832
12.RD	3650	EXCELLERIX	144715001	5,806
12.RD	3650	EXMAT RESEARCH, INC.	EXMATWSU122C001	196,262
12.RD	3650	MISSISSIPPI STATE UNIV	19400036138901	-944
12.RD	3650	MISSISSIPPI STATE UNIV	19400036139301	-548
12.RD	3650	MISSISSIPPI STATE UNIV	23141P	168,514
12.RD	3650	STRUCTURED MATERIALS	42177	-52
12.RD	3650	STRUCTURED MATERIALS	42187	176,471
12.U01	3600	THE JOHNS HOPKINS UNIVERSITY	163111MOD03	42,333
14.239	1480	Tacoma Community Redevelopment Authority	HKPTA2024	70,000
14.259	3650	WABANAKI PUBLIC HEALTH	144582001	18,663
15.034	3650	COLUMBIA RVR (CRITFC)	C2104	8,717
15.156	3800	Swinomish Indian Tribal Community	943-90-23-00 / A21AP10	32,685
15.232	3600	UNIVERSITY OF MONTANA	PG246216201	16,338
15.232	3650	OREGON STATE UNIV	L0259AB	43,741
15.423	3650	CONSOL SAFETY SVCS	GSA823WSU	276,246
15.507	4770	Clallam Conservation District	Agreement	11,444
15.615	3600	COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS DEPARTMENT OF LANDS AND NATURAL RESOURCES	4384010C	323,757
15.634	3650	AZ GAME & FISH DEPT	9554	-1
15.634	3650	CA NATURAL RES AGENCY	Q2380103	835

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15.634	4770	Oregon Department of Fish & Wildlife	431-22	58,089
15.634	4770	Oregon Department of Fish & Wildlife	448-23	11,232
15.639	3800	Swinomish Indian Tribal Community	933-90-23-00 / F22AP00	41,645
15.657	3600	ZOOLOGICAL SOCIETY OF SAN DIEGO	F23AC01352	31,906
15.657	3650	UNIV OF CA DAVIS	A231855S001	15,126
15.657	3650	WOODLAND PARK ZOO	141294001	149,365
15.661	3650	UTAH STATE UNIVERSITY	204809843	-502
15.RD	3600	S. L. ROSS ENVIRONMENTAL RESEARCH LTD.	A180234MOD01	632,555
15.RD	3600	SQUAXIN ISLAND TRIBE	UWAWD-006247	0
15.U01	3650	COLVILLE CONF TRIBES	128572012	-5
15.U02	3650	COLVILLE CONF TRIBES	128572011	187
16.726	3650	NATIONAL 4-H COUNCIL	141951001	949
16.726	3650	NATIONAL 4-H COUNCIL	2020JUF0031	-1,632
17.258	6990	Workforce Central	1205-0526	97,998
17.270	5400	South Coastal WDC-2	K8193- 7633	20,275
17.278	3650	SW WA WRKFRC DEV CNCL	AA385622255A53	14,097
17.278	3650	SW WA WRKFRC DEV CNCL	WSW2322	43,638
17.278	6990	Workforce SW WA	AA-34801-2	44,400
17.285	6990	COVID-19, American Assn of comm Colleges	AP-33025-1	0
19.009	3600	WORLD LEARNING INC.	IDEAS21UWASH01	16,010
19.009	3600	WORLD LEARNING INC.	IDEAS22UWTACOMA01	6,052
19.009	6990	IDEAS:/world Learnings	21638	18,745
19.009	6990	University of Kansas, Ctr for Research	SECAGD18CA	204,878
19.009	6990	World Learnng Inc	213052	4,991
19.010	3600	INSTITUTE OF INTERNATIONAL EDUCATION, INC.	3000271746	11,698
19.010	3600	INSTITUTE OF INTERNATIONAL EDUCATION, INC.	3000314300	7,883
19.510	3650	WORLD LEARNING INC	S04SPRMC023CA0030	3,447
19.900	3650	AMERN UNIV OF ARMENIA	144345001	98,835

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19.RD	3600	MANAGEMENT SCIENCES FOR HEALTH, INC.	MTAPS20037PO21MSH0327A	-1,034
19.RD	3600	MANAGEMENT SCIENCES FOR HEALTH, INC.	MTAPS22056AM04	-13,644
19.U01	3700	Family Health International	P024000047	35,864
19.U02	3700	FHI 360 - Teaching English	P023001005	1,680
19.U03	3700	FHI 360 - TEIE Pilot Delive..	P023002412	18,063
20.200	3600	ECONORTHWEST	ECONW25557	76,571
20.200	3600	NATIONAL ACADEMIES OF SCIENCES, ENGINEERING, AND MEDICINE	HR17100POSUB0001800	217,781
20.200	3650	MN DEPT OF TRANS	1033080	9,801
20.200	3650	MN DEPT OF TRANS	1047787	64,441
20.200	3650	MN DEPT OF TRANS	1047792	52,868
20.200	3650	MN DEPT OF TRANS	1052957	6,513
20.205	3600	TEXAS STATE UNIVERSITY	22028839821	13,055
20.224	3700	Tetra Tech Inc	ORDER 1204129	24,562
20.701	3600	ARIZONA STATE UNIVERSITY	17175AM07PTE69A3551747	480,078
20.701	3600	FLORIDA A&M UNIVERSITY	C5168AM2	97,863
20.701	3600	FLORIDA INTERNATIONAL UNIVERSITY	000751AM07	293,758
20.701	3600	FLORIDA INTERNATIONAL UNIVERSITY	000796	38,753
20.701	3600	NEW YORK UNIVERSITY	F235706AM01	21,887
20.701	3600	NEW YORK UNIVERSITY	F235706AMEND02	16,366
20.701	3600	NEW YORK UNIVERSITY	F235706AMEND03	70,033
20.701	3600	NEW YORK UNIVERSITY	F874103AM06	55,099
20.701	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF18005469A3551747129	334,644
20.701	3600	UNIVERSITY OF TEXAS AT AUSTIN	UTAUSUB00001163AM02	22,256
20.701	3650	UNIV MO KANSAS CITY	00125174/00080653	182,145
20.701	3650	UNIV OF NC CHARLOTTE	2016068804WSU	18,404
20.701	3700	Montana State University	G227-17-W6460-AMEND9	104,255
20.941	3600	CITY OF PORTLAND	UWAWD-022011	1,808

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20.941	3600	SEATTLE DEPARTMENT OF TRANSPORTATION	TASKORDER13	179,055
20.RD	3600	BATTELLE MEMORIAL INSTITUTE	743493POUS001000074349	31,855
20.RD	3600	BATTELLE MEMORIAL INSTITUTE	884299	41,883
20.RD	3600	CARNEGIE MELLON UNIVERSITY	1990739456464AM01	36,053
20.RD	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00011586	42,000
21.027	3600	CITY OF KENT	HD1WMN6945W6	184,794
21.027	3600	KING COUNTY	KC000635139216AM01	287,868
21.027	3600	KING COUNTY DEPARTMENT OF COMMUNITY AND HUMAN SERVICES	6406005	118,864
21.027	3600	MEDICAL COLLEGE OF WISCONSIN	SLFRP0135	99,380
21.027	3600	SKAGIT COUNTY PUBLIC HEALTH	C20230596	210,444
21.027	3800	Kitsap County	KC-463-22	237,271
21.027	3800	Opportunity Council	1960223	20,000
21.027	3800	Opportunity Council	19711022	18,105
21.027	5400	Spokane WDC 12	K7895- 6633 6634	60,946
21.027	6990	COVID 19 Snohomish Co Recovery & Resilience	COVID 19 CLFR-116A	237,287
21.027	6990	Grant County	COVID 19 2226-476	107,504
21.027	6990	Snohomish County	COVID 19 EL-23-AR-4	10,821
21.U02	3600	CITY OF SNOHOMISH	A197997	4,429
21.U03	3600	CITY OF SEATTLE	DOE21PA82AM02	68,684
21.U04	3600	CITY OF SEATTLE	DOE21PA82AM02	263,283
21.U05	6990	21.000A City of Kent	SLFRP3352	36,682
43.001	3600	AMHERST COLLEGE	GRT00206W2AM03	25,769
43.001	3600	BIGELOW LABORATORY FOR OCEAN SCIENCES	400295AAM001	2,784
43.001	3600	BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM	0000001801AM04	133,122
43.001	3600	BROWN UNIVERSITY	00001738AM03	76,517
43.001	3600	CARNEGIE MELLON UNIVERSITY	1110244437124AM04	107,935
43.001	3600	COLUMBIA UNIVERSITY	3GG015418AM04	-41,100

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43.001	3600	FARALLON INSTITUTE	2020241UWAM06	47,715
43.001	3600	GEORGE WASHINGTON UNIVERSITY	21M14AM03	20,450
43.001	3600	JET PROPULSION LABORATORY	1685887	58,194
43.001	3600	JET PROPULSION LABORATORY	1695761	13,494
43.001	3600	JET PROPULSION LABORATORY	1699716	20,437
43.001	3600	JET PROPULSION LABORATORY	1699852MOD01	2,827
43.001	3600	JET PROPULSION LABORATORY	1707019	15,000
43.001	3600	JET PROPULSION LABORATORY	1708549	15,285
43.001	3600	JET PROPULSION LABORATORY	1708966	1,947
43.001	3600	JET PROPULSION LABORATORY	1709064	0
43.001	3600	JET PROPULSION LABORATORY	1709852	14,594
43.001	3600	JET PROPULSION LABORATORY	RSANO1710659	0
43.001	3600	MONTANA STATE UNIVERSITY	G23819W7767AM05	172,606
43.001	3600	NORTHERN ARIZONA UNIVERSITY	100436602AM03	56,112
43.001	3600	OREGON STATE UNIVERSITY	NS343ABAM04	24,132
43.001	3600	PLANETARY SCIENCE INSTITUTE	1826UWASHAM02	134,741
43.001	3600	RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY	1948PO25014770AM003	31
43.001	3600	SETI INSTITUTE	SC3365MOD09	9,172
43.001	3600	SETI INSTITUTE	SC3979	35,746
43.001	3600	SMITHSONIAN ASTROPHYSICAL OBSERVATORY	GO122080XAM02	6,942
43.001	3600	SMITHSONIAN ASTROPHYSICAL OBSERVATORY	GO223096XAM003	19,368
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16120005AAM1	10,615
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16122002AAM02	8,667
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16144009A	4,037
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16611003AAM02	16,593
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16635002AAM04	42,265
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16640003AAM01	13,692

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43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR17040003A	35,685
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR17057005A	8,697
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO1205501AAM13	5,676
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15302004AAM005	3,712
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15875004AAM04	622
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15877005AAM06	54,127
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15891005AAM04	19,014
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15912006AAM02	12,830
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15932005AAM04	28,571
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16046001AAM01	1,995
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16162007AAM02	18,487
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16165006A	-1,102
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16185013AAM01	28,871
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16191016AAM3	53,807
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16292007A	-888
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16293004AAM01	24,118
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16513009A	16,057
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16650001AAM04	52,011
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16659007A	4,556
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16679001AAM02	59,490
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16730010A	19,734
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16778001A	221,377
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO17076002A	80,939
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO17158012A	33,132
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO17203006A	10,308
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTHF251471001AAM02	24,051
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	JWSTERS01334007A	14,960
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	JWSTGO02128005A	20,914

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43.001	3600	UNIVERSITY CORPORATION FOR ATMOSPHERIC RESEARCH	SUBAWD002895M01	10,263
43.001	3600	UNIVERSITY CORPORATION FOR ATMOSPHERIC RESEARCH	SUBAWD004402M01	55,127
43.001	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF200140AM04	58,828
43.001	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	0965GLA709AM1	12,511
43.001	3600	UNIVERSITY OF CHICAGO	AWD102489SUB00000614AM	39,784
43.001	3600	UNIVERSITY OF COLORADO BOULDER	1559326AM04	32,790
43.001	3600	UNIVERSITY OF HOUSTON	R230064AM001	98,968
43.001	3600	UNIVERSITY OF MARYLAND, BALTIMORE COUNTY	NASA000402AM05	-303
43.001	3600	UNIVERSITY OF MARYLAND, COLLEGE PARK	131965Z6571201	5,853
43.001	3600	UNIVERSITY OF MIAMI	OS00001105AM02	4,905
43.001	3600	UNIVERSITY OF MISSOURI	C000774066AM03	27,295
43.001	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5127073AM01	114,655
43.001	3600	UNIVERSITY OF OREGON	225300C	35,746
43.001	3600	UNIVERSITY OF OREGON	239700AAM06	46,866
43.001	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A10162523131200	85,797
43.001	3650	SPACE TELESCOPE SCI	HSTGO16188001A	7,246
43.001	3650	UNIV OF NC CHARLOTTE	1667355	-10
43.001	3650	UNIV OF NC CHARLOTTE	1683016	17,040
43.001	3650	UNIV OF NC CHARLOTTE	1702921	114,775
43.001	3650	UNIV OF NEW HAMPSHIRE	PZL0226	63,600
43.001	3650	UNIVERSITY OF IDAHO	AW5866826652	-36
43.001	3750	National Space Grant Foundation	NEBP-123	5,712
43.001	3750	University of Oregon	239700B	4,978
43.001	3800	Arizona State University	15-710	336,048
43.001	3800	Jet Propulsion Laboratory	1652930	46,047
43.002	3600	TENNESSEE TECHNOLOGICAL UNIVERSITY	BL176172841AM02	127,425

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43.003	3600	BAYLOR COLLEGE OF MEDICINE	7000001853AM002	296,057
43.008	6990	Washington STEM	UWSC1227	15,278
43.012	3600	CARNEGIE MELLON UNIVERSITY	1110257461316AM02	164,280
43.012	3650	PLANET ENTERPRISES	2023001	21,550
43.RD	3600	CFD RESEARCH CORPORATION	0000004180	74,968
43.RD	3600	CFD RESEARCH CORPORATION	10160	10,326
43.RD	3600	CONVERGENT MANUFACTURING TECHNOLOGIES US INC.	PO20170057	204,078
43.RD	3600	JET PROPULSION LABORATORY	1655697MOD17	434,502
43.RD	3600	JET PROPULSION LABORATORY	1665856MOD02	96,526
43.RD	3600	JET PROPULSION LABORATORY	1686173MOD02	155,435
43.RD	3600	JET PROPULSION LABORATORY	1707545	19,155
43.RD	3600	KALSCOTT ENGINEERING, INC.	SBIRSUBAGREEMENTMOD01	85,489
43.RD	3600	MALIN SPACE SCIENCE SYSTEMS, INC.	230083	18,929
45.024	3750	Arts Midwest	31095	2,133
45.169	3600	CORNELL UNIVERSITY	14555922026AM1	23,613
45.312	3600	SEATTLE PUBLIC LIBRARY	POPL00000001155	12,851
45.312	3600	SYRACUSE UNIVERSITY	3211505985S01	-13,348
45.313	3600	AMERICAN LIBRARY ASSOCIATION	RE248876OLSUW	2,171
47.041	3600	AMERICAN SOCIETY FOR ENGINEERING EDUCATION	7692104	124,133
47.041	3600	AMERICAN SOCIETY FOR ENGINEERING EDUCATION	7692106	126,256
47.041	3600	CORNELL UNIVERSITY	8901911283AM04	19,894
47.041	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD005338G1	3,487
47.041	3600	NORTHWESTERN UNIVERSITY	60051245UWAM03	14,198
47.041	3600	NORTHWESTERN UNIVERSITY	60059495UWAMA02	7,421
47.041	3600	OHIO STATE UNIVERSITY	GR128185SPC1000006851	5,078
47.041	3600	OREGON STATE UNIVERSITY	S2239AAAM01	-26,400

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47.041	3600	PURDUE UNIVERSITY	10001604009AM05	8,963
47.041	3600	STANFORD UNIVERSITY	63063844257109AM002	78,555
47.041	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00010849AM004	246,529
47.041	3600	UNIVERSITY OF CALIFORNIA, DAVIS	A160090S001AM05	11,048
47.041	3600	UNIVERSITY OF COLORADO BOULDER	1556900AM02	9,910
47.041	3600	UNIVERSITY OF COLORADO BOULDER	1563013AM01	78,132
47.041	3600	UNIVERSITY OF ILLINOIS AT URBANA-CHAMPAIGN	10343318508AM03	7,521
47.041	3600	UNIVERSITY OF NEVADA, RENO	UNR2459	1,144
47.041	3600	UNIVERSITY OF PITTSBURGH	AWD000065100128544	49,349
47.041	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00006259	36,077
47.041	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00006260	9,330
47.041	3600	UNIVERSITY OF TEXAS AT AUSTIN	UTAUSSUB00000156AM03	96,966
47.041	3600	WORCESTER POLYTECHNIC INSTITUTE	11502GR	18,792
47.041	3650	AMRN SOC ENGIN ED	7692069	29,913
47.041	3650	ECO-SHELTER, LLC	135456004	141,505
47.041	3650	NORTH DAKOTA ST UNIV	FAR0032826	-433
47.041	3650	UNIV OF NEW MEXICO	358007874P	266,884
47.041	3650	UNIVERSITY OF KANSAS	FY2020018	69,015
47.041	3700	University of Pittsburgh	AWD00006510	17,041
47.041	3700	University of Pittsburgh	AWD00006510 (012854-1)	16,000
47.041	3750	Utah State University	203935-861	8,795
47.049	3600	ASSOCIATION OF UNIVERSITIES FOR RESEARCH IN ASTRONOMY INC.	N00017343CAM01	1,633,112
47.049	3600	BOISE STATE UNIVERSITY	10745PO141521	29,536
47.049	3600	DUKE UNIVERSITY	3332770AM01	322,833
47.049	3600	LSST, INC.	N51948CAM11	2,090,045
47.049	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S6117PO954115	89,943
47.049	3600	OREGON STATE UNIVERSITY	S2270BOAM03	29,906

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47.049	3600	THE TRUSTEES OF PRINCETON UNIVERSITY	SUB0000734	94,484
47.049	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00010006AM04	210,377
47.049	3600	UNIVERSITY OF CENTRAL FLORIDA	GR105425AM003	42,738
47.049	3600	UNIVERSITY OF CHICAGO	AWD068599SUB00000622AM	134,113
47.049	3600	UNIVERSITY OF CHICAGO	AWD104312SUB00000998	3,329
47.049	3600	UNIVERSITY OF HAWAII AT MANOA	MA1713AM02	43,247
47.049	3600	UNIVERSITY OF PUERTO RICO	2023000219NSF2139007	29,616
47.049	3650	DREXEL UNIVERSITY	920202	50,715
47.049	3700	Boise State University	10745-P0141516	9,638
47.050	3600	ARCTIC RESEARCH CONSORTIUM OF THE UNITED STATES	SIPN213310832	16,780
47.050	3600	BROWN UNIVERSITY	00001936AM002	38,486
47.050	3600	CARLETON COLLEGE	0796UWAM02	30,319
47.050	3600	COLUMBIA UNIVERSITY	20DGG00939304AM01	-3,495
47.050	3600	GEORGE MASON UNIVERSITY	E2048691AM05	6,919
47.050	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD002863G1AM03	118,115
47.050	3600	HARVARD T.H. CHAN SCHOOL OF PUBLIC HEALTH	1243705118902AM03	59,576
47.050	3600	INCORPORATED RESEARCH INSTITUTIONS FOR SEISMOLOGY	SU19100107UWATO106AM1	55,568
47.050	3600	IOWA STATE UNIVERSITY	024680AAM01	17,231
47.050	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	2110911AM04	323,282
47.050	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	PO2011050MOD009	2,772,990
47.050	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	PO2110546AM03	164,133
47.050	3600	OREGON STATE UNIVERSITY	S2119AAAM05	111,335
47.050	3600	OREGON STATE UNIVERSITY	S2274AA	14,152
47.050	3600	OREGON STATE UNIVERSITY	S2295CDAM04	1,616,159
47.050	3600	THE PENNSYLVANIA STATE UNIVERSITY	5857UWNSF8934AM07	51,280

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47.050	3600	UNIVERSITY CORPORATION FOR ATMOSPHERIC RESEARCH	SUBAWD003261MOD1	76,175
47.050	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	705619AM01	5,844
47.050	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	706154AM01	58,327
47.050	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	KR704187AM004	97,333
47.050	3600	UNIVERSITY OF CALIFORNIA, SANTA BARBARA	KK2329AM01	20,380
47.050	3600	UNIVERSITY OF OKLAHOMA	202111AM003	116,459
47.050	3600	UNIVERSITY OF WISCONSIN-MADISON	0000000506AM03	2,138
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403AMEND24	6,620,413
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101651	5,397,563
47.050	3650	IOWA STATE UNIVERSITY	026267	38,648
47.050	3650	OREGON STATE UNIV	S2295CE	33,047
47.050	3750	Earthscope Consortium Inc	S18-EAR1724794-S1	126,235
47.050	3750	Pennsylvania State University	5862-CWU-NSF-8934	95,146
47.050	3800	Columbia University	53C(GG009393-04) /SAPO	5,100
47.050	3800	Columbia University	SAPO G17260 53B(GG0093	19,085
47.050	3800	PNRI-Pacific Northwest Research Ins	EEID_DIMOND_01	33,423
47.050	3800	University Of Alaska	P0571558 / UAF-24-0028	71,541
47.070	3600	CARNEGIE MELLON UNIVERSITY	1122928460436AM01	145,344
47.070	3600	COMPUTING RESEARCH ASSOCIATION	2021CIFUWASHINGTON29	21,398
47.070	3600	COMPUTING RESEARCH ASSOCIATION	2021CIFUWASHINGTON66AM	96,563
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CSE001	19,196
47.070	3600	COMPUTING RESEARCH ASSOCIATION	G1A004	2,183
47.070	3600	COMPUTING RESEARCH ASSOCIATION	G1A016AM01	39,767
47.070	3600	COMPUTING RESEARCH ASSOCIATION	G1B024	3,533
47.070	3600	COMPUTING RESEARCH ASSOCIATION	G1B025AM01	41,308
47.070	3600	COMPUTING RESEARCH ASSOCIATION	G2A065	45,185
47.070	3600	COMPUTING RESEARCH ASSOCIATION	G2A066MOD01	43,750
47.070	3600	COMPUTING RESEARCH ASSOCIATION	G2A067	41,697

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47.070	3600	FORDHAM UNIVERSITY	FORD011830409	2,827
47.070	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S5834PO824664	116,976
47.070	3600	MICHIGAN TECHNOLOGICAL UNIVERSITY	2006061Z4AM04	28,163
47.070	3600	OHIO STATE UNIVERSITY	GR133937SPC10000012526	9,072
47.070	3600	OHIO STATE UNIVERSITY	SPC1000005464GR124632A	79,271
47.070	3600	REGENTS OF THE UNIVERSITY OF COLORADO	1562954AM001	105,536
47.070	3600	RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY	1121PO1215394MOD05	-159
47.070	3600	THE TRUSTEES OF PRINCETON UNIVERSITY	SUB0000281AM05	34,037
47.070	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	121847117MPINVS9002372	389,708
47.070	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00010972AM02	22,673
47.070	3600	UNIVERSITY OF CALIFORNIA, SANTA BARBARA	KK2376AM01	155,774
47.070	3600	UNIVERSITY OF COLORADO BOULDER	1556133AM06	-4,735
47.070	3600	UNIVERSITY OF PITTSBURGH	AWD000082170129501	1,419
47.070	3600	UNIVERSITY OF TEXAS AT AUSTIN	UTA20000943AM04	568,194
47.070	3600	UNIVERSITY OF TEXAS AT AUSTIN	UTAUSSUB00000704AM01	107,557
47.070	3600	VANDERBILT UNIVERSITY	61688AM01	65,600
47.070	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU240253MOD1	58,710
47.070	3650	ARIZONA STATE UNIV	ASUB000001062	9,257
47.070	3650	OREGON STATE UNIV	Z0051A-B	117,323
47.070	3650	UNIV OF CA - RIVERSIDE	S001664	42,089
47.070	3650	UNIV OF TENNESSEE	A230007S011	45,464
47.074	3600	GLOUCESTER MARINE GENOMICS INSTITUTE INCORPORATED	0002	13,236
47.074	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S5173PO524705AM04	193,387
47.074	3600	NORTH CAROLINA STATE UNIVERSITY	PAMP23002762SA01	32,891
47.074	3600	RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY	1658PO1392504MOD04	9,020
47.074	3600	UNIVERSITY OF ARIZONA	493174AM05	27,819

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47.074	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A230252S001AM01	49,186
47.074	3600	UNIVERSITY OF CALIFORNIA, SANTA BARBARA	KK2128AM02	-143
47.074	3600	UNIVERSITY OF MARYLAND, COLLEGE PARK	91874Z3500201AMC	805
47.074	3650	(AACC)AMRN ASSOCIATI	140002	3,127
47.074	3650	AK FED OF NATIVES	146028001	9,520
47.074	3650	AK NATIVE TRIBAL HLTH	24U425251	15,951
47.074	3650	COLUMBIA UNIVERSITY	5GG014070	812
47.074	3650	GEORGETOWN UNIVERSITY	425338GR425286YR1WSU	430,825
47.074	3750	State University of New York	4-86659	6,273
47.074	3800	Cell Biology Education Consortium	LINA DAHLBERG	3,000
47.074	3800	University Of Alaska	UAF 18-0059/P0521291	138,628
47.074	3800	Virginia Commonwealth University	FP00014692_SA005	6,584
47.075	3600	SYRACUSE UNIVERSITY	3029105288S01AM06	96,019
47.075	3600	SYRACUSE UNIVERSITY	3230106033S01	53,011
47.075	3650	DEPAUL UNIVERSITY	501835SG2253	4,293
47.075	3650	PENNSYLVANIA ST UNIV	S004576	30,007
47.075	3650	REED COLLEGE	40460WSU	119,747
47.076	3600	AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE	2466C	124,784
47.076	3600	AMERICAN CHEMICAL SOCIETY	NA	5,654
47.076	3600	AMERICAN INSTITUTES FOR RESEARCH IN THE BEHAVIORAL SCIENCES	0499000001AM02	32,825
47.076	3600	AMERICAN SOCIETY FOR ENGINEERING EDUCATION	769UWWA	-106
47.076	3600	AMERICAN SOCIETY FOR ENGINEERING EDUCATION	UW2023KNOWLEDGE	11,528
47.076	3600	ASSOCIATION OF PUBLIC LAND-GRANT UNIVERSITIES	A170794A191036AM001	184,050
47.076	3600	AUBURN UNIVERSITY	21COSAM200840UWAAM04	133,674
47.076	3600	BLACK IN MARINE SCIENCE	2224571	103,710
47.076	3600	DUKE UNIVERSITY	3332804AM02	181,691

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47.076	3600	FLORIDA INTERNATIONAL UNIVERSITY	000734	45,160
47.076	3600	MICHIGAN STATE UNIVERSITY	RC107451UWAM03	34,973
47.076	3600	MONTANA STATE UNIVERSITY	G22224WA567	48,224
47.076	3600	ROCHESTER INSTITUTE OF TECHNOLOGY	3270403	13,860
47.076	3600	RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY	SUB000002722AM2	143,784
47.076	3600	SEATTLE UNIVERSITY	210148807001AM03	17,850
47.076	3600	TEACHERS DEVELOPMENT GROUP	206002CAM03	154,362
47.076	3600	THE RESEARCH FOUNDATION FOR THE STATE UNIVERSITY OF NEW YORK	190115665485949AM03	1,808
47.076	3600	THE RESEARCH FOUNDATION FOR THE STATE UNIVERSITY OF NEW YORK	R1340094AM02	237,545
47.076	3600	UNIVERSITY OF COLORADO BOULDER	1562797AM001	23,096
47.076	3600	UNIVERSITY OF COLORADO BOULDER	1564484	6,164
47.076	3600	UNIVERSITY OF HOUSTON	R220003AM004	11,868
47.076	3600	UNIVERSITY OF ILLINOIS AT URBANA-CHAMPAIGN	09546417496AM03	-55
47.076	3600	UNIVERSITY OF MARYLAND, BALTIMORE COUNTY	NSF0009901AM02	4,366
47.076	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5126006AM1	147,192
47.076	3600	UNIVERSITY OF OREGON	2012U0BAM04	21,741
47.076	3600	UNIVERSITY OF TEXAS AT EL PASO	226100996P	39,119
47.076	3600	UNIVERSITY OF WISCONSIN-MADISON	0000001018AM05	30,566
47.076	3600	UNIVERSITY OF WISCONSIN-MADISON	0000003210	9,427
47.076	3600	VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY	48080119124AMEND1	15,178
47.076	3600	WEST VIRGINIA UNIVERSITY	18717UW	25,939
47.076	3600	WOMEN IN ENGINEERING PROGRAMS AND ADVOCATES NETWORK	UWAWD-003996	44,063
47.076	3650	ALBERTEINSTEIN COLMED	31162B	52,715
47.076	3650	AMASSOC COMCOLS (AACC)	139000	30,469
47.076	3650	AMRN ACAD ADDIC PSYCH	SORTOR42	47,886

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47.076	3650	AMRN INSTS FOR RSCH	0499000002	23,466
47.076	3650	ASSOCIATIONAMRN MED	GT3202107	39,801
47.076	3650	ASSUNIVCT DISAB (AUCD)	01884524	55,421
47.076	3650	AUSTIN COMM COL DIST	141748001	15,786
47.076	3650	AUSTIN COMM COL DIST	WSU004153	73,366
47.076	3650	CASE WESTERN UNIV	RES602845	35,215
47.076	3650	CASE WESTERN UNIV	TULHSC5606252223	17,652
47.076	3650	CASE WESTERN UNIV	TULHSC5609942223	23,553
47.076	3650	CASE WESTERN UNIV	TULHSC5616282324	68,128
47.076	3650	DARK ENTERPRISES INC	138714002	-1,602
47.076	3650	DIGITAL WORLD BIOLOGY	WSU003988	9,277
47.076	3650	HERITAGE UNIVERSITY	CRESCENT-01	103,096
47.076	3650	PIEDMONT TECHNICAL COL	143446	4,180
47.076	3650	SPOKANE COMMUNITY COL	134038001	10,979
47.076	3650	TRIDENT TECHNICAL COL	PS957605	25,274
47.076	3650	UNIV OF PUGET SOUND	138306-001	192
47.076	3650	UNIV OF VIRGINIA	GR103587SUB00001082	26,710
47.076	3700	Kent State University	SUBAWARD 402139-EWU	48,081
47.076	3700	University of Idaho	ED6357-726951 PTE:V210	122,079
47.076	3750	American Inst for Research in Behavioral Sciences	0499000004	26,207
47.076	3760	Salish Kootenai College	ESC-20-1	1,627
47.076	3760	University of Maryland, Baltimore County	NSF00099-05	1,539
47.076	3800	American Institutes For Research	0499000003	2,789
47.076	3800	Salish Kootenai College	1826637 / WWU-18-2	2,400
47.076	3800	Salish Kootenai College	CRIRE-WWU-23-1	1,658
47.076	3800	University of California Berkeley	00010783 / BB01636964	60,812
47.076	6990	Central Oregon comm Coll	2301095	2,936
47.076	6990	Collins College	21601	2,386

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47.076	6990	Somerset Comm Coll	2055722	12,934
47.076	6990	WPI	21620	2,238
47.078	3600	OREGON STATE UNIVERSITY	S2306LNAME04	1,002,449
47.078	3600	OREGON STATE UNIVERSITY	S2319AAAM02	8,511
47.078	3600	THE PENNSYLVANIA STATE UNIVERSITY	5857UWNSF8934AM07	14,180
47.078	3600	THE TRUSTEES OF PRINCETON UNIVERSITY	SUB0000386AM04	572,449
47.078	3650	DARTMOUTH COLLEGE	R1831	38,184
47.079	3600	U.S. CIVILIAN RESEARCH AND DEVELOPMENT FOUNDATION	20221069399	14,909
47.079	3600	U.S. CIVILIAN RESEARCH AND DEVELOPMENT FOUNDATION	G20240371806	1,211
47.079	3600	UNIVERSITY OF CHICAGO	FP065300C54405486012AM	51,662
47.083	3600	ARIZONA STATE UNIVERSITY	ASUB00001468	27,579
47.083	3600	IOWA STATE UNIVERSITY	028092GAM01	61,482
47.083	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00011677	8,394
47.083	3600	UNIVERSITY OF MASSACHUSETTS	0178199131	1,962
47.083	3650	CATH CHARITIESSPOKANE	132359001	14,297
47.083	3800	University Of Massachusetts Amhers	017819-9133	2,931
47.084	3600	AQUAGGA, INC.	A176690	49,619
47.084	3600	ARIZONA STATE UNIVERSITY	ASUB00001434	946
47.084	3600	CARNEGIE MELLON UNIVERSITY	1123036470928AM001	97,291
47.084	3600	OREGON STATE UNIVERSITY	S2431AA	86,156
47.084	3600	QUIVER DENTAL, INC.	UWAWD-009523	46,832
47.084	3600	TRUSTEES OF INDIANA UNIVERSITY	9911	92,290
47.084	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00011489	42,842
47.084	3600	UNIVERSITY OF ILLINOIS AT CHICAGO	19689	62,523
47.084	3600	UTAH STATE UNIVERSITY	204694838AM01	137,894
47.084	3600	VANDERBILT UNIVERSITY	UNIV62475AM01	76,682
47.084	3650	ABBERIT	141948001	10,899

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47.084	3650	CHOICE REGL HLTH NTRWK	HRSAGA1RH3954605	5,796
47.084	3650	UNIVERSITY OF IDAHO	CC7636539986	27,463
47.084	3650	UNIVERSITY OF OREGON	2017V0C	16,669
66.121	3800	Swinomish Indian Tribal Community	954-90-23-2 / FY22EPA	7,621
66.123	3600	THE NATURE CONSERVANCY	WAC230706001	34,632
66.126	3600	SAN FRANCISCO ESTUARY INSTITUTE	1566	42,022
66.126	3600	SAN FRANCISCO ESTUARY INSTITUTE	1632AM01	13,424
66.509	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	A009907501	59,315
66.509	3600	UNIVERSITY OF ALASKA ANCHORAGE	P0564947AM01	71,674
66.511	3600	HEALTH EFFECTS INSTITUTE	4975RFA1912093	84,617
66.511	3600	WATER RESEARCH FOUNDATION	5202	40,444
66.605	3650	SQUAXIN ISLAND TRIBE	140239001	-56
66.716	3650	EXTENSION	PSEFMP20242450	181
66.951	3650	CITY COL OF SAN FRAN	144789001	25,014
66.U01	6990	66.122 City of Tacoma	none	502
81.010	3600	VERTUELAB	UWAWD-005896	132,508
81.049	3600	CARNEGIE MELLON UNIVERSITY	1070142464347AM01	127,700
81.049	3600	COLUMBIA UNIVERSITY	4GG01449638POG17188	949,639
81.049	3600	FLORIDA STATE UNIVERSITY	R000002914AM02	240,082
81.049	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD004059G1AM01	85,612
81.049	3600	GVD CORP.	A167035AM01	72,108
81.049	3600	MARINESITU, INC.	A177974	9,139
81.049	3600	MICHIGAN STATE UNIVERSITY	RC114586UWAM01	99,480
81.049	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF240018AM01	48,452
81.049	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A230499S004AM01	2,353
81.049	3600	UNIVERSITY OF CALIFORNIA, IRVINE	20231853AM01	23,155
81.049	3600	UNIVERSITY OF COLORADO BOULDER	1561326PO1001569134AM0	67,888

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81.049	3600	UNIVERSITY OF ILLINOIS AT URBANA-CHAMPAIGN	10568818689AM01	14,989
81.049	3600	UNIVERSITY OF NEW MEXICO	271817874J	66,937
81.049	3600	UNIVERSITY OF OKLAHOMA	202123AM03	8,477
81.049	3600	YALE UNIVERSITY	CON80004101GR118812	62,066
81.049	3650	ILLINOIS STATE UNIV	A210036S006	364,044
81.049	3650	JEFFERSON COMM TECHCOL	DUE1700496WSU	-111
81.049	3650	JEFFERSON COMM TECHCOL	DUE2202038001	28,115
81.049	3650	LOS ALAMOS NAT'L SEC	7624942	113,731
81.049	3650	LOS ALAMOS NAT'L SEC	C1937	3,033
81.049	3650	LOS ALAMOS NAT'L SEC	C3249	2,635
81.049	3650	LOS ALAMOS NAT'L SEC	C3604	115,873
81.049	3650	LOS ALAMOS NAT'L SEC	C4550	989
81.049	3650	MICHIGAN STATE UNIV	RC105251	10,610
81.049	3650	MONTANA STATE UNIV	G14821W8564	221,148
81.049	3650	NEXCERIS	140937001	41,253
81.049	3650	PURDUE UNIVERSITY	14000496003	44,950
81.049	3650	UNIV OF NEBRASKA	2512150123011	-6
81.049	3650	UNIV OF NEBRASKA	2512150265008	183,762
81.049	3650	UNIV OF NEW MEXICO	740058874P	36,413
81.086	3650	NORTHEASTERN UNIV	503048-78051	72,280
81.086	3700	Kalispel Indian Community	23-054 BPA CONTRACT 74	187,047
81.086	3700	Kalispel Indian Community	EWU 24-123	24,798
81.086	3700	Kalispel Indian Community	SUBAWARD TSC21-066	1,079
81.087	3600	OREGON STATE UNIVERSITY	G0152ABAM12	37,775
81.087	3600	OREGON STATE UNIVERSITY	G0196AAAM03	56,200
81.087	3600	OREGON STATE UNIVERSITY	G0217AA	8,156
81.087	3600	PACIFIC OCEAN ENERGY TRUST	A192163	8,711
81.087	3600	PACIFIC OCEAN ENERGY TRUST	A199737	37,118

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81.087	3600	PACIFIC OCEAN ENERGY TRUST	UWOSPA190459AM01	49,977
81.087	3650	ALLIANCE SUST ENRGY	142380003	135,985
81.087	3650	ALLIANCE SUST ENRGY	SUB202210359	110,024
81.087	3650	LA BIOMEDICAL RES INS	HHSN275201300024I	40,894
81.087	3650	LOS ALAMOS NAT'L SEC	7729660	48,325
81.087	3650	MNGD HLTH CONN LLC	143265	483,818
81.087	3650	TEXAS A&M UNIVERSITY	M1900171	22,604
81.087	3650	UNIV OF NORTH DAKOTA	UND0026128S1	39,235
81.087	3800	University of Tulsa	14-2-12-153443-66019	68,496
81.089	3600	UNIVERSITY OF TEXAS AT AUSTIN	UTA17000308AM011	134,836
81.104	3650	MARINE TECHNOLOGY SOC	144664001	22,478
81.104	3650	MONTGOMERY CNTY COMMCO	139764002	11,610
81.104	3650	MT DEPT PUB HHS	24102740300	183,181
81.106	2250	Western Interstate Energy Board	K18040	98,940
81.112	3600	TEXAS A&M UNIVERSITY	M1803341AM007	35,975
81.112	3600	TEXAS A&M UNIVERSITY	M2400616	41,988
81.112	3650	GEORGIA TECH	AWD005190G4	256,748
81.112	3650	UNIV OF NOTRE DAME	203186WSU	114,809
81.113	3650	GEORGIA TECH	AWD000372G1	166,678
81.121	3650	ARIZONA STATE UNIV	ASUB00001543	3,948
81.122	3650	BATTELLE LABS (PNNL)	705929	12,313
81.122	3650	UNIV OF ILLINOIS	20150660502	-6,554
81.135	3600	THE MARINE BIOLOGICAL LABORATORY	54679	38,648
81.135	3650	ARIZONA STATE UNIV	ASUB00001315	161,091
81.135	3650	NATIONAL CENTER GEN	20171	-4,118
81.214	3650	VANDERBILT UNIVERSITY	OSA00000203	85,968
81.RD	3600	ARGONNE NATIONAL LABORATORY	1F60592M0004	116,734
81.RD	3600	ARGONNE NATIONAL LABORATORY	2F60005M0007	91,683

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81.RD	3600	BATTELLE MEMORIAL INSTITUTE	676213AM01	155,568
81.RD	3600	BROOKHAVEN NATIONAL LABORATORY	252206AM17	26,968
81.RD	3600	BROOKHAVEN NATIONAL LABORATORY	344773AM10	8,864
81.RD	3600	BROOKHAVEN NATIONAL LABORATORY	364211MOD08	28,102
81.RD	3600	BROOKHAVEN NATIONAL LABORATORY	391075MOD007	239,154
81.RD	3600	BROOKHAVEN NATIONAL LABORATORY	403709MOD02	52,398
81.RD	3600	BROOKHAVEN NATIONAL LABORATORY	412823MOD02	9,352
81.RD	3600	BROOKHAVEN NATIONAL LABORATORY	424770	-68
81.RD	3600	BROOKHAVEN NATIONAL LABORATORY	431103MOD01	86,875
81.RD	3600	BROOKHAVEN NATIONAL LABORATORY	431458	49,361
81.RD	3600	BROOKHAVEN NATIONAL LABORATORY	432426	9,207
81.RD	3600	BROOKHAVEN NATIONAL LABORATORY	442686	28,530
81.RD	3600	FERMI NATIONAL ACCELERATOR LABORATORY	678162MOD02	138,199
81.RD	3600	IDAHO NATIONAL LABORATORY	260424AM05	83,117
81.RD	3600	IDAHO NATIONAL LABORATORY	286607AM01	110,056
81.RD	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20220003AM01	1,696
81.RD	3600	JET PROPULSION LABORATORY	1303809MOD38	80,421
81.RD	3600	JET PROPULSION LABORATORY	1318945MOD32	122,137
81.RD	3600	KRELL INSTITUTE	UAWWD-003938	-3,750
81.RD	3600	KRELL INSTITUTE	UAWWD-009528	7,500
81.RD	3600	KRELL INSTITUTE	UAWWD-009535	7,500
81.RD	3600	KRELL INSTITUTE	UAWWD-009542	61,871
81.RD	3600	KRELL INSTITUTE	UAWWD-009567	7,500
81.RD	3600	LAWRENCE BERKELEY NATIONAL LABORATORY	7642072	-6,124
81.RD	3600	LAWRENCE BERKELEY NATIONAL LABORATORY	7659890MOD09	351,775
81.RD	3600	LAWRENCE BERKELEY NATIONAL LABORATORY	7675946	95,571
81.RD	3600	LAWRENCE BERKELEY NATIONAL LABORATORY	7701521	46,759
81.RD	3600	LAWRENCE BERKELEY NATIONAL LABORATORY	7714780	30,096

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81.RD	3600	LOS ALAMOS NATIONAL LABORATORY	CW34314	27,945
81.RD	3600	LOWER COLUMBIA ESTUARY PARTNERSHIP	082023AM01	163,866
81.RD	3600	NATIONAL RENEWABLE ENERGY LABORATORY	SUB202210174MOD2	62,791
81.RD	3600	NATIONAL RENEWABLE ENERGY LABORATORY	SUB202310349	89,597
81.RD	3600	NATIONAL RENEWABLE ENERGY LABORATORY	SUB202310517AM01	32,703
81.RD	3600	OAK RIDGE INSTITUTE FOR SCIENCE AND EDUCATION	CHECK316794	21,526
81.RD	3600	OAK RIDGE INSTITUTE FOR SCIENCE AND EDUCATION	CHECK319254	2,102
81.RD	3600	OAK RIDGE INSTITUTE FOR SCIENCE AND EDUCATION	NA	59,194
81.RD	3600	OAK RIDGE INSTITUTE FOR SCIENCE AND EDUCATION	STEMWD00851	0
81.RD	3600	OAK RIDGE NATIONAL LABORATORY	4000192550MOD17	57,389
81.RD	3600	OAK RIDGE NATIONAL LABORATORY	4000203159	136,845
81.RD	3600	OAK RIDGE NATIONAL LABORATORY	CW49418	222,133
81.RD	3600	PACCAR INC.	A151091AM01	1,430
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	243766TO257527MOD02	41,051
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	589676MOD03	66,311
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	619333MOD03	46,644
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	619818M0D02	133,958
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	632001MOD05	141,790
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	647684MOD02	339,953
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	654408MOD003	118,053
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	655019MOD02	3,969
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	655512MOD1	179,382
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	655539MOD01	56,725
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	659770MOD1	153,051
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	660338M0D01	85,473
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	662653MOD01	124,456

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81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	663685	95,740
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	667498	7,502
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	670186MOD01	7,303
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	673307	79,122
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	679565	18,745
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	684923	74,500
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	698216	53,751
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	703195MOD001	74,514
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	711979	41,405
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	713734	82,781
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	723300	7,375
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	724337	28,609
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	724552	38,164
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	729299	37,125
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	729873	22,276
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	729902	5,262
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	736567	19,419
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	738570	2,996
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO450523MOD04	216,326
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO475381MOD02	688
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO594113	22,982
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO618109MOD03	50,264
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO624893AM02	13,795
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA487139TO495959MOD03	4,430
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA487139TO500469AM001	1,021
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA487139TO516639MOD04	175,603
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA487139TO535499MOD08	263,047
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA487139TO549009MOD06	73,694

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81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA487139TO555131MOD02	28,352
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA487139TO574823MOD04	73,143
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA487139TO590896MOD01	21,206
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA487139TO592008MOD04	662,525
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA487139TO630347MOD04	35,048
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA650145MOD02	446
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	TASKORDER335418MOD06	1,422
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	TO647365MA487139MOD01	53,884
81.RD	3600	PACIFIC OCEAN ENERGY TRUST	A192163	129,153
81.RD	3600	PACIFIC OCEAN ENERGY TRUST	AM01	69,774
81.RD	3600	PACIFIC OCEAN ENERGY TRUST	TEAMERTBUW	32,361
81.RD	3600	PRINCETON PLASMA PHYSICS LABORATORY	S220349	18,538
81.RD	3600	SANDIA NATIONAL LABORATORIES	2587242	46,098
81.RD	3600	SANDIA NATIONAL LABORATORIES	PO2294283	8,771
81.RD	3600	SANDIA NATIONAL LABORATORIES	PO2322648REV01	-34
81.RD	3600	SANDIA NATIONAL LABORATORIES	PO2445018REV01	143,723
81.RD	3600	SANDIA NATIONAL LABORATORIES	PO2445269	55,404
81.RD	3600	SANDIA NATIONAL LABORATORIES	PO2460409	47,973
81.RD	3600	SANDIA NATIONAL LABORATORIES	PO2478645	20,227
81.RD	3600	SANDIA NATIONAL LABORATORIES	PO2527967	79,184
81.RD	3600	SANDIA NATIONAL LABORATORIES	PO2542600	3,039
81.RD	3600	SLAC NATIONAL ACCELERATOR LABORATORY	168751MOD03	125,228
81.RD	3600	SLAC NATIONAL ACCELERATOR LABORATORY	190039MOD04	79,133
81.U02	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	670040	1,839
81.U03	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	705684AM002	33,810
81.U04	3600	BATTELLE MEMORIAL INSTITUTE	Contract648225	119
81.U06	3650	BATT ENGY ALL-INL	142978002	48,187
81.U07	3650	ANL - UNIV OF CHICAGO	0F60061	-6,426

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81.U08	3650	BATT ENGY ALL-INL	201360	267,556
81.U09	3650	BATT ENGY ALL-INL	260738	-375
81.U10	3650	BATT ENGY ALL-INL	508280	-524
81.U11	3650	BATT ENGY ALL-INL	432041	-87,001
81.U12	3650	BATT ENGY ALL-INL	500860	-606
81.U13	3650	BATT ENGY ALL-INL	538552	39,150
81.U14	3650	BATT ENGY ALL-INL	550188	-2,441
81.U15	3650	BATT ENGY ALL-INL	506570	-1,921
81.U16	3650	BATT ENGY ALL-INL	574231	-1
81.U17	3650	BATT ENGY ALL-INL	528677	1,899
81.U18	3650	BATT ENGY ALL-INL	540055	-588
81.U19	3650	BATT ENGY ALL-INL	540570	-1,549
81.U20	3650	BATT ENGY ALL-INL	674208	25,000
81.U21	3650	BATT ENGY ALL-INL	685891	51,427
81.U22	3650	GEORGIA INST OF TECH	AWD001575G1	-15,331
81.U23	3650	BATT ENGY ALL-INL	561086	-5,945
81.U24	3650	BATT ENGY ALL-INL	699416	48,530
81.U25	3650	BATT ENGY ALL-INL	744226	10,480
81.U25	3650	FROSTDEFENSE ENVIROTEC	2125182S1	-7,491
81.U26	3650	BATT ENGY ALL-INL	700527	69,771
81.U27	3650	BATT ENGY ALL-INL	578270	1,636
81.U28	3650	BATT ENGY ALL-INL	578780	57,954
81.U29	3650	BATT ENGY ALL-INL	586620	-9,162
81.U30	3650	BATT ENGY ALL-INL	707962	24,996
81.U31	3650	BATT ENGY ALL-INL	595028	23,418
81.U32	3650	BATT ENGY ALL-INL	708797	31,520
81.U33	3650	BATT ENGY ALL-INL	606555	78,216
81.U34	3650	BATT ENGY ALL-INL	607066	57,654

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81.U35	3650	BATT ENGY ALL-INL	709575	10,000
81.U36	3650	BATT ENGY ALL-INL	607899	51,191
81.U37	3650	BATT ENGY ALL-INL	607903	244,450
81.U38	3650	BATT ENGY ALL-INL	608584	-271
81.U39	3650	BATT ENGY ALL-INL	716290	12,277
81.U40	3650	BATT ENGY ALL-INL	721317	25,872
81.U41	3650	BATT ENGY ALL-INL	721318	32,441
81.U42	3650	HANFORD MISSION INT SO	78119	449,780
81.U43	3650	BATT ENGY ALL-INL	630348	1,763
81.U44	3650	BATT ENGY ALL-INL	639155	53,991
81.U46	3650	BATT ENGY ALL-INL	640538	49,997
81.U47	3650	BATT ENGY ALL-INL	740780	6,486
81.U48	3650	BATT ENGY ALL-INL	646731	62,532
81.U49	3650	BATT ENGY ALL-INL	647895	9,218
81.U50	3650	BATT ENGY ALL-INL	652544	95,349
81.U51	3650	BATT ENGY ALL-INL	660277	8,200
81.U52	3650	BATT ENGY ALL-INL	660542	23,321
81.U53	3650	BATT ENGY ALL-INL	660632	53,574
81.U54	3650	BATT ENGY ALL-INL	660633	51,406
81.U55	3650	BATT ENGY ALL-INL	668027	-108
81.U56	3650	BATT ENGY ALL-INL	668215	1,133
81.U57	3650	BATT ENGY ALL-INL	670797	10,078
81.U58	3650	BATT ENGY ALL-INL	671664	78,071
81.U59	3650	BATT ENGY ALL-INL	675071	21,514
81.U60	3650	ICAHNSCHL MED MT SINAI	0255I6814609	88,743
81.U61	3650	JAEB CNTR HLTH RSCH FD	JCHR	14,158
81.U62	3650	HANFORD MISSION INT SO	B651327	113,125
81.U63	3650	CNTRL OREGON COMM COL	142263	-2,516

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81.U67	3650	HANFORD MISSION INT SO	B649812	328,806
81.U68	3650	DON DANFORTH PSC	23021W	-7
81.U69	3650	DON DANFORTH PSC	23217W	271,141
81.U70	3650	EGYPTIAN CULTURAL ED	145432001	3,450
81.U71	3650	ELECTRIC POWERRSCHINST	10011557	38,689
81.U71	3650	FARADAY TECHNOLOGY INC	402711844000346	51,281
81.U72	3650	FINGER LAKES COMM COL	CCURIYEARI20162017	-81
81.U73	3650	ALLIANCE SUST ENRGY	SUB202410044	93,451
81.U73	3650	UT-BATTELLE-ORNL	CW40881	-9,152
81.U74	3650	ALLIANCE SUST ENRGY	SUB202310382	64,949
81.U74	3650	UT-BATTELLE-ORNL	CW41355	280,913
81.U75	3650	ALLIANCE SUST ENRGY	SUB202310381	123,518
81.U77	3650	ALLIANCE SUST ENRGY	SUB202310185	96,302
81.U78	3650	ALLIANCE SUST ENRGY	SUB202110564	1,625
81.U79	3800	Battelle Pacific NW Natl Lab	628837	8,814
81.U80	3800	Pacific Northwest National Laborato	721277	24,336
84.010	6990	Edmonds School Dist. ESSA	1003-51	45,296
84.031	3650	NATIONAL CENTER GEN	C000622112	52,340
84.116	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	84.116D	11,988
84.116	6990	CEVSS	P116G20001	163,771
84.305	3600	AMERICAN INSTITUTES FOR RESEARCH IN THE BEHAVIORAL SCIENCES	0440100001MOD05	76,859
84.305	3600	AMERICAN INSTITUTES FOR RESEARCH IN THE BEHAVIORAL SCIENCES	0518400001MOD02	8,584
84.305	3600	AMERICAN INSTITUTES FOR RESEARCH IN THE BEHAVIORAL SCIENCES	PO046220001MOD05	263,292
84.305	3600	LEHIGH UNIVERSITY	54422078003AM03	70,500
84.305	3600	NEW YORK UNIVERSITY	F143401AM003	10,342
84.305	3600	SEATTLE CHILDREN'S HOSPITAL	12622SUBMOD02	48,288

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84.305	3600	VIRGINIA COMMONWEALTH UNIVERSITY	FP00013590SA003AM002	29,700
84.305	3600	W.E. UPJOHN INSTITUTE FOR EMPLOYMENT REASEARCH	35802UWAAM2	62,758
84.324	3600	VANDERBILT UNIVERSITY	61540AM03	173,660
84.325	3600	UNIVERSITY OF CONNECTICUT	84.325H	121,895
84.326	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	84.326K	142,458
84.335	6990	CCAMPUS	999	203,062
84.373	3600	AEM CORPORATION	84.373Q	37,853
84.411	3750	University of California	92-WA02-2023AIR	4,027
93.000	3600	ACUMEN, LLC	MIDS19F0003T0014AMOD4	0
93.067	3600	CENTRE HAITIEN POUR LE RENFORCEMENT DU SYSTEME DE SANTE	CHUW22260405	48,497
93.067	3600	CENTRE HAITIEN POUR LE RENFORCEMENT DU SYSTEME DE SANTE	CHUW23602223AM01	223,410
93.067	3600	CHRISTIAN HEALTH ASSOCIATION OF KENYA	NU2GGH002450	54,886
93.067	3600	COTE D'IVOIRE INTERNATIONAL TRAINING & EDUCATION FOR HEALTH	SUB001PO001AM01	441,333
93.067	3600	GLOBAL HEALTH INFORMATICS INSITUTE	GHIISA001AM2	161,871
93.067	3600	PATH	CDC57928401709063SUBAM	2,088,428
93.067	3600	TANZANIA HEALTH PROMOTION SUPPORT	CDCRFAGH212137	1,080,789
93.067	3600	ZIMBABWE TECHNICAL ASSISTANCE, TRAINING & EDUCATION CENTER FOR HEALTH	ZIMTTECHCOP23240801AM0	574,534
93.067	3600	ZIMBABWE TECHNICAL ASSISTANCE, TRAINING & EDUCATION CENTER FOR HEALTH	ZIMTTECHCOP23247301	162,307
93.067	3600	ZIMBABWE TECHNICAL ASSISTANCE, TRAINING & EDUCATION CENTER FOR HEALTH	ZIMTTECHCOP23247801BPO	342,629
93.067	3600	ZIMBABWE TECHNICAL ASSISTANCE, TRAINING & EDUCATION CENTER FOR HEALTH	ZIMTTECHCOP23248101AM0	201,670
93.068	3600	NATIONAL OPINION RESEARCH CENTER	G157UWA03AM01	13,336
93.068	3600	NATIONAL OPINION RESEARCH CENTER	G289IHME01AM1	99,903
93.077	3600	THE RESEARCH FOUNDATION FOR THE STATE UNIVERSITY OF NEW YORK	R1335499AM01	7,837
93.079	3600	AMERICAN PSYCHOLOGICAL ASSOCIATION	903402UWASHAM02	111,112

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93.080	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12047SCAM04	8,886
93.084	3600	THE RESEARCH FOUNDATION FOR THE STATE UNIVERSITY OF NEW YORK	498427AM2	361,409
93.087	3650	OR HLTH & SCI UNIV	1022162_WSU	32,403
93.103	3030	Association of Food and Drug Officials	N/A	45,523
93.103	3600	AMERICANS FOR INDIAN OPPORTUNITY	AIOFDAREACH2024	23,493
93.103	3600	FRED HUTCHINSON CANCER CENTER	0001178392	8,402
93.103	3600	SEATTLE CHILDREN'S HOSPITAL	12512SUBMOD04	23,491
93.103	3600	SEATTLE CHILDREN'S HOSPITAL	13271SUB	20,314
93.103	3600	UNIVERSITY OF ROCHESTER	SUB00000445AM1URFAOGR5	30,941
93.110	3030	Zero to Three	PRV28777	-5,501
93.110	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1920GIA130	16,979
93.110	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	13517SCAM02	2,454
93.113	3600	BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA	3419052249011AM04	31,279
93.113	3600	DIGNITY HEALTH	1033935UWAM01	26,714
93.113	3600	DIGNITY HEALTH	1034049UW	9,604
93.113	3600	DIGNITY HEALTH	33959UWAM01	122,053
93.113	3600	NORTIS, INC.	UW2020082001AM03	675
93.113	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1021982UWAAM01	76,628
93.113	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00010622AM05	8,369
93.113	3600	SEATTLE CHILDREN'S HOSPITAL	12947SUB	25,366
93.113	3600	SEATTLE CHILDREN'S HOSPITAL	13053SUBMOD1	170,725
93.113	3600	SEQUOIA FOUNDATION	9157UW02	27,170
93.113	3600	THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS	19896	5,222
93.113	3600	THE RESEARCH FOUNDATION FOR THE STATE UNIVERSITY OF NEW YORK	R1281337AM02	47,077
93.113	3600	THE UNIVERSITY OF IOWA	S0146401AM05	112,569
93.113	3600	THE WASHINGTON UNIVERSITY	WU18174MOD4AM04	-38,156

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93.113	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	1GG01304701AM05	14,333
93.113	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1553GIA330AM01	71,138
93.113	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1553GZE171AM02	155,680
93.113	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00004419AM01	9,188
93.113	3600	WESTAT, INC.	671400S002AM05	74,852
93.113	3600	YALE UNIVERSITY	GR104703CON80001507AM0	33,294
93.113	3650	DL - ADV-TECH, LLC	141566002	-3,048
93.113	3650	OREGON STATE UNIV	P0516AA	2,013
93.113	3650	OREGON STATE UNIV	P0516BA	9,368
93.121	3600	ADA THE FORSYTH INSTITUTE, INC.	UWASH0238102665AM07	97,194
93.121	3600	ADA THE FORSYTH INSTITUTE, INC.	UWASH0312742770AM02	47,231
93.121	3600	CHILDREN'S HOSPITAL OF PHILADELPHIA	PO20437170AM02	105,552
93.121	3600	PRAEVIVUM RESEARCH, INC.	UWAWD-005703	180,928
93.121	3600	RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY	3259AM01	54,160
93.121	3600	SEATTLE CHILDREN'S HOSPITAL	UWAWD-003551	9,776
93.121	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	121660AM04	115,990
93.121	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	129788	24,355
93.121	3600	THE UNIVERSITY OF IOWA	S0330001AM02	32,227
93.121	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	13590SCAM02	96,784
93.121	3600	UNIVERSITY OF MASSACHUSETTS CHAN MEDICAL SCHOOL	SUB000000291AM01	40,347
93.127	3600	SEATTLE CHILDREN'S HOSPITAL	13340SUB	37,671
93.135	3600	UNIVERSITY OF MASSACHUSETTS CHAN MEDICAL SCHOOL	SUB000000099AM03	32,040
93.136	3600	COMAGINE HEALTH	4100PTO44	12,592
93.136	3600	PUBLIC HEALTH - SEATTLE & KING COUNTY	9991PREVAMENDMENT1	34,986
93.136	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00013121AM04	70,899
93.136	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	13182SUB	47,182

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93.136	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5129450	44,443
93.137	3650	OKLAHOMA STATE UNIV	A240017S006	29,118
93.137	3650	OR HLTH & SCI UNIV	1008966WSU	48,889
93.137	6990	Snohomish Co Health Dist	6123	30,132
93.142	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	0000123614	354,169
93.155	3600	JBS INTERNATIONAL, INC.	02900HRSARCORPEVALWWAM	208,852
93.155	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5122884AM3	94,222
93.161	3600	AMERICAN ACADEMY OF PEDIATRICS	101476AM01	417,353
93.172	3600	BAYLOR COLLEGE OF MEDICINE	POP700000338AM04	45,771
93.172	3600	CARNEGIE MELLON UNIVERSITY	1090708456851AM03	254,051
93.172	3600	FRED HUTCHINSON CANCER CENTER	0001167214	125,479
93.172	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255C6214609AM6	220,585
93.172	3600	MATCHSTICK TECHNOLOGIES INC.	A138585AM05	70,371
93.172	3600	NORTHEASTERN UNIVERSITY	50090678051	227,415
93.172	3600	NYU GROSSMAN SCHOOL OF MEDICINE	22A000006793PROJECT267	21,203
93.172	3600	STANFORD UNIVERSITY	62305015135394AM04	24,994
93.172	3600	THE JACKSON LABORATORY	210314032502	17,007
93.172	3600	THE JACKSON LABORATORY	210314052303AM05	368,920
93.172	3600	THE JACKSON LABORATORY	210368022415	72,532
93.172	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A200450S005P0727662AM0	552,490
93.172	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00010386AM04	24,560
93.172	3600	UNIVERSITY OF MASSACHUSETTS CHAN MEDICAL SCHOOL	SUB000000408	71,705
93.172	3600	UNIVERSITY OF MIAMI	OS00001098	379,172
93.172	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5131462AM04	22,431
93.172	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	131153455AM04	67,036
93.172	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC100326AM02	306,268

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93.172	3650	UNIVERSITY OF ALABAMA	000525321002	90,002
93.173	3600	ARIZONA STATE UNIVERSITY	ASUB00001274AM02	48,095
93.173	3600	FATHER FLANAGAN'S BOYS' HOME	GRT00312	53,474
93.173	3600	MASSACHUSETTS EYE AND EAR INFIRMARY	531109	41,371
93.173	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1017309UWA	12,808
93.173	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1019479UWAM01	196,550
93.173	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	P010475901	136,055
93.173	3600	RESEARCH FOUNDATION OF THE CITY UNIVERSITY OF NEW YORK	CM0000882200	16,848
93.173	3600	TEL AVIV UNIVERSITY	0601146325AM05	198,781
93.173	3600	THE WASHINGTON UNIVERSITY	WU1845MOD7AM08	34,285
93.173	3600	TRUSTEES OF BOSTON UNIVERSITY	4500004019AM003	105,036
93.173	3600	UNIVERSITY OF DELAWARE	UDR0000435AM01	29,572
93.173	3600	UNIVERSITY OF ROCHESTER	417738GURFAOGR511053AM	27,142
93.173	3600	UNIVERSITY OF TEXAS AT DALLAS	2109403POS339385AM03	7,122
93.173	3650	FLORIDA STATE UNIV	R000003365	30,103
93.185	3030	John Hopkins University	HED29123	28,089
93.185	3650	OR HLTH & SCI UNIV	1014154WSU	126,393
93.197	3600	IDAHO DEPARTMENT OF HEALTH AND WELFARE	HC317500	56,040
93.213	3600	2MORROW, INC.	5R44AT01159303	290,460
93.213	3600	DREXEL UNIVERSITY	900361UW	14,946
93.213	3600	DUKE UNIVERSITY	303000821	5,391
93.213	3600	DUKE UNIVERSITY	303002520	3,989
93.213	3600	DUKE UNIVERSITY	A032242AM6	14,929
93.213	3600	HYPNOSCIENTIFIC, INC.	001UW	73,192
93.213	3650	OR HLTH & SCI UNIV	1016600WSU	66,416
93.213	3650	STANFORD UNIVERSITY	62266166139496	255,028
93.226	3600	BETH ISRAEL DEACONESS MEDICAL CENTER, INC.	FRT65919	10,576

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93.226	3600	BROWN UNIVERSITY	00001745AM04	20,324
93.226	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG211909UWAM03	17,212
93.226	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG210906BUDG05UW	33,047
93.226	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG212907UW	28,404
93.226	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	127946AM02	423,472
93.226	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	706002AM001	137,565
93.231	3600	NORTHWEST PORTLAND AREA INDIAN HEALTH BOARD	C2237AM02	30,432
93.233	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	025519114609	3,028
93.233	3600	SRI INTERNATIONAL	PO41897AM03	-43
93.233	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	126816AM01	21,959
93.233	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00005315	37,861
93.236	3600	MONTANA DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES	23255010690	213,766
93.239	3600	UNIVERSITY OF WISCONSIN-MADISON	0000002968AM01	22,455
93.242	3600	3-C INSTITUTE FOR SOCIAL DEVELOPMENT, INC.	3C202201	19,387
93.242	3600	ALLEN INSTITUTE	20210606AM02	113,035
93.242	3600	ALLEN INSTITUTE FOR BRAIN SCIENCE	20200613	142,500
93.242	3600	ALLEN INSTITUTE FOR BRAIN SCIENCE	20210747AM04	108,075
93.242	3600	ALLEN INSTITUTE FOR BRAIN SCIENCE	20220630AM03	818,486
93.242	3600	APPA HEALTH INC.	UWSCAPPA4733	97,776
93.242	3600	BROWN UNIVERSITY	00001791AM03	19,886
93.242	3600	CASE WESTERN RESERVE UNIVERSITY	RES515454AM02	121,597
93.242	3600	CHILDREN'S HOSPITAL LOS ANGELES	000014266AAM01	32,317
93.242	3600	DUKE UNIVERSITY	A032074AM06	63,174
93.242	3600	EMORY UNIVERSITY	A613986AM4	29,531
93.242	3600	GEISINGER CLINIC	626514UOW05AM06	517,283
93.242	3600	HARVARD UNIVERSITY	15340251110110002MOD02	12,145

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93.242	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210241BUDG01UW01AM0	120,839
93.242	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211776UWAM01	22,857
93.242	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG212610UWAM01	9,246
93.242	3600	KENYATTA NATIONAL HOSPITAL	KNHSC230902	118,127
93.242	3600	KENYATTA NATIONAL HOSPITAL	NOUONUW1R01MH13326101	35,763
93.242	3600	LYSSN.IO, INC.	UAWWD-009055	259,253
93.242	3600	MICHIGAN STATE UNIVERSITY	RC112834D	62,195
93.242	3600	NEUROLUX, INC.	UAWWD-002983	16,626
93.242	3600	NYU GROSSMAN SCHOOL OF MEDICINE	22A0001007616AM02	43,947
93.242	3600	PORTLAND STATE UNIVERSITY	100156AM04	17,846
93.242	3600	SAN DIEGO STATE UNIVERSITY FOUNDATION	D919804SA951A15A945B78	97,130
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	12185SUBMOD06	19,509
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	12662SUBMOD02	14,135
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	12724SUBMOD02	86,150
93.242	3600	SHIFA TAMEER-E-MILLAT UNIVERSITY	2022100101AM01	31,951
93.242	3600	STANFORD UNIVERSITY	62825646144480AM02	85,282
93.242	3600	STELLENBOSCH UNIVERSITY	S00851105AM01	59,376
93.242	3600	TALKSPACE NETWORK LLC	AM01	285,238
93.242	3600	THE GENERAL HOSPITAL CORPORATION	242599AM01	57,951
93.242	3600	THE MCLEAN HOSPITAL CORPORATION	401664AM03	249,367
93.242	3600	THE WASHINGTON UNIVERSITY	WU19408MOD5	167,096
93.242	3600	TOPOGENE, INC.	R41MH130299	94,132
93.242	3600	TRUSTEES OF BOSTON UNIVERSITY	4500004584AM001	177,865
93.242	3600	UNIVERSITY OF ALABAMA	000539092SC002	40,172
93.242	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000541591SC002A01	169,877
93.242	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2000GWE286AM06	26,086
93.242	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	KR705212AM02	253,155

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93.242	3600	UNIVERSITY OF CALIFORNIA, IRVINE	20193804AM02	37,496
93.242	3600	UNIVERSITY OF COLORADO, DENVER	FY21930001FY22930004AM	22,230
93.242	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5127903	130,408
93.242	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5127914AM001	8,087
93.242	3600	UNIVERSITY OF TEXAS AT AUSTIN	UTAUSSUB00000385AM2	8,405
93.242	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON	SA0004122	231,722
93.242	3600	UNIVERSITY OF UTAH	1006129802UWAM2	90,349
93.242	3600	UNIVERSITY OF VIRGINIA	GR101250SUB000000446	91,798
93.242	3600	VIRGINIA COMMONWEALTH UNIVERSITY	FP00011780SA003AM03	13,888
93.242	3600	YALE UNIVERSITY	CON80004671GR121965	964,932
93.242	3650	PALOUSE CONS DIST	140069001	-1,017
93.242	3650	UNIV OF COLORADO	FY18001018	94,994
93.243	1070	Y0004 - TRANSFORM TFR INITIATIVE GRANT (NASMHPD)	HHSS283201200024I/75S2	207,000
93.243	1070	Y0010 - AWARE PROJECT GRANT	SM08748201/SM08747601/	77,243
93.243	3600	CONFEDERATED TRIBES AND BANDS OF THE YAKAMA NATION	UWAWD-002603	142,008
93.243	3600	MONTANA DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES	18102745160AM04	35,328
93.243	3600	RTI INTERNATIONAL	4312021718665733LMOD06	21,484
93.243	3600	UNIVERSITY OF ARKANSAS FOR MEDICAL SCIENCES	55950AM1	3,106
93.243	3600	UNIVERSITY OF MISSOURI AT KANSAS CITY	0012188600081904AM2	376,965
93.243	3600	UNIVERSITY OF MISSOURI AT KANSAS CITY	SORTOR2244	4,085
93.243	3650	RAD DETECT TECH INC.	135871	-1,245
93.243	3650	RAD DETECT TECH INC.	142335001	-82
93.243	3650	RAD DETECT TECH INC.	142335003	58,701
93.262	3600	CPWR: THE CENTER FOR CONSTRUCTION RESEARCH AND TRAINING	30011510	111,650
93.262	3600	OHIO STATE UNIVERSITY	SPC1000007189GR129302A	33,619

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93.262	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1019570UWAAM02	20,607
93.266	3600	UNIVERSITY OF PENNSYLVANIA	582025	29,588
93.273	3600	BOSTON MEDICAL CENTER	5207UWASH05NCEA3AM003	1,249
93.273	3600	BOSTON MEDICAL CENTER	6523UWASH02A1AM01	9,632
93.273	3600	EMORY UNIVERSITY	A997170AM2	163,304
93.273	3600	GEORGIA STATE UNIVERSITY RESEARCH FOUNDATION INC.	SP0001494702AM02	61,472
93.273	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG212730UW2024444006	6,691
93.273	3600	NORTHWEST UNIVERSITY	60066660UWASH	33,156
93.273	3600	PACIFIC INSTITUTE FOR RESEARCH AND EVALUATION	1031MOD04	65,964
93.273	3600	RHODE ISLAND HOSPITAL	70171375971AM02	-537
93.273	3600	RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY	SUB00002521AM001	5,070
93.273	3600	SAN DIEGO STATE UNIVERSITY FOUNDATION	D994406SA640A659355E78	29,902
93.273	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ13KELLYM2SIBCR	6,440
93.273	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ13NJ12SIBCR	3,184
93.273	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ13SCSG32SIBCR	2,407
93.273	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ13WILLIR2SIBCR	498
93.273	3600	THE JOHNS HOPKINS UNIVERSITY	2005307204AM03	274,573
93.273	3600	THE JOHNS HOPKINS UNIVERSITY	2005466982AM02	239,781
93.273	3600	THE JOHNS HOPKINS UNIVERSITY	2005638482AM01	38,839
93.273	3600	THE RESEARCH FOUNDATION FOR THE STATE UNIVERSITY OF NEW YORK	UAWWD-004817	13,547
93.273	3600	THE UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION	320000508723091AM01	10,365
93.273	3600	UNIVERSITY OF BRISTOL	POR121522101	20,000
93.273	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5127059AM001	18,398

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93.273	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5127063	5,294
93.273	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5130929AM02	15,319
93.273	3600	UNIVERSITY OF NORTH TEXAS	RF0012320180189AM08	49,654
93.273	3600	UNIVERSITY OF NORTH TEXAS	RF0014320180407AM006	64,935
93.273	3600	UNIVERSITY OF NORTH TEXAS	RF0022520210283AM4	30,176
93.273	3600	UNIVERSITY OF SOUTH FLORIDA	6118110700A1	15,865
93.273	3650	LABSYS, LLC	R43AA028456WSU	-126
93.279	1070	B06S1 - PASS-THRU STANFORD UNIVERSITY FFY21	R01DA052975	741
93.279	1070	B06S2 - PASS-THRU STANFORD UNIVERSITY FFY22	R01DA052975	118,353
93.279	3070	Seattle Children's Hospital	12752SUB	51,775
93.279	3600	ALLEN INSTITUTE FOR BRAIN SCIENCE	20210469AMO3	123,113
93.279	3600	CONSUMER WELLNESS SOLUTIONS, INC.	052020ADDENDUMNO2AM02	45
93.279	3600	CONSUMER WELLNESS SOLUTIONS, INC.	052020AM02	11,018
93.279	3600	EMORY UNIVERSITY	A848085	40,257
93.279	3600	JOAN & SANFORD I. WEILL MEDICAL COLLEGE OF CORNELL UNIVERSITY	2274511AM03	24,229
93.279	3600	JOAN & SANFORD I. WEILL MEDICAL COLLEGE OF CORNELL UNIVERSITY	22830916	17,552
93.279	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210715UW01AM03	7,331
93.279	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	2023333065	55,164
93.279	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG210129UWAM06	21,029
93.279	3600	MEDICAL UNIVERSITY OF SOUTH CAROLINA	A000322S004AM2	34,875
93.279	3600	NEW YORK UNIVERSITY	2000001005210AM03	50,931
93.279	3600	NORTHWESTERN UNIVERSITY	60062766UWASH	715
93.279	3600	OHIO STATE UNIVERSITY	SPC1000012018GR132177A	81,280
93.279	3600	OREGON SOCIAL LEARNING CENTER, INC.	AM05	-903
93.279	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	D010059602AM01	19,729

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93.279	3600	RESEARCH FOUNDATION FOR MENTAL HYGIENE, INC.	PO155581AM03	-321,198
93.279	3600	RESEARCH FOUNDATION FOR MENTAL HYGIENE, INC.	PO162619	657,193
93.279	3600	SAINT LOUIS UNIVERSITY	ERS2198744197AM05	74,992
93.279	3600	SEATTLE CHILDREN'S HOSPITAL	12750SUBMOD02	115,518
93.279	3600	SEATTLE CHILDREN'S HOSPITAL	12902SUBMOD01	193,275
93.279	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ12ASARCA2SIBCR	2,291
93.279	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ12ASARCA3SIBCR	23,223
93.279	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ12BERGKD3SIBCR	74,246
93.279	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ12KELLYM3SIBCR	77,405
93.279	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ12NJ13SIBCR	21,793
93.279	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ12RIEGEN3SIBCR	45,816
93.279	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ12SILVAP2SIBCR	4,582
93.279	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	NJ12SILVAP3SIBCR	12,189
93.279	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	123125	4,139
93.279	3600	THE MIRIAM HOSPITAL	7147185HEJAM02	7,037
93.279	3600	UNIVERSITY OF ALABAMA	000517103SC003AMA05	311
93.279	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	UWAWD-008447	83,409
93.279	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	14806SC	193,803
93.279	3600	UNIVERSITY OF CALIFORNIA, DAVIS	A240499S002	5,068
93.279	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00002498AM03	5,063
93.279	3600	UNIVERSITY OF TEXAS AT DALLAS	22010291AM03	423,633
93.279	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER	GMO230918PO0000002777A	204,707
93.279	3600	VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY	41251319124AM01	-57,799

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93.279	3600	YALE UNIVERSITY	CON80005266GR125130AM0	205,393
93.279	3650	LEGACY HEALTH SYSTEM	BS202301	117,578
93.279	3650	MAYO CLINIC	WAS297565	18,891
93.279	3650	ROCHESTER INST OF TECH	3292403	15,687
93.279	3650	STANFORD UNIVERSITY	62930019146563	126,283
93.279	3650	UNIV OF MASSECHUSETTS	SUB000000164	6,776
93.279	3650	UNIV OF NEW MEXICO	3RGH5C	36,549
93.286	3600	NEUROLUX, INC.	UWAWD-007004	40,890
93.286	3600	NORTHWESTERN UNIVERSITY	60065917UWASHA01	5,654
93.286	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	A008521201AM03	68,699
93.286	3600	THE JOHNS HOPKINS UNIVERSITY	2004999881AM02	35,386
93.286	3600	TRUSTEES OF INDIANA UNIVERSITY	9803	38,448
93.286	3600	UNIVERSITY OF ARIZONA	590063AM3	66,315
93.286	3650	CLEVELAND CLINIC FDN	135610006	157,398
93.286	3650	CLEVELAND CLINIC FDN	1425SUB	-47
93.286	3650	CLEVELAND CLINIC FDN	CCF24124166	84,459
93.300	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	P010074161AM01	113,654
93.307	3600	BROWN UNIVERSITY	00002096AM02	9,181
93.307	3600	BROWN UNIVERSITY	00002251AM01	6,411
93.307	3600	DUKE CLINICAL RESEARCH INSTITUTE	303000172AM01	-14,238
93.307	3600	DUKE UNIVERSITY	303000924	-248
93.307	3600	SEATTLE CHILDREN'S HOSPITAL	12723SUBMOD04	163,792
93.307	3600	THE UNIVERSITY OF IOWA	S0342001AM01	7,714
93.307	3600	UNIVERSITY OF MASSACHUSETTS CHAN MEDICAL SCHOOL	OSP2017201AM007	32,738
93.307	3600	UNIVERSITY OF PENNSYLVANIA	577433AM05	3,411
93.307	3600	UNIVERSITY OF PENNSYLVANIA	583611AM02	37,657
93.307	3650	OKLAHOMA STATE UNIV	A220004S002	25,905

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93.307	3650	UNIV OF COLORADO	FY18001024	131,664
93.307	3650	UNIV OF COLORADO	FY22.1146.002	-48
93.310	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	312228AM05	-2,428
93.310	3600	BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM	0000003196	24,834
93.310	3600	BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM	0000003221	24,833
93.310	3600	COLUMBIA UNIVERSITY	1GG01757701AM001POG178	8,119
93.310	3600	DREXEL UNIVERSITY COLLEGE OF MEDICINE	900244AM08	59,541
93.310	3600	DUKE CLINICAL RESEARCH INSTITUTE	383001966	40,866
93.310	3600	DUKE CLINICAL RESEARCH INSTITUTE	383002293	468
93.310	3600	DUKE UNIVERSITY	303001154	8,203
93.310	3600	REGENTS OF THE UNIVERSITY OF COLORADO	1OT2OD03611301	294,231
93.310	3600	SEATTLE CHILDREN'S HOSPITAL	13099SUB	553,840
93.310	3600	SEATTLE CHILDREN'S HOSPITAL	13191SUB	21,793
93.310	3600	SEATTLE CHILDREN'S HOSPITAL	13241SUB	132,817
93.310	3600	SEATTLE CHILDREN'S HOSPITAL	13326SUB	3,546
93.310	3600	STANFORD UNIVERSITY	62984393248018AM01	8,434
93.310	3600	STANFORD UNIVERSITY	63307447233304	11,518
93.310	3600	UNIVERSITY OF CONNECTICUT	UCHC7176199782	145,389
93.310	3600	UNIVERSITY OF KANSAS MEDICAL CENTER RESEARCH INSTITUTE, INC.	AWD0002510AM01	32,277
93.310	3600	UNIVERSITY OF NORTH TEXAS	RF00280SUB00280	52,513
93.310	3600	UNIVERSITY OF UTAH	1005478202UWAM03	253,540
93.310	3600	UNIVERSITY OF WISCONSIN-MADISON	0000002440	34,044
93.310	3650	DUKE UNIVERSITY	303001261	18,688
93.310	3650	UNIV OF NORTH TEXAS	3OT2OD03258101S1229	50,000
93.310	3650	UNIV OF NORTH TEXAS	OT2OD032581	9,871
93.318	3600	CHILDREN'S HOSPITAL OF PHILADELPHIA	GRT000021890924PO20558	84,936

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93.318	3600	JHPIEGO CORPORATION	23SBA267MOD1	70,793
93.318	3650	RUTGERSSTUNIV N JERSEY	SUB00002422	118,697
93.322	3030	Association of Public Health Laboratories (APHL)	CBO24791	0
93.322	3030	Association of Public Health Laboratories (APHL)	GVF27532	0
93.322	3600	THE ASSOCIATION OF PUBLIC HEALTH LABORATORIES, INC.	564012509112409	29,387
93.350	3600	ALTIS BIOSYSTEMS, INC.	UAWD-006980	227,823
93.350	3600	CURI BIO, INC.	UAWD-021603	114,879
93.350	3600	REGENTS OF THE UNIVERSITY OF COLORADO	FY221126015AM03	-364
93.350	3600	SEATTLE CHILDREN'S HOSPITAL	12880SUBMOD01	2,189
93.351	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1021707UW	5,167
93.361	3600	BAYLOR COLLEGE OF MEDICINE	P700000682AM05	16,119
93.361	3600	BAYLOR UNIVERSITY	P700000479AM07	133,801
93.361	3600	CLEVELAND CLINIC	CCF23314268AM01	57,160
93.361	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255E1114609AM02	1,887
93.361	3600	RUSH UNIVERSITY MEDICAL CENTER	22010705SUB02AM01	19,367
93.361	3600	SEATTLE CHILDREN'S HOSPITAL	12695SUBAM03	19,906
93.361	3600	SOUTHCENTRAL FOUNDATION	2023587AMEND2	29,042
93.361	3600	TRUSTEES OF BOSTON COLLEGE	51147323AM01	28,641
93.384	3650	SEATTLE CHILDREN'S RSC	13167SUB	48,206
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001134550	37,988
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001150154	29,716
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001155987	87,684
93.393	3600	FRED HUTCHINSON CANCER CENTER	0001162499	93,605
93.393	3600	FRED HUTCHINSON CANCER CENTER	UAWD-009416	40,371
93.393	3600	GEORGETOWN UNIVERSITY	425074GR413943UWAM02	42,529
93.393	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210178UWAM07	60,140
93.393	3600	LIGHTSPEED MICROSCOPY, INC.	AM01	4,486

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93.393	3600	NORTHWESTERN UNIVERSITY	60066404UWASHA01	15,198
93.393	3600	OHIO STATE UNIVERSITY	SPC1000006686GR127438A	14,610
93.393	3600	OHIO STATE UNIVERSITY	SPC1000007321GR130873A	21,697
93.393	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	N008519501AM02	72,596
93.393	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	N010807601	94,441
93.393	3600	RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY	SUB000002526	23,330
93.393	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	CK11WE34SIBCR	10,094
93.393	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ116GJ15SIBCR	14,308
93.393	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ116UW5	43,568
93.393	3600	THE PENNSYLVANIA STATE UNIVERSITY	UWCA237153AM05	43,883
93.393	3600	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	A221534S011A01	509,319
93.393	3600	THE UNIVERSITY OF IOWA	S0135401AM04	68,991
93.393	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1557GWA025AM05	304,131
93.393	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	UWAWD-001563	-9
93.393	3600	UNIVERSITY OF CALIFORNIA, IRVINE	20231891AM1	15,412
93.393	3600	UNIVERSITY OF CHICAGO	AWD102024SUB00000502AM	1,382
93.393	3600	UNIVERSITY OF DELAWARE	44956AM07	5,432
93.393	3600	UNIVERSITY OF KANSAS MEDICAL CENTER RESEARCH INSTITUTE, INC.	AWD0001743	30,245
93.393	3600	UNIVERSITY OF KANSAS MEDICAL CENTER RESEARCH INSTITUTE, INC.	GR11857AM001	32,277
93.393	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5129038	17,380
93.393	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5131288	11,704
93.393	3600	UNIVERSITY OF PITTSBURGH	AWD000006641328812AM04	4,418
93.393	3600	UNIVERSITY OF UTAH	UWAWD-000464	182,160
93.393	3600	UNIVERSITY OF VERMONT	AWD00000046SUB00000019	23,679

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93.393	3600	UNIVERSITY OF WISCONSIN-MADISON	0000003154	32,404
93.393	3600	WAKE FOREST UNIVERSITY HEALTH SCIENCES	3803204110000114410AM0	9,204
93.393	3800	University of Oklahoma	20006333	7,012
93.394	3600	BAYLOR COLLEGE OF MEDICINE	P700000485AM005	-478
93.394	3600	CROSSLIFE TECHNOLOGIES INC.	UAWAD-003528	243,354
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001109989AM02	133,987
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001110230AM01	1,972
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001130627	4,940
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001134168	6,920
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001136315AM02	119,753
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001147911AM01	70,763
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001158763	33,305
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001159863	267,609
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001160032	30,555
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001160396	30,085
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001162318AM001	260,016
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001165561	14,653
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001166467	77,445
93.394	3600	FRED HUTCHINSON CANCER CENTER	0001191402	9,259
93.394	3600	FRED HUTCHINSON CANCER CENTER	1162616	60,133
93.394	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20210016AM03	59,275
93.394	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20220011AM01	34,380
93.394	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1018110UWAAM05	96,489
93.394	3600	ORLANCE, INC.	UAWAD-009154	46,517
93.394	3600	PET/X LLC	A147966A161226AM02	17,783
93.394	3600	PRECISION SENSING LLC	A147966AM01	9,538
93.394	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00013600AM03	96,690
93.394	3600	RHODE ISLAND HOSPITAL	7137836AM2	28,630

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93.394	3600	STANFORD UNIVERSITY	62969778182562AM01	2,457
93.394	3600	THE WASHINGTON UNIVERSITY	WU230543AM01	3,150
93.394	3600	TUFTS UNIVERSITY	NIH204AM2	108,592
93.394	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11124SCAM04	52,323
93.394	3600	UNIVERSITY OF CALIFORNIA, DAVIS	A221537S001	177,130
93.394	3600	UNIVERSITY OF CALIFORNIA, DAVIS	A231304S001	80,121
93.394	3600	VERAVANTI INC.	A164794AM01	190,356
93.394	3650	S METHODIST UNIV	G0019077500	3,403
93.394	3650	S METHODIST UNIV	G0021937510	8,530
93.394	3650	SEATTLE CHILDREN'S RSC	11515SUB	6,374
93.395	3600	ABACUS BIOSCIENCE INC.	UWAWD-004538	62,884
93.395	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA MASON	0129405S02	120,539
93.395	3600	BIOMIMETIX JV, LLC	BMXMBM001AM02	17,898
93.395	3600	BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA	3419052282201AM002	101,637
93.395	3600	DANA-FARBER CANCER INSTITUTE	1330402AM01	127,146
93.395	3600	ECOG-ACRIN MEDICAL RESEARCH FOUNDATION, INC.	U10CA18082006WASH1CAM5	10,748
93.395	3600	ECOG-ACRIN MEDICAL RESEARCH FOUNDATION, INC.	U10CA18082006WASH2CAM0	6,661
93.395	3600	FOX CHASE CANCER CENTER	1516300YR02MOD2AM2	4,792
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001124579AM01	75,842
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001124766AM1	36,450
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001125412AM1	55,253
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001125685AM01	1,128
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001142735	26,411
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001143014	120,126
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001143572	13,733
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001155307AM01	220,390

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93.395	3600	FRED HUTCHINSON CANCER CENTER	0001156343	50,381
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001163534	6,602
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001163984AM01	88,999
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001169194	29,692
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001173818	6,770
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001176155	357,158
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001188166	69,822
93.395	3600	FRED HUTCHINSON CANCER CENTER	0001191536	20,905
93.395	3600	FRED HUTCHINSON CANCER CENTER	UAWD-009118	281,806
93.395	3600	FRED HUTCHINSON CANCER CENTER	UAWD-009744	7,937
93.395	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD102398G1AM05PO50066	111
93.395	3600	OREGON HEALTH & SCIENCE UNIVERSITY	UAWD-007481	16,182
93.395	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ129DA11SIBCR	9,158
93.395	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ129GJ11SIBCR	4,496
93.395	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ129UW1	71,462
93.395	3600	THE EMMES COMPANY, LLC	5UM1CA12194717MOD3	97,081
93.395	3600	THE GENERAL HOSPITAL CORPORATION	239887AM01	66,737
93.395	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	15129SC	124,986
93.395	3600	VEANA THERAPEUTICS, INC.	A147165AM01	-2,748
93.395	3650	UNIV CORP ATMOSPHE RSC	SUBAWD004809	23,258
93.396	3600	BETH ISRAEL DEACONESS MEDICAL CENTER, INC.	GRT65240AM04	33,442
93.396	3600	FRED HUTCHINSON CANCER CENTER	0001133041	137,275
93.396	3600	FRED HUTCHINSON CANCER CENTER	0001135299AM2	26,443
93.396	3600	NYU GROSSMAN SCHOOL OF MEDICINE	18A1001000999AM06	-13,063
93.396	3600	SEATTLE CHILDREN'S HOSPITAL	12288SUBMOD03	13,246
93.396	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	ME13ME11SIBCR	6,751

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93.396	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	14900000118490AM02	32,825
93.396	3650	THOMAS JEFFERSON UNIV	08003800S37701	69,630
93.397	3600	DANA-FARBER CANCER INSTITUTE	1334401	19,998
93.397	3600	FRED HUTCH/UNIVERSITY OF WASHINGTON CANCER CONSORTIUM	0001158921	45,954
93.397	3600	FRED HUTCH/UNIVERSITY OF WASHINGTON CANCER CONSORTIUM	0001162670	116,215
93.397	3600	FRED HUTCH/UNIVERSITY OF WASHINGTON CANCER CONSORTIUM	0001183764	18,292
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001110182AM01	37,961
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001126802AM01	7,338
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001138716	3,333
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001139391	175,857
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001139414	19,158
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001139419	16,036
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001139498	15,663
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001139500	111,478
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001139502AM2	316,748
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001139511	125,295
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001140451	21,776
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001140767	-161
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001140818	8,976
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001140820	74,455
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001141229	112,506
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001148977	111,495
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001148996	16,419
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001148997	7,780
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001148999	47,276
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001149002	37,496

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93.397	3600	FRED HUTCHINSON CANCER CENTER	0001150563	5,693
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001153019	18,731
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001165255	43,838
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001165314	171,376
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001166236	15,426
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001166237	18,652
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001173025AM01	29,237
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001173043AM01	91,662
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001173065AM01	75,063
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001173067AM1	54,309
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001173069AM1	15,680
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001173244	23,251
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001173465AM01	44,665
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001183765	52,036
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001183768	14,709
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001183819	74,194
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001183820	59,276
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001183821	21,058
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001183822	35,665
93.397	3600	FRED HUTCHINSON CANCER CENTER	0001185913	11,274
93.397	3600	FRED HUTCHINSON CANCER CENTER	001028765AM01	18,389
93.397	3600	FRED HUTCHINSON CANCER CENTER	UAWWD-008485	278,743
93.397	3600	FRED HUTCHINSON CANCER CENTER	UAWWD-009604	176,173
93.397	3600	FRED HUTCHINSON CANCER CENTER	UAWWD-009898	103,864
93.397	3600	MAYO CLINIC	TBCRC051MC1831AM01	15,514
93.398	3600	FRED HUTCHINSON CANCER CENTER	000115450301	73,796
93.398	3600	FRED HUTCHINSON CANCER CENTER	0001155266AM01	76,768
93.398	3600	FRED HUTCHINSON CANCER CENTER	0001155285AM01	73,186

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93.398	3600	FRED HUTCHINSON CANCER CENTER	0001172333	71,204
93.398	3600	FRED HUTCHINSON CANCER CENTER	0001172334	71,204
93.398	3600	FRED HUTCHINSON CANCER CENTER	0001172428	70,963
93.398	3600	FRED HUTCHINSON CANCER CENTER	0001172761	73,958
93.399	3600	FRED HUTCHINSON CANCER CENTER	0001128098	895
93.399	3600	FRED HUTCHINSON CANCER CENTER	0001134687	67,086
93.399	3600	FRED HUTCHINSON CANCER CENTER	0001174358	90,044
93.399	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1014562UWSHANKARAN	5,850
93.399	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	3004538756AM08	11,564
93.399	3600	UNIVERSITY OF WISCONSIN-MADISON	0000002459	226,904
93.399	3600	UNIVERSITY OF WISCONSIN-MADISON	0000003154	5,725
93.399	3600	UNIVERSITY OF WISCONSIN-MADISON	0000003177	22,844
93.421	3030	Association of State and Territorial Health Officials	CBO27623	390
93.421	3030	Council of State and Territorial Epidemiologist	CBO29037	-66
93.421	3030	Gretchen Swanson Center for Nutrition	PRV27015	882,106
93.421	3030	National Environmental Health Association	CBO27102	0
93.421	3600	ASSOCIATION OF STATE AND TERRITORIAL HEALTH OFFICIALS	00FE20670600REQ0759	60,635
93.421	3600	ASSOCIATION OF STATE AND TERRITORIAL HEALTH OFFICIALS	REQUISITION0118AM01	58,769
93.421	3600	COUNCIL OF STATE AND TERRITORIAL EPIDEMIOLOGISTS, INC.	PO7788	0
93.421	3600	COUNCIL OF STATE AND TERRITORIAL EPIDEMIOLOGISTS, INC.	PO8067	179,499
93.421	3600	NATIONAL ASSOCIATION OF CHRONIC DISEASE DIRECTORS	230303	205,570
93.421	3600	NATIONAL ASSOCIATION OF COUNTY AND CITY HEALTH OFFICIALS	2022072003AM01	190,045
93.421	3600	NATIONAL ASSOCIATION OF COUNTY AND CITY HEALTH OFFICIALS	2023012404MOD01	45,001
93.421	3600	NATIONAL ASSOCIATION OF COUNTY AND CITY HEALTH OFFICIALS	2023020201	1,047,359

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93.421	3600	NATIONAL ASSOCIATION OF COUNTY AND CITY HEALTH OFFICIALS	2024010901	103,650
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INSTITUTES	G2148AG0768AM02	150,452
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INSTITUTES	G2463AM01	145,520
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INSTITUTES	G2487AG1123	40,586
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INSTITUTES	G2586AM01	22,334
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INSTITUTES	G2708AG1350	1,133,249
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INSTITUTES	G3033AG1606	9,917
93.421	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1920GLA064AM02	67,349
93.421	3600	UNIVERSITY OF VERMONT	AWD00000738SUB00000314	43,377
93.433	3600	CRAIG HOSPITAL	2694UWNCEAM07	25,856
93.433	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0254B25146090254B25246	0
93.433	3600	MEMORIAL HERMANN HEALTH SYSTEM	2023YR1ADAPARCUWASHAM0	4,620
93.433	3600	NORTHWESTERN UNIVERSITY	7258AM05	98,175
93.433	3600	TRUSTEES OF INDIANA UNIVERSITY	8699AM3	7,010
93.433	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000532312SC001A02	15,421
93.488	3600	RESEARCH TRIANGLE INSTITUTE	1312021871867065LMOD1	10,910
93.530	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5126788AM02	89,519
93.556	3600	AMARA	UWA170813	99,141
93.556	3600	UNIVERSITY OF OKLAHOMA	202451	10,052
93.556	3650	UNIV OF AK FAIRBANKS	UAF-24-0053	17,809
93.556	3700	Idaho Dept of Health & Welfare	KC298700	334,086
93.556	3700	Idaho Dept of Health & Wellfare	KC281800 AMEND 3	46,153
93.569	6990	CSBG-2	2022-CSBG	42,726
93.600	3600	FOND DU LAC TRIBAL & COMMUNITY COLLEGE	4	58,083
93.600	3600	FOND DU LAC TRIBAL & COMMUNITY COLLEGE	5	143,321

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93.600	3600	ZERO TO THREE	2022090141AM02	1,003,451
93.600	3600	ZERO TO THREE	TASKORDER202309300497P	2,324,395
93.600	6990	Olympic ESD	Head Start	157,183
93.600	6990	Puget Sound ESD	0102400050	76,170
93.600	6990	Puget Sound ESD	14440	198,313
93.600	6990	Puget sound ESD	1OHP000371	140,847
93.600	6990	Puget Sound ESD	Early Head Start	0
93.600	6990	Puget Sound ESD	Head Start	143,193
93.648	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	03500000057537AM01	79,594
93.652	3600	SPAULDING FOR CHILDREN	90CO1134HHS2017ACFACYF	330,243
93.652	3600	SPAULDING FOR CHILDREN	90CO1142HHS2021ACFACYF	386,944
93.652	3650	SPAULDING FOR CHILDREN	144606002	28,997
93.652	3650	SPAULDING FOR CHILDREN	90CO1142	32,523
93.658	3700	Idaho Dept of Health & Welfare	KC279000 AMEND #8	2,249,370
93.658	3700	Idaho Dept of Health & Welfare	KC287600 AMEND #3	722,911
93.696	3650	UNIV AR MEDICAL SCI	55624	105,689
93.732	3600	RESEARCH INSTITUTE AT NATIONWIDE CHILDREN'S HOSPITAL	710072122300AM01	50,725
93.788	3600	OREGON HEALTH AUTHORITY	167154AM02	58,188
93.788	3650	UNIV OF CA - SAN FRAN	11725SC	-1,277
93.823	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	706525	33,773
93.823	3650	UNIVERSITY OF UTAH	1006969601WSU	22,846
93.825	3600	BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA	3401143001102AM05	82,691
93.837	3600	CHILDREN'S HOSPITAL MEDICAL CENTER	OS00000482400515	47,566
93.837	3600	CORIDEA, LLC	A186847	101,886
93.837	3600	DREXEL UNIVERSITY	900087AM03	22,793
93.837	3600	FORTISCIENCE, INC.	A181484	18,104
93.837	3600	FRED HUTCHINSON CANCER CENTER	0001161078AM01	237,065

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93.837	3600	HABIT DESIGN, INC.	A138591AM02	31,489
93.837	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	025511514609	86,689
93.837	3600	IMAGING BIOMARKER SOLUTIONS INC.	1R43HL15632701A1	13,676
93.837	3600	NEW ENGLAND RESEARCH INSTITUTES, INC.	MOD6	0
93.837	3600	NORTHWESTERN UNIVERSITY	60058454UOWA04	94,802
93.837	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00012868003AM04	145,764
93.837	3600	RTI INTERNATIONAL	7312021703065767LMOD05	39,222
93.837	3600	SEATTLE CHILDREN'S HOSPITAL	12730SUBMOD2	214,499
93.837	3600	SEATTLE CHILDREN'S HOSPITAL	13050SUBMOD01	4,987
93.837	3600	SEVEN BRIDGES GENOMICS INC.	AM09	32,385
93.837	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	125858	17,238
93.837	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	242757	9,764
93.837	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	PS224978MOD11	586
93.837	3600	THE GENERAL HOSPITAL CORPORATION	236957AM03	46,571
93.837	3600	THE GENERAL HOSPITAL CORPORATION	240841	21,153
93.837	3600	THE JOHNS HOPKINS UNIVERSITY	2005511521AM001	138,985
93.837	3600	THE LUNDQUIST INSTITUTE	3147004UWPO24002035AM0	104,494
93.837	3600	THE WASHINGTON UNIVERSITY	WU240539	40,990
93.837	3600	THOMAS JEFFERSON UNIVERSITY	08018007S27801AM06	1,328
93.837	3600	TUFTS MEDICAL CENTER	5024712SERVAM01	38,494
93.837	3600	UNIVERSITY OF ARIZONA	UWAWD-004697	2,108
93.837	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	704820AM02	324,237
93.837	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12920SCAM002	20,256
93.837	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	13369SCAM01	17,770
93.837	3600	UNIVERSITY OF CINCINNATI	01460400003AM01	2,467
93.837	3600	UNIVERSITY OF CINCINNATI	01539300002	547,746
93.837	3600	UNIVERSITY OF MIAMI	OS00001263	1,639
93.837	3600	UNIVERSITY OF MIAMI	OS00001469	2,313

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93.837	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5113177AM04	57,522
93.837	3600	UNIVERSITY OF PENNSYLVANIA	POREFERENCE5294615	25,130
93.837	3600	UNIVERSITY OF PITTSBURGH	AWD0000431413945419AAM	38,400
93.837	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON	SA0002995	41,219
93.837	3600	UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON	218518601AM003	104,040
93.837	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER	GMO210303PO0000002279A	24,719
93.837	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC118535AM1	26,203
93.837	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC95800AM02	88,020
93.837	3600	YALE UNIVERSITY	GR105731CON80001726AM0	28,656
93.837	3650	OHIO STATE UNIVERSITY	GR131240	17,386
93.837	3650	UNIV OF CO DENVER	FY23001021	29,045
93.837	3650	UNIV OF KY RSCH FDN	320000360821114	209,437
93.837	3650	UNIV OF MF BALTIM CNTY	HHS0009001	188,559
93.837	3650	UNIVERSITY OF ARIZONA	599745	-3,214
93.837	3650	UNIVERSITY OF HAWAII	KA1958	10,617
93.837	3800	Emory University	A995141	56,322
93.838	3600	ARIZONA STATE UNIVERSITY	ASUB00000775AM04	101,429
93.838	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA MASON	0164104S01	158,397
93.838	3600	CHILDREN'S HOSPITAL MEDICAL CENTER	OS00000404316463AM02	164,676
93.838	3600	COLUMBIA UNIVERSITY	2GG01799803G18052AM01	20,557
93.838	3600	CORNELL UNIVERSITY	2317816	58,514
93.838	3600	DUKE UNIVERSITY	8534RECOVERNEUROSTARTU	433,506
93.838	3600	FRED HUTCHINSON CANCER CENTER	UWAWD-009333	184,033
93.838	3600	IHC HEALTH SERVICES, INC.	AM6	7,826
93.838	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20210011MOD07	568,719

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93.838	3600	JOAN & SANFORD I. WEILL MEDICAL COLLEGE OF CORNELL UNIVERSITY	22662817AM01	54,061
93.838	3600	JOAN & SANFORD I. WEILL MEDICAL COLLEGE OF CORNELL UNIVERSITY	2278974AM4	29,645
93.838	3600	MAYO CLINIC	UAWD-005264	45,900
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1020315UWAM01	2,289
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1021391UWAM01	31,418
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1023342UWAAM1	61,957
93.838	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00016195AM04	102,852
93.838	3600	STANFORD UNIVERSITY	62850767151323AM02	18,148
93.838	3600	THE GENERAL HOSPITAL CORPORATION	224404AM02	30,634
93.838	3600	THE GENERAL HOSPITAL CORPORATION	239080AM02	32,123
93.838	3600	THE WASHINGTON UNIVERSITY	WU250022	40,895
93.838	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	2GG01166201AM06	43,633
93.838	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	32GG01599703POG17705AM	81,356
93.838	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	6GG01792904AM03	256,632
93.838	3600	UNIVERSITY OF CINCINNATI	01522200002	116,139
93.838	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5129019	100,949
93.838	3600	UNIVERSITY OF PENNSYLVANIA	582591AM002	38,973
93.838	3600	UNIVERSITY OF PENNSYLVANIA	583172AM01	24,255
93.838	3600	UNIVERSITY OF PENNSYLVANIA	UAWD-005536	39,782
93.838	3600	UNIVERSITY OF PITTSBURGH	AWD000070291390257AM02	36,291
93.839	3600	BLOODWORKS	883UW2019AM07	53,980
93.839	3600	BLOODWORKS	883UWKONKLEAM03	6,807
93.839	3600	FRED HUTCHINSON CANCER CENTER	0001109957AM03	246,788
93.839	3600	FRED HUTCHINSON CANCER CENTER	0001109975AM3	104,217
93.839	3600	FRED HUTCHINSON CANCER CENTER	0001110428AM02	281,397
93.839	3600	FRED HUTCHINSON CANCER CENTER	0001125798AM03	2,404

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93.839	3600	KAISER PERMANENTE	RNG212543UWAM01	6,696
93.839	3600	OPTICYTE, INC.	AM05	72,810
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12265SUBMOD02	69,708
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12800SUBMOD02	17,941
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12978SUBMOD01	12,938
93.839	3600	THE JOHNS HOPKINS UNIVERSITY	2004868647AM03	201,050
93.839	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000540727SC012A01	53,937
93.839	3600	UNIVERSITY OF CHICAGO	FP066598BAM05	3,256
93.839	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	UAWAD-002887	1,027,823
93.839	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON	SA0000420AM06	38,265
93.839	3600	UNIVERSITY OF VERMONT	33108SUB52859AM05	132,144
93.839	3650	MAYO CLINIC	WSU310374	211,962
93.840	3600	CHILDREN'S HOSPITAL MEDICAL CENTER	OS00000273400187AM01	99,312
93.840	3600	INFECTIOUS DISEASES RESEARCH COLLABORATION	IDRC007SC	67,882
93.840	3600	MOZAMBIQUE INSTITUTE FOR HEALTH EDUCATION AND RESEARCH	C0013BAM002	278,744
93.840	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC95584AM02	0
93.846	3600	COLUMBIA UNIVERSITY	4GG01463201	11,610
93.846	3600	HEBREW REHABILITATION CENTER	90077AM05	-53,486
93.846	3600	MAYO CLINIC	UNI28975501AM2	28,931
93.846	3600	OHIO UNIVERSITY	UT22876AM01	24,328
93.846	3600	SANFORD BURNHAM PREBYS	7052813583UWAM01	40,882
93.846	3600	SEATTLE CHILDREN'S HOSPITAL	12568SUBMOD04	194,534
93.846	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LW143LW13SIBCR	8,379
93.846	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LW143LW14SIBCR	47,229
93.846	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LW143UW3AM03	98,644

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93.846	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	SB226AGELJ2SIBCRM01	4,821
93.846	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	SB226SCHISJ2SIBCR	2,596
93.846	3600	THE JOHNS HOPKINS UNIVERSITY	2004829001MOD03	17,525
93.846	3600	THE WASHINGTON UNIVERSITY	WU220481MOD1AM02	0
93.846	3600	UNIVERSITY OF CALIFORNIA, IRVINE	20211473AM03	10,399
93.846	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5130013	721,042
93.847	3600	ALTIS BIOSYSTEMS, INC.	R44DK130647AM01	317,501
93.847	3600	ARIZONA STATE UNIVERSITY	16924AM008	12,315
93.847	3600	AUGUSTA UNIVERSITY	363503AM01	10,703
93.847	3600	AUGUSTA UNIVERSITY	363504AM01	49,781
93.847	3600	BECKMAN RESEARCH INSTITUTE OF THE CITY OF HOPE	634432009937669307	91,803
93.847	3600	BROWN UNIVERSITY	00001835AM03	20,264
93.847	3600	CASE WESTERN RESERVE UNIVERSITY	RES601759AM02	229,716
93.847	3600	CHILDREN'S NATIONAL MEDICAL CENTER	3000738402AM001	19,046
93.847	3600	CLEVELAND CLINIC	1413SUBAM09	11,773
93.847	3600	CROSSLIFE TECHNOLOGIES INC.	UAWD-002904	152,086
93.847	3600	EMORY UNIVERSITY	A547599AM03	8,826
93.847	3600	FRED HUTCHINSON CANCER CENTER	0001162838AM01	138,678
93.847	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255B2274609AM001	47,246
93.847	3600	JOSLIN DIABETES CENTER	100222	29,990
93.847	3600	NORTHERN CALIFORNIA INSTITUTE FOR RESEARCH AND EDUCATION	SCH228401AM03	19,168
93.847	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1014132UWAM01	88,799
93.847	3600	PLUREXA LLC	AM01	2,055
93.847	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00012155AM004	0
93.847	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00013501AM03	114,549
93.847	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	UAWD-007060	157,895

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93.847	3600	ROCKEFELLER UNIVERSITY	SUB00000327AM01	29,613
93.847	3600	SEATTLE CHILDREN'S HOSPITAL	12199SUBMOD04	52,436
93.847	3600	SEATTLE CHILDREN'S HOSPITAL	13049SUBMOD01	273,263
93.847	3600	SEATTLE CHILDREN'S HOSPITAL	13194SUBAM2	952,232
93.847	3600	SEATTLE CHILDREN'S HOSPITAL	13240SUB	4,023
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	BJ211BJ26SIBCR	6,321
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	UK1GRADEKS111SIBCR	1,168
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	UK1GRADEKS112SIBCRM00	40,950
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	UK1GRADEUK110SIBCRM00	2,559
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	UK1GRADEUK19SIBCR	896
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	UAWD-008605	14,034
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	WP21KS12SIBCR	1,808
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	WP21KS13SIBCR	936
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	WP21UW2AM1	298,779
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	WP21ZS22SIBCR	19,224
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	WP21ZS23SIBCR	11,433
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	ZS26ZS22SIBCR	37,134
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	ZS27ZS21SIBCR	27,806
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	ZS27ZS22SIBCR	9,365
93.847	3600	THE GENERAL HOSPITAL CORPORATION	235385AM004	31,581
93.847	3600	THE GENERAL HOSPITAL CORPORATION	238171AM03	40,235
93.847	3600	THE GENERAL HOSPITAL CORPORATION	238587AM02	26,176

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93.847	3600	THE JOHNS HOPKINS UNIVERSITY	2005822121AM001	51,195
93.847	3600	THE PENNSYLVANIA STATE UNIVERSITY	S002266DHHSAM01	17,341
93.847	3600	THE RESEARCH FOUNDATION FOR THE STATE UNIVERSITY OF NEW YORK	100051118866922	41,677
93.847	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	2GG01889201AM01	82,061
93.847	3600	TRUSTEES OF INDIANA UNIVERSITY	9853	48,403
93.847	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000524405SC004AM03	20,875
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10863SCAM06	115,679
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11740SCAM04	6,207
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	14956SC	49,262
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	15291SC	22,175
93.847	3600	UNIVERSITY OF CHICAGO	FP06836601IAM010	205,240
93.847	3600	UNIVERSITY OF NEVADA, RENO	UNR2364	38,578
93.847	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5119779AM03	17,122
93.847	3600	UNIVERSITY OF PENNSYLVANIA	UAWAD-002500	13,806
93.847	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER	GMO200501PO0000001992A	47,323
93.847	3600	UNIVERSITY OF UTAH	1005584144UW	3,822
93.847	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC101200AM01	142
93.847	3600	VETERANS MEDICAL RESEARCH FOUNDATION OF SAN DIEGO	098750005328300	99,090
93.847	3650	MCLEAN HOSPITAL	401536	75,690
93.847	3650	MCLEAN HOSPITAL	401707	25,927
93.847	3650	MCLEAN HOSPITAL	FY22001017	22,925
93.847	3650	UNIV OF MA - LOWELL	S51900000052193	142,254
93.847	3650	UNIV OF NE MED CENTER	3453012214001	259,270
93.847	3650	UNIV OF PENNSYLVANIA	575452	-1,820
93.847	3650	UNIV OF SOUTHERN CA	RGF010786A	104,168
93.853	3600	AALTO UNIVERSITY	T3142024310488UW	282,252

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93.853	3600	ALLEN INSTITUTE	20230607AM02	48,657
93.853	3600	ALLEN INSTITUTE FOR BRAIN SCIENCE	20210471AM04	281,596
93.853	3600	ALLEN INSTITUTE FOR BRAIN SCIENCE	20210503AM03	183,265
93.853	3600	ALLEN INSTITUTE FOR BRAIN SCIENCE	20210724AM02	-116,879
93.853	3600	BAYLOR COLLEGE OF MEDICINE	AM02	20,230
93.853	3600	BAYLOR COLLEGE OF MEDICINE	P700001047AM02	166,154
93.853	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA MASON	FY22ITN396AM3	3,492
93.853	3600	BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA	4410141005203AM01	1,723
93.853	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S397592AM08	14,590
93.853	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S407472AM05	-10,750
93.853	3600	CARNEGIE MELLON UNIVERSITY	1090654437057AM004	302,814
93.853	3600	CLEVELAND CLINIC FOUNDATION	1482SUBAM03	64,084
93.853	3600	COLUMBIA UNIVERSITY	1GG01200605AM09	262,626
93.853	3600	COLUMBIA UNIVERSITY	3GG01714316AM02	273,697
93.853	3600	DREXEL UNIVERSITY	800178AM001	35,005
93.853	3600	DUKE UNIVERSITY	303002275AM01	36,795
93.853	3600	EMORY UNIVERSITY	A521966AM03	85,640
93.853	3600	EMORY UNIVERSITY	A907300	13,290
93.853	3600	HARVARD UNIVERSITY	1381495122579AM02	37,780
93.853	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255C8014609AM08	496,525
93.853	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	UWAWD-007420	314,140
93.853	3600	MAYO CLINIC	WAS22406307AM07	148
93.853	3600	MAYO CLINIC	WAS232483AM05	0
93.853	3600	MEDICAL COLLEGE OF WISCONSIN	UWAWD-002045	30,201
93.853	3600	NORTHWESTERN UNIVERSITY	60054064WASHAMA07	236,368
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1013756UWAAM04	189,796
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1015158UWAM04	23,012

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93.853	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00007467AM08	261,515
93.853	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK10405CSPR002AM006	2,278
93.853	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	H010746310	3,130
93.853	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	N008333201AM03	95,721
93.853	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	SUBA00000047N008333202	29,920
93.853	3600	SEATTLE CHILDREN'S HOSPITAL	12753SUBMOD02	132,303
93.853	3600	SEATTLE CHILDREN'S HOSPITAL	12754SUBMOD2	42,856
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	DM24UW3AM04	67,927
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	IJ23APATARM2SIBCR	12,583
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	IJ23ATSHCHM1SIBCR	2,023
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	IJ29IJ21SIBCR	11,226
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	IJ29IJ22SIBCR	2,967
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	KB26BECKR3SIBCR	9,730
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	KB26BJADHAV3SIBCRM02	29,780
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	KB26BKB25SIBCR	24,503
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	KB26BLEBLAK2SIBCRM01	23,188
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE165IJ21SIBCR	4,862
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE165REINR1SIBCR	42,164
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE165RM11SIBCRM01	20,933
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE165SHOFJ2SIBCR	14,937
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE165SIKKEC1SIBCR	30,573
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE165UW2AM01	80,071

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93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	TD116HS26SIBCR	18,136
93.853	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	UAWD-009720	19,900
93.853	3600	THE GENERAL HOSPITAL CORPORATION	235400	39,261
93.853	3600	THE GENERAL HOSPITAL CORPORATION	244356	38,080
93.853	3600	THE GENERAL HOSPITAL CORPORATION	EN2101TO2MOD02	62,826
93.853	3600	THE GENERAL HOSPITAL CORPORATION	TASKORDER01EN2001MOD04	29,044
93.853	3600	THE JOHNS HOPKINS UNIVERSITY	PO2005467415MOD02	40,273
93.853	3600	THE UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION	320000587024172	17,550
93.853	3600	THE UNIVERSITY OF TENNESSEE	233037UWAAM05	785
93.853	3600	THE WASHINGTON UNIVERSITY	WU230464MOD1	192,797
93.853	3600	THE WASHINGTON UNIVERSITY	WU240254	71,317
93.853	3600	UNIVERSITY OF ARIZONA	743917	89,056
93.853	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1580GYB506AM003	40,004
93.853	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1713GZA878AM02	9,479
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10945SCAM03	-5,104
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12987SCAM02	25,920
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	9670SCAM12	95,116
93.853	3600	UNIVERSITY OF CALIFORNIA, DAVIS	A211324S007AM03	75,991
93.853	3600	UNIVERSITY OF CINCINNATI	010785135574AM02	142
93.853	3600	UNIVERSITY OF CINCINNATI	011337135574AM03	10,595
93.853	3600	UNIVERSITY OF CINCINNATI	012043135574AMEND1	19,759
93.853	3600	UNIVERSITY OF CINCINNATI	012044135574SATURNAM02	2,681
93.853	3600	UNIVERSITY OF CINCINNATI	012340135574AM01	0
93.853	3600	UNIVERSITY OF CINCINNATI	013381135574AM01	16,110
93.853	3600	UNIVERSITY OF CINCINNATI	013888135574	45,197
93.853	3600	UNIVERSITY OF CINCINNATI	013934135574	0

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93.853	3600	UNIVERSITY OF CONNECTICUT	428629AM03	68,951
93.853	3600	UNIVERSITY OF FLORIDA	SUB00004274	100,189
93.853	3600	UNIVERSITY OF PENNSYLVANIA	588521	81,478
93.853	3600	UNIVERSITY OF PENNSYLVANIA	589300AM04	2,342
93.853	3600	UNIVERSITY OF PUERTO RICO	2021001487	79,603
93.853	3600	UNIVERSITY OF ROCHESTER	SUB00000073AM3URFAOGR5	42,937
93.853	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO	173829173805	35,356
93.853	3600	UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON	248677401	5,081
93.853	3600	UNIVERSITY OF VIRGINIA	GB10965169717AM02	387,485
93.853	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU240168MOD1	11,670
93.855	3600	ADERA	AM2	46,893
93.855	3600	BELLBROOK LABS, LLC	UWAWD-005169	13,219
93.855	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA MASON	0139203S01	110,000
93.855	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA MASON	0148801S01	19,264
93.855	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA MASON	FY23ITN293AM05	31,941
93.855	3600	BOSTON CHILDREN'S HOSPITAL	GENFD0002265374AM02	120,002
93.855	3600	BROWN UNIVERSITY	00002083AM01	8,921
93.855	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S612634AM01	19,689
93.855	3600	CHILDREN'S HOSPITAL OF PHILADELPHIA	GRT00001924PO20354777	16,747
93.855	3600	CORNELL UNIVERSITY	13889321147AM03	6,036
93.855	3600	DARTMOUTH COLLEGE	R1629	7,625
93.855	3600	EMORY UNIVERSITY	A400416AM03	13,135
93.855	3600	EMORY UNIVERSITY	A611940AM04	390,526
93.855	3600	EMORY UNIVERSITY	A675795	-283
93.855	3600	EMORY UNIVERSITY	A680754AM1	333,933
93.855	3600	EMORY UNIVERSITY	A683318	731,399

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93.855	3600	EMORY UNIVERSITY	A704758AM01	41,843
93.855	3600	EMORY UNIVERSITY	A780946FORMERLYA746868	7,997
93.855	3600	EMORY UNIVERSITY	A829618	11,458
93.855	3600	EMORY UNIVERSITY	A850854	182,251
93.855	3600	EMORY UNIVERSITY	A885401	134,538
93.855	3600	EMORY UNIVERSITY	A891295AMD1	141,148
93.855	3600	EMORY UNIVERSITY	A927294	15,054
93.855	3600	EMORY UNIVERSITY	A951594FORMERLYA901941	20,552
93.855	3600	FHI 360	PO21000543MOD07	17,053
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001107418AM02	54,760
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001109937AM01	1,985
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001109948AM02	165,279
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001110063AM02	64,198
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001114230AM2	54,561
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001117482AM01	268,735
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001117496AM01	180,494
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001122826AM01	3,151
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001127578AM01	29,553
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001129517AM01	19,821
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001129961AM001	4,917
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001132716AM01	319,062
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001136337	6,489
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001137333AM01	418,118
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001138583AM01	344,982
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001138842AM01	811,381
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001143509	152,680
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001144692AM01	359,971
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001144972AM01	487,700

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93.855	3600	FRED HUTCHINSON CANCER CENTER	0001144973	112,107
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001151471AM01	114,459
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001162193AM01	59,862
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001162350AM001	75,062
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001162351	72,905
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001169353	3,631
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001169354AM01	387,265
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001169423AM01	489,793
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001170184	129,061
93.855	3600	FRED HUTCHINSON CANCER CENTER	0001178084	2,743
93.855	3600	FRED HUTCHINSON CANCER CENTER	UAWD-008211	751,520
93.855	3600	GEORGE WASHINGTON UNIVERSITY	20M23RAM04	367,532
93.855	3600	HDT BIO CORP.	1R61AI16181101002AM02	17,033
93.855	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20240001	35,427
93.855	3600	INSTITUTO DE EFECTIVIDAD CLINICA Y SANITARIA	TBC2023UOW	241,703
93.855	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210453UWAM3	5,561
93.855	3600	LUMEN BIOSCIENCE, INC.	5R42AI13862304	399,481
93.855	3600	MAGEE-WOMENS RESEARCH INSTITUTE AND FOUNDATION	9167PRIOR9155AM05	172,295
93.855	3600	MONTANA STATE UNIVERSITY	G16418W7010AM09	46,476
93.855	3600	NORTHERN ARIZONA UNIVERSITY	100525301AM03	450,303
93.855	3600	NORTHWESTERN UNIVERSITY	60060177UWA01	-1,479
93.855	3600	OHIO STATE UNIVERSITY	GR102740PRIOR60062782A	33,121
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1013170UWAAM04	8,003
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1020009UWAAM01	323,627
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1020638UWAM02	8,174
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1022434UWAA3AM01	13,660
93.855	3600	ORLANCE, INC.	UAWD-020480	86,422

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93.855	3600	ORLANCE, INC.	UWOSPAGREEMENTA151638M	258,262
93.855	3600	REGENTS OF THE UNIVERSITY OF COLORADO	FY231210001AM01	13,849
93.855	3600	RHODE ISLAND HOSPITAL	7137555AM04	35,499
93.855	3600	RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY	UAWAD-005189	294,593
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11645SUBMOD05	93,908
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11670SUBMOD05	7,295
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12175SUBMOD05	279,611
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12179SUBMOD04	153,054
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12234SUBMOD04	537,560
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12366SUBMOD4	21,017
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12490SUBMOD03	176,316
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12491SUBMOD02	32,419
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12509SUBMOD03	283,882
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12760SUBMOD01	311,510
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12773SUBMOD01	80,611
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12783SUBMOD02	85,032
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12921SUB	51,667
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12924SUB	59,302
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	13124SUBAM01	29,209
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	13154SUB	329,579
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	13251SUB	48,957
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	13307SUB	61,183
93.855	3600	SOUTHCENTRAL FOUNDATION	2023469AM1	68,114
93.855	3600	STELLENBOSCH UNIVERSITY	S006256	52,252
93.855	3600	TEMPLE UNIVERSITY	265708UWASHAM03	22,750
93.855	3600	THE HENRY M. JACKSON FOUNDATION FOR THE ADVANCEMENT OF MILITARY MEDICINE	5668AM02	140,636
93.855	3600	THE JOHNS HOPKINS UNIVERSITY	2005307175AM02	626,239

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93.855	3600	THE JOHNS HOPKINS UNIVERSITY	LDR02PO2004908062MOD05	27,900
93.855	3600	THE METHODIST HOSPITAL RESEARCH INSTITUTE	AGMT00009903AM1	306,881
93.855	3600	THE PENNSYLVANIA STATE UNIVERSITY	S003033DHHSAM02	116,003
93.855	3600	THE RESEARCH FOUNDATION FOR THE STATE UNIVERSITY OF NEW YORK	90654UNIVOFWASHINGTONA	114,001
93.855	3600	THE WISTAR INSTITUTE OF ANATOMY AND BIOLOGY	2590372324AM03	498,761
93.855	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	1GG01864201	56,053
93.855	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	3GG01961201AM3	37,219
93.855	3600	TRUSTEES OF INDIANA UNIVERSITY	8989WUAMEND3	-1,367
93.855	3600	TSRL, INC.	A181422AM01	321,452
93.855	3600	UNIVERSITY OF ALABAMA	000520244SP008SC022	70,180
93.855	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000510836SC006A03	1,271,535
93.855	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000537808SC001A01	29,435
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1559GXG085AM003	393,873
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560BLC922AM03	3,695,612
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560BLD297	122,218
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560BYC861AM06	304,048
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560GIA633	1,461
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560GLA895AM01	4,153
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	16500000064792	389,640
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1650GIA020	156,330
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10182SCAM08	39,476
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10951SCAM06	50,226
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11003SCAM06	12,223
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11313SCAM08	798,038
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12906SCAM002	25,154
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12944SCAM03	96,898

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93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	13150SCAM03	86,935
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	13738SCAM01	17,390
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	14636SCAMEND1	200,302
93.855	3600	UNIVERSITY OF CALIFORNIA, RIVERSIDE	S1743	15,606
93.855	3600	UNIVERSITY OF CAPE TOWN	UCT00035674AM001	70,918
93.855	3600	UNIVERSITY OF IDAHO	AH6466846139AM02	215,026
93.855	3600	UNIVERSITY OF IDAHO	CB2558SB897826AM09	37,509
93.855	3600	UNIVERSITY OF LEEDS	1253940005	22,908
93.855	3600	UNIVERSITY OF MASSACHUSETTS CHAN MEDICAL SCHOOL	SUB00000294AM01	95,317
93.855	3600	UNIVERSITY OF NOTRE DAME	203504UWAM04	6,356
93.855	3600	UNIVERSITY OF PITTSBURGH	AWD000026821349442AM03	86
93.855	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	SCON00006136	2,358
93.855	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER	GMO180806AM07	910
93.855	3600	UNIVERSITY OF UTAH	10062083UWAM2	127,977
93.855	3600	UNIVERSITY OF UTAH	1006210302UWAM02	331,866
93.855	3600	UNIVERSITY OF WISCONSIN-MADISON	0000002293AM01	269,615
93.855	3600	UNIVERSITY OF WISCONSIN-MADISON	0000003641	218,077
93.855	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC101103AM05	31,632
93.855	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC74709AM06	274,602
93.855	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC85048AM04	23,813
93.855	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC85657AM5	77,383
93.855	3600	VIRTICI CORPORATION	AI152646	77,692
93.855	3650	MAYO CLINIC	WAS255636	61,213
93.855	3650	RSCH TRIANGLE INST	11312021753066834L	83,027
93.855	3650	TULANE UNIVERSITY	TULHSC5605792223	72,092
93.855	3650	UNIV OF MINNESOTA	H004942302	-28
93.855	3650	UNIV OF MINNESOTA	H009691402	23,639

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93.855	3650	UNIV OF NE MED CENTER	5128305	130,679
93.855	3650	UNIV OF PRETORIA	MO070619	21,726
93.855	3650	UNIV OF TX AT AUSTIN	UTAUS-SUB00000654AM1	94,863
93.855	3650	UNIV OF WI MADISON	0000001914	-556
93.855	3650	UNIV OF WI MADISON	0000002546	77,513
93.855	3650	UNIVERSITY OF VERMONT	AWD00001333SUB0000537	85,167
93.855	3650	WEST VIRGINIA UNIV	22348WSU	27,491
93.859	3600	BROWN UNIVERSITY	00002186AM001	3,533
93.859	3600	FRED HUTCHINSON CANCER CENTER	0001135621AM01	62,214
93.859	3600	MONTANA STATE UNIVERSITY	G26622W9487AM03	30,335
93.859	3600	SOUTHCENTRAL FOUNDATION	2023480AM002	122,362
93.859	3600	SOUTHCENTRAL FOUNDATION	2023481AM2	33,480
93.859	3600	SOUTHCENTRAL FOUNDATION	2023620AM01	56,002
93.859	3600	STANFORD UNIVERSITY	62244825136718AM08	288,840
93.859	3600	UNIVERSITY OF FLORIDA	SUB00003607AM01	23,661
93.859	3600	UNIVERSITY OF KANSAS	1R35GM13357201	20,518
93.859	3600	UNIVERSITY OF KANSAS MEDICAL CENTER RESEARCH INSTITUTE, INC.	AWD0002371	13,509
93.859	3600	UNIVERSITY OF MONTANA	PG246137001	15,493
93.859	3650	NORTHWEST INDIAN COL	NWIC24230SAWSU	197,180
93.859	3650	TEXAS A&M UNIVERSITY	M2100083	66,539
93.859	3650	UNIV OF PITTSBURGH	AWD00000238	9,891
93.859	3650	VOL AMERICA E WA N ID	142773001	174,410
93.859	3650	WA RIVER PROTECTION	74081016	-2,362
93.859	3650	WA UNIV IN ST LOUIS	WU17182	-138
93.859	3650	WABANAKI PUBLIC HEALTH	139375	531,572
93.859	3650	WILLAMETTE UNIVERSITY	R15GM132845WSU	-39
93.859	3750	Montana State University Billings	621-003-01	27,568

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93.859	6990	PSU	205CRE480	5,166
93.860	3600	OLIVE VIEW - UCLA EDUCATION & RESEARCH INSTITUTE	2211R1	35,553
93.865	3600	ANELLEO, INC.	AM01	244,120
93.865	3600	ANN & ROBERT H. LURIE CHILDREN'S HOSPITAL OF CHICAGO	A220163S002	26,380
93.865	3600	CHILDREN'S HOSPITAL OF PHILADELPHIA	GRT00002485PO20442645A	1,027
93.865	3600	DUKE UNIVERSITY	302000341	113,252
93.865	3600	EMORY UNIVERSITY	A861494	9,836
93.865	3600	FLORIDA STATE UNIVERSITY	R000003132AM01	33,837
93.865	3600	FLORIDA STATE UNIVERSITY	R000003162102622AM001	30,119
93.865	3600	FRED HUTCHINSON CANCER CENTER	0001109966AM02	24,766
93.865	3600	FRED HUTCHINSON CANCER CENTER	0001127576AM02	171,591
93.865	3600	GELBCHEM, LLC	A186648AM01	16,314
93.865	3600	GELBCHEM, LLC	UWAWD-007054	50,990
93.865	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD002298G2AM02	13,981
93.865	3600	HARVARD T.H. CHAN SCHOOL OF PUBLIC HEALTH	11726703875119062	22,211
93.865	3600	HEALTH RESEARCH, INC.	49001AM01	13,818
93.865	3600	JOAN & SANFORD I. WEILL MEDICAL COLLEGE OF CORNELL UNIVERSITY	22649423	110,695
93.865	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG212701UW	53,107
93.865	3600	MAYO CLINIC	UWA319243P000687535	31,023
93.865	3600	MICHIGAN STATE UNIVERSITY	RC115789	30,670
93.865	3600	NORTHERN ARIZONA UNIVERSITY	100495102AM02	20,785
93.865	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00013590AM02	13,726
93.865	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00016114AM02	227,358
93.865	3600	SALUS DISCOVERY, LLC	AM02	275,779
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12380SUBMOD03	18,009
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12733SUBMOD03	37,307

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93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12870SUBMOD04	171,422
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12871SUBAWD00000304MOD	25,304
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12952SUBMOD01	153,978
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	13005SUBMOD01	36,116
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	13083SUBMOD01	122,022
93.865	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	13325SUB	10,119
93.865	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	BJ215BJ21SIBCR	3,160
93.865	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	BJ215BJ22SIBCR	3,160
93.865	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	IJ25IJ23SIBCR	4,028
93.865	3600	SHEPARD CENTER, INC.	SHEP230005AM001	6,740
93.865	3600	SHIRLEY RYAN ABILITYLAB	82326UWY2A1AM01	23,639
93.865	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	125323AM02	10,343
93.865	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	125594AM05	47,578
93.865	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	127603AM01	10,343
93.865	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	127850	13,790
93.865	3600	THE GENERAL HOSPITAL CORPORATION	239457AM03	59,245
93.865	3600	THE GENERAL HOSPITAL CORPORATION	243201AM01	18,280
93.865	3600	THE JOHNS HOPKINS UNIVERSITY	2006275334AM01	58,866
93.865	3600	THE WASHINGTON UNIVERSITY	WU19329MOD5	272,083
93.865	3600	THOMAS JEFFERSON UNIVERSITY	618B4436SE49714971AM04	107,836
93.865	3600	TRUSTEES OF BOSTON UNIVERSITY	4500005006	3,354
93.865	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	14043SCAM02	7,278
93.865	3600	UNIVERSITY OF CALIFORNIA, IRVINE	20221728AM001	28,412
93.865	3600	UNIVERSITY OF MISSOURI	C000793527	22,509
93.865	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5126130AM001	34,042
93.865	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5126131AM02	395,207

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93.865	3600	UNIVERSITY OF PITTSBURGH	AWD0000318841932613MOD	10,168
93.865	3600	UNIVERSITY OF PITTSBURGH	AWD000061311387521AM1	18,966
93.865	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	134751633AM05	24,105
93.865	3600	UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON	238626306AM001	85,862
93.865	3600	WASHINGTON UNIVERSITY SCHOOL OF MEDICINE	WU220482MOD3	322,860
93.865	3600	WOMEN & INFANTS HOSPITAL OF RHODE ISLAND	500180103AM04	275,416
93.865	3650	UNIV OF MICHIGAN	SUBK00014051	-1,853
93.865	3650	WA RIVER PROTECTION	74081018	23,853
93.866	3600	ALLEN INSTITUTE FOR BRAIN SCIENCE	20200217AM07	1,330,574
93.866	3600	AUGUSTA UNIVERSITY	378455AM01	22,852
93.866	3600	BETH ISRAEL DEACONESS MEDICAL CENTER, INC.	01064588AM1	31,848
93.866	3600	BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM	0000003328	54,397
93.866	3600	BROWN UNIVERSITY	00001958AM03	33,007
93.866	3600	BROWN UNIVERSITY	00002080AM03	40,002
93.866	3600	BROWN UNIVERSITY	00002197	20,944
93.866	3600	COLUMBIA UNIVERSITY	2GG01345701AM01	16,302
93.866	3600	COLUMBIA UNIVERSITY	6GG01499801	33,170
93.866	3600	DREXEL UNIVERSITY	900142AM02	124,986
93.866	3600	DUKE UNIVERSITY	A033241AM04	366,025
93.866	3600	EMORY UNIVERSITY	A984919FORMERLYA700669	149,216
93.866	3600	FRED HUTCHINSON CANCER CENTER	0001177703	26,615
93.866	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255B7414609AM05	48,072
93.866	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255B8514609AM09	180,555
93.866	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255E3014609AM01	11,321
93.866	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	025511814609	51,035
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG209925UWAM08	24,252

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93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211392UWONC	263,835
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211393UWOFFCAM04	8,125
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211393UWONCAM05	331,677
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211393UWSLUAM05	49,992
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211394UWONCAM02	113,696
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211394UWSLUAM4	630,149
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211395UWONCAM05	189,280
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211396UWOFFCAM04	801,571
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211396UWONCAM4	147,377
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211397UWONCAM4	55,273
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211398UWONCAM03	965,362
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211398UWSLUAM02	152,017
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211399UWONCAM04	772,180
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211399UWSLUAM04	158,422
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211400UWOFFCAM04	142,292
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG211400UWONCAM03	88,919
93.866	3600	MAYO CLINIC	UNI30438301AM02	101,606
93.866	3600	MAYO CLINIC	UNW312328PO000055634	31,191
93.866	3600	MAYO CLINIC	WAS26313403	185,530
93.866	3600	NATIONAL BUREAU OF ECONOMIC RESEARCH, INC.	418400002UWAM04	23,077
93.866	3600	NORTHERN CALIFORNIA INSTITUTE FOR RESEARCH AND EDUCATION	SHL212004AM05	9,237

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93.866	3600	NORTHWESTERN UNIVERSITY	60060219UWAA02	190,580
93.866	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1015875UWAAM03	174,841
93.866	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00009657AM04	31,784
93.866	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00016445AM02	188,754
93.866	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	SUBK00017248AM01	42,729
93.866	3600	REGENTS OF THE UNIVERSITY OF MICHIGAN	UAWD-002906	157,520
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	CD39PARTARM1SIBCR	10,814
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	CD39UW3AM2	103,303
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ116HERODM5SIBCR	52,577
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ118GJ14SIBCR	14,358
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ118QUIROS2SIBCR	33,778
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	GJ118UW3	49,695
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	KB210AHANM4SIBCR	39,025
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	KB210AKB23SIBCR	44,551
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	KB210AMCMILP4SIBCR	12,011
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	KB211AECKR1SIBRC	15,486
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	KB211AKB21SIBCR	20,048
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	KB216MCMILP1SIBCR	31,630
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	KB216WINSTJ1SIBCR	44,414
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LG16IJ22SIBCR	3,593
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LG16LG11SIBCR	4,767
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LG16LG12SIBCR	7,274

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93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LG16PE11SIBCR	5,085
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LG16UW1	49,671
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LN15JADHAV4SIBCR	15,388
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LN15LONGA2SIBCR	71,025
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LN15TOSCAL4SIBCR	78,885
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LN15UW3AM2	156,430
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE158PE14SIBCRM01	202
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE158PE15SIBCR	12,255
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE158REINR11SIBCRM01	64,154
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE158RM11SIBCR	45,123
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE162BUW1AM02	865
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE163LG13SIBCR	13,538
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	PE163PE13SIBCR	13,300
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	TD112ATD16SIBCR	14,408
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	TD122BHS22SIBCR	18,174
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	TD122BLG11SIBCR	12,080
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	TD122BTD11SIBCR	45,688
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	TD122BUW2	18,728
93.866	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	125298AM02	233,035
93.866	3600	THE WASHINGTON UNIVERSITY	WU19279MOD7AM07	4,654
93.866	3600	THE WASHINGTON UNIVERSITY	WU2042MOD3	0

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93.866	3600	TRUSTEES OF BOSTON UNIVERSITY	4500003082AM05	79,025
93.866	3600	TRUSTEES OF BOSTON UNIVERSITY	4500003432AM004	72,925
93.866	3600	TRUSTEES OF BOSTON UNIVERSITY	4500003470AM04	77,238
93.866	3600	TRUSTEES OF BOSTON UNIVERSITY	4500004410AM008	258,164
93.866	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	1GG01479201AM04	12,515
93.866	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	3GG01535307AM03	130,447
93.866	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	4GG01512901POG16773AM0	31,475
93.866	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	8GG01582207G15783AM02	167,733
93.866	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000537726SC002AMA01	70,170
93.866	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560BWB288AM04	0
93.866	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10841SCAM05	10,987
93.866	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11075SCAM06	7,679
93.866	3600	UNIVERSITY OF COLORADO, DENVER	FY22830001AM08	277,512
93.866	3600	UNIVERSITY OF FLORIDA	SUB000002628AM04	12,021
93.866	3600	UNIVERSITY OF MELBOURNE	GL064596UWSY6AM05	72,297
93.866	3600	UNIVERSITY OF MIAMI	OS00001485	2,313
93.866	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5124100AM02	9,252
93.866	3600	UNIVERSITY OF PENNSYLVANIA	500116AM02	235,600
93.866	3600	UNIVERSITY OF PENNSYLVANIA	586117AM03	143,152
93.866	3600	UNIVERSITY OF PENNSYLVANIA	587103AM5	64,734
93.866	3600	UNIVERSITY OF PENNSYLVANIA	587757	16,378
93.866	3600	UNIVERSITY OF PENNSYLVANIA	UAWD-008497	12,756
93.866	3600	UNIVERSITY OF PITTSBURGH	AWD000035471358751AM04	215,878
93.866	3600	UNIVERSITY OF ROCHESTER	SUB00000699URFAOGR5339	34,337
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	109309268AM04	-721
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	124009907AM04	1,501

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93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	131446798AM05	1,215
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	137298298AM03	83,027
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	97832536AM04	150
93.866	3600	UNIVERSITY OF TEXAS AT AUSTIN	UTAUSUB00000895AMD01	30,079
93.866	3600	UNIVERSITY OF TEXAS AT SAN ANTONIO	174127173581	12,640
93.866	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO	168701168699AM04	67,374
93.866	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO	171841171837AM1	91,771
93.866	3600	UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON	248557603	120,058
93.866	3600	UNIVERSITY OF UTAH	1004189606WASH	16,847
93.866	3600	UNIVERSITY OF WISCONSIN-MADISON	0000000685AM03	1,949
93.866	3600	UNIVERSITY OF WISCONSIN-MADISON	0000001964AM03	15,977
93.866	3600	UNIVERSITY OF WISCONSIN-MADISON	0000002701AM01	59,448
93.866	3600	UNIVERSITY OF WISCONSIN-MADISON	0000003319	309,062
93.866	3600	UNIVERSITY OF WISCONSIN-MADISON	0000003329	163,928
93.866	3600	URBAN INSTITUTE	1023960001UWASH01	95,825
93.866	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC68180AM06	159,799
93.866	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC95666AM03	21,010
93.866	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC95855AM03	1,011,811
93.866	3600	VISITING NURSE SERVICE OF NEW YORK	46642023UW	13,699
93.866	3600	WAKE FOREST UNIVERSITY	10803366411000001944AM	8,327
93.866	3600	WAKE FOREST UNIVERSITY	3713366410000111041AM0	58,625
93.866	3600	WAKE FOREST UNIVERSITY HEALTH SCIENCES	11024511611000000260	184,000
93.866	3600	WAKE FOREST UNIVERSITY HEALTH SCIENCES	1143366410000551083AM0	201,185
93.866	3600	WAKE FOREST UNIVERSITY HEALTH SCIENCES	12773366411000000619AM	31,664
93.866	3600	WAKE FOREST UNIVERSITY HEALTH SCIENCES	13303366411000000619	13,343
93.866	3600	WAKE FOREST UNIVERSITY HEALTH SCIENCES	17104510811000000214AM	55,627

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93.866	3650	COLUMBIA UNIVERSITY	1GG019220	17,194
93.866	3650	FLORIDA ATLANTIC UNIV	WRK326	8,275
93.866	3650	UNIV OF CA DAVIS	A201801S001	115,635
93.866	3650	UNIV OF COLORADO	FY16001015	-4,727
93.866	3650	UNIVERSITY OF ARIZONA	676032	251,258
93.866	3650	UNIVERSITY OF MIAMI	OS00001331	218,099
93.866	3650	UNIVERSITY OF OREGON	217990A	19,153
93.867	3600	ALLEN INSTITUTE FOR BRAIN SCIENCE	20200288AM02	-24,248
93.867	3600	COLUMBIA UNIVERSITY	1GG01795901AM1	46,558
93.867	3600	MEDICAL COLLEGE OF WISCONSIN	AM002	11,415
93.867	3600	MEDICAL COLLEGE OF WISCONSIN	PO6302958	39,660
93.867	3600	NEW YORK UNIVERSITY	F196001AM03	103,115
93.867	3600	STANFORD UNIVERSITY	62015716136077AM07	33,796
93.867	3600	STANFORD UNIVERSITY	62746996206461AM04	76,351
93.867	3600	STANFORD UNIVERSITY	63129299133041AM01	160,146
93.867	3600	THE JOHNS HOPKINS UNIVERSITY	2004876349AM04	250
93.867	3600	THE JOHNS HOPKINS UNIVERSITY	2005261524AM03	153,196
93.867	3600	THE JOHNS HOPKINS UNIVERSITY	UG1EY033293MOD1	37
93.867	3600	THE RESEARCH FOUNDATION FOR THE STATE UNIVERSITY OF NEW YORK	R1343633	6,050
93.867	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000521712SC002	22,200
93.867	3600	UNIVERSITY OF FLORIDA	SUB000004150	3,786
93.867	3650	UNIVERSITY OF IDAHO	CB4725897942	30,226
93.867	3650	WA RIVER PROTECTION	74081019	47,097
93.867	3650	WA RVR PROTECTION SLNS	7314801	552
93.877	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1557PLA58501	20,549
93.877	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2000GYC804AM06	317,376
93.879	3600	GEORGE MASON UNIVERSITY	E2060341AM002	30,558

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93.889	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11786SCAM05	37,010
93.912	3650	WA RVR PROTECTION SLNS	74081	2,743
93.914	3100	Public Health Seattle & King County	8449 PREV	102,123
93.917	3600	IDAHO DEPARTMENT OF HEALTH AND WELFARE	HC291600	10,012
93.924	6990	OHSU	1013415_CL	1,064
93.928	3030	National Alliance of State and Territorial AIDS Directors	CBO27776	12,547
93.941	3600	MICROGEN LLC	UW001	8,148
93.958	6990	Spokane County Community Service	21ASO2486	54,071
93.959	3600	IDAHO DEPARTMENT OF HEALTH AND WELFARE	BC047300	54,626
93.959	3600	MONTANA DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES	18102745160AM04	118,885
93.959	3600	UTAH DEPARTMENT OF HUMAN SERVICES	196354	21,055
93.967	3600	NATIONAL NETWORK OF PUBLIC HEALTH INSTITUTES	G253000722AM001	90,160
93.967	3600	REGENTS OF THE UNIVERSITY OF MINNESOTA	P010310505	129,836
93.970	3650	WA RVR PROTECTION SLNS	74081013	3,198
93.977	3600	UNIVERSITY OF IDAHO	DM6068818823AM01	10,203
93.989	3600	AGA KHAN UNIVERSITY	005AM04	150,495
93.989	3600	AMERICAN UNIVERSITY OF BEIRUT	UWU01TW012236	6,299
93.989	3600	KENYATTA NATIONAL HOSPITAL	KNHSC230401	377,350
93.989	3600	KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY	A110910819CHS0502AM08	49,062
93.989	3600	UNIVERSIDAD PERUANA CAYETANO HEREDIA	AM1	17,668
93.989	3600	UNIVERSIDAD PERUANA CAYETANO HEREDIA	UAWWD-003453	92,797
93.989	3600	UNIVERSITY OF NAIROBI	1G11TW01227001	12,971
93.989	3600	UNIVERSITY OF NAIROBI	HEPIYEAR5UONUW1R25TW01	77,484
93.989	3600	UNIVERSITY OF UTAH	1005926203POU000334651	13,979
93.994	3700	PREPaRE Training-Idaho	CONTRACT 23-7823	207
93.RD	3600	ACOUSTIIC INC.	UAWWD-009527	41,923

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93.RD	3600	ALZHEIMER'S ASSOCIATION	UAWD-004200	14,530
93.RD	3600	AVITA MEDICAL	UAWD-005412	-8,573
93.RD	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA MASON	0215104S01	35,391
93.RD	3600	BIOMIMETIX JV, LLC	00062660AM05	3,641
93.RD	3600	COMPUTERCRAFT CORPORATION	SUBCONTRACTNO4MOD2	124,454
93.RD	3600	DUKE UNIVERSITY	8308BMS01	31
93.RD	3600	FAMILY HEALTH CENTERS OF SAN DIEGO, INC.	75D30121C11341	104,581
93.RD	3600	FRED HUTCHINSON CANCER CENTER	0001057710AM03	0
93.RD	3600	FRED HUTCHINSON CANCER CENTER	0001063279AM05	9,673
93.RD	3600	FRED HUTCHINSON CANCER CENTER	0001135972AM02	0
93.RD	3600	HARVARD T.H. CHAN SCHOOL OF PUBLIC HEALTH	1097865110787AM07	664,994
93.RD	3600	HEALTH RESEARCH, INC.	721201	2,243
93.RD	3600	HEALTH RESEARCH, INC.	722101	93,597
93.RD	3600	HENNEPIN HEALTHCARE RESEARCH INSTITUTE	UAWD-002317	7,678
93.RD	3600	ICF INCORPORATED, L.L.C.	53415	16,770
93.RD	3600	JAEB CENTER FOR HEALTH RESEARCH, INC.	UAWD-007366	0
93.RD	3600	JAMES BELL ASSOCIATES, INC.	7820162400001	6,064
93.RD	3600	KAISER FOUNDATION RESEARCH INSTITUTE	OOS030579UW02AM04	20,023,460
93.RD	3600	LEIDOS BIOMEDICAL RESEARCH, INC.	22CTADM0019MOD04	244,883
93.RD	3600	LEIDOS BIOMEDICAL RESEARCH, INC.	23PPADM0011	18,375
93.RD	3600	MEDIWOUND LTD	MW20180621	87,067
93.RD	3600	MISSOURI BREAKS INDUSTRIES RESEARCH, INC.	SHSTA1001UW	21,302
93.RD	3600	MISSOURI BREAKS INDUSTRIES RESEARCH, INC.	UAWD-007436	5,778
93.RD	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1014432UWAAM06	517,813
93.RD	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1020599UWAAM02	75
93.RD	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1023803UWAM01	16,907
93.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO474098MOD09	217,469

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93.RD	3600	PUBLIC HEALTH - SEATTLE & KING COUNTY	7506PREVAM1	19,411
93.RD	3600	RUSH UNIVERSITY MEDICAL CENTER	20042803SUB02AM02	597,778
93.RD	3600	RUSH UNIVERSITY MEDICAL CENTER	20042803SUB08	110,080
93.RD	3600	SANDIA NATIONAL LABORATORIES	PO2152280REV04	108,338
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12913SUB	933,408
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12930SUB	1,132,139
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12934SUBAM01	188,867
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	13158SUB	39,957
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	13159SUB	38,845
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	13161SUB	145,056
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	13164SUB	46,380
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	13203SUBAM02	453,042
93.RD	3600	SPECTREE, LLC	A175366AM02	120,876
93.RD	3600	TRUSTEES OF COLUMBIA UNIVERSITY IN THE CITY OF NEW YORK	GG01890801	609,004
93.RD	3600	TUFTS MEDICAL CENTER	UAWWD-009869	225,472
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000524050T007007AM03	841
93.RD	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00011170AM01	111,113
93.RD	3600	UNIVERSITY OF CHICAGO	AWD101462EAM08	194,516
93.RD	3600	UNIVERSITY OF MISSISSIPPI	SP14542SB11AM05	12,247
93.RD	3600	UNIVERSITY OF MONTANA	PG236117005AM02	584,135
93.RD	3600	UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL	5122494AM06	10,073
93.RD	3600	UNIVERSITY OF PITTSBURGH	AWD000061711392382AM02	110,032
93.RD	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	131446521AM03	364
93.RD	3600	UNIVERSITY OF UTAH	UAWWD-007682	124,899
93.RD	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC116505	142,702
93.RD	3600	WORLD HEALTH ORGANIZATION	UAWWD-020112	79,556

State of Washington
Schedule of Expenditures of Federal Awards
Note F: Supplemental Information for Pass-Through Funds

*For the Fiscal Year Ended
June 30, 2024
(Expressed in whole dollars)*

Assistance Listing No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.U01	1070	Y0005 - BUILD EVIDENCE ON EMPLOYMENT STRATEGIES (BEES)	HHSP2332015000591/SP23	812,569
93.U02	1070	B06V3 - HENDALL BHSIS GRANT - SUD FFY23	HHSS283201600001C	114,285
93.U02	1070	B06W3 - HENDALL BHSIS GRANT - MH FFY23	HHSS283201600001C	203,174
93.U03	3030	Data Readiness	N/A	10,970
93.U07	3600	AMERICAN PSYCHIATRIC ASSOCIATION FOUNDATION	AM03	268
93.U08	3600	EASTERN BAND OF CHEROKEE INDIANS	Contract2300483	77,199
93.U09	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH	LG16IJ21SIBCR	7,946
93.U10	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	PO1557PZA551Amend1	3,051
93.U11	3650	NE WA ESD 101	143475002	187,037
93.U12	3650	NE WA ESD 101	143475001	121,244
93.U14	3650	CASTNER INC	21001	9,896
93.U17	3650	NATL INST OF ALLERGYIN	1R01AI17972001	85,669
93.U18	3650	SRI INTERNATIONAL	PO81176	130,652
93.U19	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC105667AM02	94,633
93.U20	3650	THE LEWIN GROUP	TLG23025567710	14,359
93.U21	3650	THE LEWIN GROUP	RS2018087217	22,545
94.006	3600	JUMPSTART FOR YOUNG CHILDREN, INC.	2320240	178,225
94.014	3650	ENGAGE NJ	23MKBNJ001	2,153
94.014	3700	Engage NJ	SUB NA PTE 23MKBNJ001	8,992
94.014	3800	AmeriCorps Martin Luther King	FY24 MLK DAY OF SERVIC	12,500
95.001	2250	Grant Co Sheriff's Office	K18468	6,872
95.001	2250	Yakima Co Sheriff's Office	C120331GSC	7,331
95.001	3600	SKAGIT COUNTY PUBLIC HOSPITAL DISTRICT NO. 304	MB17JWA1NBX3	16,822
97.044	3600	RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY	2122AM01	23,051
97.061	3600	UNIVERSITY OF TEXAS AT SAN ANTONIO	UAWWD-003715	78,879
97.067	4770	Clallam County	E21-202	-20

State of Washington
Schedule of Expenditures of Federal Awards
Note F: Supplemental Information for Pass-Through Funds

*For the Fiscal Year Ended
June 30, 2024
(Expressed in whole dollars)*

Assistance Listing No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
97.067	4770	Clallam County	E24-069	6,685
97.067	4770	Okanogan County Sheriff	23-SPWSPW-12-003	3,623
97.067	4770	Whatcom County	202304006	3,239
97.067	4770	Whatcom County	202401012	7,585
97.091	3030	City of Seattle	GVL23566	689,676
97.U03	3650	MONTANA STATE UNIV	G14823W9974	284,477
97.U04	3600	DEGENKOLB ENGINEERS	C1A4000200	226
98.001	3600	FHI 360	PROJECT102716001001005	118,461
98.001	3600	MAGEE-WOMENS RESEARCH INSTITUTE AND FOUNDATION	UWAWD-007059	466,628
98.001	3600	NATIONAL ACADEMIES OF SCIENCES, ENGINEERING, AND MEDICINE	SCON10000055MOD07	33,445
98.001	3600	THE UNITED STATES PHARMACOPEIAL CONVENTION, INC.	1000190MKTSDOCD	28,204
98.001	3600	THE UNITED STATES PHARMACOPEIAL CONVENTION, INC.	1000334RSSOASST	7,416
98.001	3600	TUFTS UNIVERSITY	AI9014AM09	168,756
98.001	3600	UNIVERSITY OF NEVADA, RENO	UNR2062AM02	35,177
98.001	3650	THE AMRN UNIV IN CAIRO	WSU004120	178,282
98.001	3650	UNIV OF MARYLAND	119339Z9003301	184,749
98.U01	3650	MISSISSIPPI STATE UNIV	19390031245514	9,051
98.U02	3650	WA RVR PROTECTION SLNS	74081020	24,807
99.RD	3600	ECS FEDERAL, LLC	1740060301MOD12PO19000	61,421

Total Pass-Through Funds **265,111,431**

**State of Washington
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended
June 30, 2024
(Expressed in Whole Dollars)*

Notes G

**Supplemental Information for Pass-Through Federal Assistance
(State as Subrecipient not included on the Schedule)**

Assistance Listing Number	Federal Program Title	State Agency as Subrecipient	Agency Number	Non-State Grantor	Award/ Contract No.	State Agency with Direct Federal Award	Expend. Amount
11.307	Economic Adjustment Assistance	Employment Security Department	540	Spokane WDC 12	7614	Employment Security Department	29,534
Federal Program 11.307 Total							\$ 29,534
14.228	Community Development Block Grants	Employment Security Department	540	Spokane WDC 12	7661	Employment Security Department	1,892
Federal Program 14.228 Total							\$ 1,892
17.258	WIOA Adult Program	Employment Security Department	540	Olympic Consortium WDC-1	7313, 7312, 7323, 7322, 7333, 7332	Employment Security Department	417,072
17.258	WIOA Adult Program	Employment Security Department	540	Snohomish County WDC-4	6671	Employment Security Department	(121)
17.258	WIOA Adult Program	Employment Security Department	540	North Central WA WDC-8	7703, 7702, 7712	Employment Security Department	223,113
17.258	WIOA Adult Program	Employment Security Department	540	Eastern WA Partnership WDC-10	2983, 2982	Employment Security Department	13,563
17.258	WIOA Adult Program	Employment Security Department	540	Spokane Area WDC-12	7813, 7812	Employment Security Department	260,111
Federal Program 17.258 Total							\$ 913,737
17.259	WIOA Youth Activities	Employment Security Department	540	North Central WA WDC-8	7713, 7752, 7753	Employment Security Department	141,536
Federal Program 17.259 Total							\$ 141,536
17.277	WIOA National Dislocated Worker Grants/ WIA National Emergency Grants	Employment Security Department	540	Spokane Area WDC-12	6653, 6643	Employment Security Department	326,362
Federal Program 17.277 Total							\$326,362
17.278	WIOA Dislocated Worker Formula Grants	Employment Security Department	540	Olympic Consortium WDC-1	7343, 7342, 7353, 7352, 7363, 7362, 7392	Employment Security Department	805,911
17.278	WIOA Dislocated Worker Formula Grants	Employment Security Department	540	North Central WA WDC-8	7743, 7742	Employment Security Department	185,951
17.278	WIOA Dislocated Worker Formula Grants	Employment Security Department	540	Eastern WA Partnership WDC-10	2922, 2924, 2923, 2933	Employment Security Department	553,609
17.278	WIOA Dislocated Worker Formula Grants	Employment Security Department	540	Spokane Area WDC-12	7802, 7803, 7962	Employment Security Department	321,287
Federal Program 17.278 Total							\$ 1,866,758
66.123	Geographic Programs - Puget Sound Action Agenda	University of Washington	360	King County	UW667589	Department of Ecology	28,296
Federal Program 66.123 Total							\$ 28,296
10.568	Emergency Food Assistance Program (Administrative Costs)	Central Washington University	375	FISH Food Bank	N/A	WA State Department of Agriculture	1,580
Federal Program 10.568 Total							\$ 1,580
20.600	State and Community Highway Safety	Central Washington University	375	Washington Association of Sheriff and Police Chiefs	N/A	Washington Traffic Safety Commission	799
Federal Program 20.600 Total							\$ 799
21.027	Coronavirus State and Local Fiscal Recovery Funds	Central Washington University	375	FISH Food Bank	N/A	WA State Department of Agriculture	1,742
Federal Program 21.027 Total							\$ 1,742

State of Washington
Schedule of Expenditures of Federal Awards
Note H: Supplemental Information - Outstanding Loan Balances

For the Fiscal Year Ended
June 30, 2024
(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	(3,294,747)
84.038	Federal Perkins Loan Program	13,479,330
	Subtotal 84.038	10,184,583
93.264	Nurse Faculty Loan Program (Nflp)	741,150
93.264	Nurse Faculty Loan Program (Nflp)	1,986,530
	Subtotal 93.264	2,727,680
93.342	Health Professions Student Loans, Including Primar	(114,034)
93.342	Health Professions Student Loans, Including Primar	13,298,895
	Subtotal 93.342	13,184,861
93.364	Nursing Student Loans	461,050
93.364	Nursing Student Loans	2,938,365
	Subtotal 93.364	3,399,415
93.408	ARRA - Nurse Faculty Loan Program	(2,749)
93.408	ARRA - Nurse Faculty Loan Program	8,655
	Subtotal 93.408	5,906
	University of Washington Total	29,502,445

State of Washington
Schedule of Expenditures of Federal Awards
Note H: Supplemental Information - Outstanding Loan Balances

For the Fiscal Year Ended
June 30, 2024
(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	(1,620,831)
84.038	Federal Perkins Loan Program	5,206,055
	Subtotal 84.038	3,585,224
93.264	Nurse Faculty Loan Program (Nflp)	(48,594)
93.264	Nurse Faculty Loan Program (Nflp)	2,004,886
	Subtotal 93.264	1,956,292
93.342	Health Professions Student Loans, Including Primar	313,277
93.342	Health Professions Student Loans, Including Primar	2,187,979
	Subtotal 93.342	2,501,256
93.364	Nursing Student Loans	(171,788)
93.364	Nursing Student Loans	1,854,853
	Subtotal 93.364	1,683,065
	Washington State University Total	9,725,837
<u>Eastern Washington University (Agency 3700)</u>		
84.038	Federal Perkins Loan Program	(457,527)
84.038	Federal Perkins Loan Program	882,905
	Subtotal 84.038	425,378
	Eastern Washington University Total	425,378
<u>Central Washington University (Agency 3750)</u>		
84.038	Federal Perkins Loan Program	
84.038	Federal Perkins Loan Program	
	Subtotal 84.038	
	Central Washington University Total	
<u>The Evergreen State College (Agency 3760)</u>		
84.038	Federal Perkins Loan Program	(115)
84.038	Federal Perkins Loan Program	1,567
	Subtotal 84.038	1,452
	The Evergreen State College Total	1,452

State of Washington
Schedule of Expenditures of Federal Awards
Note H: Supplemental Information - Outstanding Loan Balances

*For the Fiscal Year Ended
June 30, 2024
(Expressed in whole dollars)*

Assistance Listing No.	Federal Program Title	Ending Loan Balances as of June 30
<u>Western Washington University (Agency 3800)</u>		
84.038	Federal Perkins Loan Program	(717,220)
84.038	Federal Perkins Loan Program	2,410,701
	Subtotal 84.038	1,693,481
	Western Washington University Total	1,693,481
<u>Community/Technical College System (Agency 6990)</u>		
84.038	Federal Perkins Loan Program	6,492
	Subtotal 84.038	6,492
	Community/Technical College System Total	6,492
	Total Loan Balances	41,355,085

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State of Washington

Single Audit Report

For Fiscal Year Ended

June 30, 2024

Auditee's Section

Agency Corrective Action Plans

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STATE OF WASHINGTON
OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

April 23, 2025

Washington State Auditor's Office
ATTN: Cavan Busch, Audit Manager
3200 Sunset Way S.E.
Olympia, WA 98504-0031

To the Washington State Auditor's Office:

Enclosed with this letter is the state of Washington's corrective action plans for the following audit findings in the fiscal year 2024 Single Audit report.

Finding Number	State Agency	Corrective Action Plans Page Number	Schedule of Findings Page Number
2024-001	State of Washington	G - 9	E - 21
2024-002	State of Washington	G - 10	E - 24
2024-003	State of Washington	G - 11	E - 28
2024-004	Office of Superintendent of Public Instruction	G - 12	E - 34
2024-005	Office of Superintendent of Public Instruction	G - 13	E - 38
2024-006	Office of Superintendent of Public Instruction	G - 14	E - 42
2024-007	Employment Security Department	G - 15	E - 46
2024-008	Employment Security Department	G - 16	E - 52
2024-009	Employment Security Department	G - 17	E - 55
2024-010	Employment Security Department	G - 18	E - 63

Finding Number	State Agency	Corrective Action Plans Page Number	Schedule of Findings Page Number
2024-011	Department of Transportation	G - 19	E - 67
2024-012	Department of Transportation	G - 20	E - 72
2024-013	Department of Transportation	G - 21	E - 76
2024-014	Department of Transportation	G - 23	E - 86
2024-015	Housing Finance Commission	G - 25	E - 94
2024-016	Housing Finance Commission	G - 26	E - 97
2024-017	Housing Finance Commission	G - 27	E - 101
2024-018	Housing Finance Commission	G - 28	E - 105
2024-019	Department of Commerce	G - 29	E - 111
2024-020	Department of Commerce	G - 30	E - 116
2024-021	Department of Transportation	G - 31	E - 121
2024-022	Department of Commerce	G - 32	E - 128
2024-023	Department of Commerce	G - 33	E - 133
2024-024	Office of Superintendent of Public Instruction	G - 34	E - 138
2024-025	Office of Superintendent of Public Instruction	G - 35	E - 142
2024-026	Workforce Training and Education Coordinating Board	G - 36	E - 145
2024-027	Workforce Training and Education Coordinating Board	G - 37	E - 149
2024-028	Office of Superintendent of Public Instruction	G - 38	E - 154
2024-029	Department of Social and Health Services	G - 39	E - 158
2024-030	Department of Social and Health Services	G - 40	E - 162
2024-031	Department of Social and Health Services	G - 41	E - 166

Finding Number	State Agency	Corrective Action Plans Page Number	Schedule of Findings Page Number
2024-032	Department of Health	G - 42	E - 170
2024-033	Department of Health	G - 44	E - 179
2024-034	Department of Health	G - 45	E - 185
2024-035	Department of Health	G - 46	E - 189
2024-036	Department of Health	G - 47	E - 193
2024-037	Department of Health	G - 48	E - 201
2024-038	Department of Health	G - 50	E - 209
2024-039	Department of Health	G - 51	E - 213
2024-040	Department of Health	G - 52	E - 216
2024-041	Department of Health	G - 53	E - 220
2024-042	Department of Children, Youth, and Families	G - 54	E - 225
2024-043	Department of Children, Youth, and Families	G - 56	E - 230
2024-044	Department of Social and Health Services	G - 57	E - 234
2024-045	Department of Social and Health Services	G - 59	E - 240
2024-046	Department of Social and Health Services	G - 60	E - 243
2024-047	Department of Social and Health Services	G - 61	E - 247
2024-048	Department of Social and Health Services	G - 62	E - 253
2024-049	Department of Commerce	G - 64	E - 258
2024-050	Department of Commerce	G - 65	E - 261
2024-051	Department of Commerce	G - 66	E - 267
2024-052	Department of Commerce	G - 67	E - 271

Finding Number	State Agency	Corrective Action Plans Page Number	Schedule of Findings Page Number
2024-053	Department of Commerce	G - 68	E - 275
2024-054	Department of Commerce	G - 69	E - 282
2024-055	Department of Commerce	G - 70	E - 287
2024-056	Department of Children, Youth, and Families	G - 71	E - 292
2024-057	Department of Children, Youth, and Families	G - 73	E - 298
2024-058	Department of Children, Youth, and Families	G - 75	E - 304
2024-059	Department of Children, Youth, and Families	G - 77	E - 311
2024-060	Department of Children, Youth, and Families	G - 79	E - 316
2024-061	Edmonds College	G - 81	E - 327
2024-062	Edmonds College	G - 82	E - 331
2024-063	Edmonds College	G - 83	E - 335
2024-064	Skagit Valley College	G - 84	E - 340
2024-065	Spokane Community Colleges - District 17	G - 85	E - 344
2024-066	Department of Children, Youth, and Families	G - 86	E - 353
2024-067	Department of Children, Youth, and Families	G - 88	E - 357
2024-068	Department of Children, Youth, and Families	G - 89	E - 361
2024-069	Department of Children, Youth, and Families	G - 90	E - 364
2024-070	Department of Children, Youth, and Families	G - 91	E - 369
2024-071	Department of Children, Youth, and Families	G - 92	E - 374
2024-072	Department of Children, Youth, and Families	G - 93	E - 378
2024-073	Department of Children, Youth, and Families	G - 94	E - 383

Finding Number	State Agency	Corrective Action Plans Page Number	Schedule of Findings Page Number
2024-074	Health Care Authority	G - 96	E - 388
2024-075	Health Care Authority	G - 97	E - 393
2024-076	Department of Health	G - 99	E - 410
2024-077	Department of Social and Health Services	G - 100	E - 417
2024-078	Department of Social and Health Services	G - 101	E - 421
2024-079	Department of Social and Health Services	G - 102	E - 429
2024-080	Health Care Authority	G - 103	E - 435
2024-081	Health Care Authority	G - 104	E - 441
2024-082	Health Care Authority	G - 105	E - 447
2024-083	Health Care Authority	G - 106	E - 455
2024-084	Health Care Authority	G - 107	E - 459
2024-085	Military Department	G - 108	E - 463

The state's corrective action plan is a compilation of the corrective action plan information provided to us by the applicable state agencies. The corrective action plan document is prepared in conjunction with the 2024 Single Audit.

We appreciate the efforts of the Washington State Auditor's Office in completing the Single Audit for the state for fiscal year 2024. If you have any questions regarding the corrective action plans, please do not hesitate to contact our office.

Sincerely,

Sara Rupe
Deputy Statewide Accounting Director

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State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	001	<p>Finding: The State lacked adequate internal controls over financial reporting to ensure college scholarship allowances were accurately reported.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> N/A \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Office of Financial Management has established a process to obtain timely scholarship discount and allowance data for all state colleges and universities for inclusion in the state's financial statements.</p> <p>Additionally, the state reported the estimated scholarship discounts and allowances in its fiscal year 2024 Annual Comprehensive Financial Report.</p> <p>No additional corrective action is necessary.</p> <p>Completion Date: December 2024</p> <p>Agency Contact: Sara Rupe Deputy Statewide Accounting Director Office of Financial Management PO Box 43127 Olympia, WA 98504-3127 (360) 974-9252 sara.rupe@ofm.wa.gov</p>	

State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	002	<p>Finding: The State lacked adequate internal controls over financial reporting to ensure it reported all discretely presented component unit financial activity in its financial statements.</p> <p>Questioned Costs: <u>Assistance Listing #</u> N/A <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Office of Financial Management (OFM) does not agree that the colleges and universities foundations are material to the state's financial statements.</p> <p>In response to the audit finding, OFM will:</p> <ul style="list-style-type: none"> • Review the Governmental Accounting Standards Board accounting and reporting requirements to ensure proper inclusion of component units for the fiscal year 2025 Annual Comprehensive Financial Report. • Monitor for new boards and commissions and ensure proper reporting determinations are made. • Develop templates and tools to assist in the proper tracking of all component units. • Update internal procedures to reflect the changes. <p>Completion Date: Estimated November 2025</p> <p>Agency Contact: Sara Rupe Deputy Statewide Accounting Director Office of Financial Management PO Box 43127 Olympia, WA 98504-3127 (360) 974-9252 sara.rupe@ofm.wa.gov</p>	

State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	003	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> N/A <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Office of Financial Management (OFM), with the collaboration of state agencies, strives for the highest standards in the preparation of the state's financial statements. Both the University of Washington (UW) and OFM are committed to maintaining the integrity and accuracy of the state's financial reporting.</p> <p>OFM and the UW have taken the following actions to improve the process of mapping and reconciling amounts recorded in the state's accounting system (AFRS):</p> <ul style="list-style-type: none"> • Dedicating staff and resources to continue refining the mapping of the UW's Workday values to the state's AFRS values. • Reconciling all AFRS amounts by ledger and fund between the systems. • Holding weekly meetings with OFM and UW to monitor progress and discuss process improvements. <p>Completion Date: Estimated June 2025</p> <p>Agency Contact: Sara Rupe Deputy Statewide Accounting Director Office of Financial Management PO Box 43127 Olympia, WA 98504-3127 (360) 974-9252 sara.rupe@ofm.wa.gov</p>	

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	004	<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 communicated federal award identification elements to subrecipients of the Child and Adult Care Food Program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 10.558 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: During fiscal year 2025, the Office amended its procedure of sending grant requirements to all subrecipients bi-annually. The current procedures require the program specialist to distribute federal award information and requirements to all subrecipients upon approval of the renewal application. The updated procedure will go into effect for all subrecipients during the fiscal year 2026 renewal cycle.</p> <p>The conditions noted in this finding were previously reported in finding 2023-003.</p> <p>Completion Date: March 2025</p> <p>Agency Contact: Chaundi Barbosa Director, CACFP PO Box 47200 Olympia, WA 98504-7200 (360) 725-0411 Chaundra.Barbza@k12.wa.us</p>	

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	005	<p>Finding: The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with the required monitoring of subrecipients of the Child and Adult Care Food Program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 10.558 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Office has established and implemented a procedure for tracking subrecipient monitoring activities assigned to staff. The procedure includes expectations of program specialists to complete a minimum number of administrative reviews each month. Progress is regularly reviewed to address workload issues.</p> <p>The Office also identified the need for additional staff resources to provide coverage during absences. However, we were not able to secure funding to move forward with recruitment until fiscal year 2025. The Office is planning on hiring new staff by April 30, 2025.</p> <p>Meanwhile, a temporary position was filled to assist with completing the 23 administrative reviews that were not completed for fiscal year 2024. The Office expects these reviews will be completed by September 1, 2025.</p> <p>The conditions noted in this finding were previously reported in finding 2023-002.</p> <p>Completion Date: Estimated September 2025</p> <p>Agency Contact: Chaundi Barbosa CACFP Director PO Box 47200 Olympia, WA 98504-7200 (360) 764-0411 Chaundra.Barboza@k12.wa.us</p>	

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	006	<p>Finding: 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 Program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 10.558 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Office has implemented internal controls to ensure all subrecipients requiring a single audit are identified and to follow up on any program-related findings that require a management decision. Procedures are also updated to maintain the subrecipient audit tracking log.</p> <p>The Office will implement a training plan for the Child Nutrition Services fiscal team, which includes cross training and completing the State Auditor's Office subrecipient monitoring training.</p> <p>The Office will follow up with the subrecipient identified in the audit to ensure it obtains its required single audit.</p> <p>The conditions noted in this finding were previously reported in finding 2023-004.</p> <p>Completion Date: Estimated June 2025</p> <p>Agency Contact: Debbie Libra Fiscal & Claims Supervisor PO Box 47200 Olympia, WA 98504-7200 (564) 233-8620 Debbie.libra@k12.wa.us</p>	

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	007	<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 complete</p> <p>Corrective Action: The Department is committed to ensuring our Benefit Accuracy Measurement (BAM) program complies with federal regulations.</p> <p>Historically, the BAM unit has been challenged to maintain full levels of staffing. Staff turnover, lengthy training requirements, and unique skill sets make these positions difficult to maintain. The Department has implemented changes to position descriptions which have resulted in the hiring and retention of qualified staff.</p> <p>As a result, the unit has improved its case sampling timelines by implementing regular case reviews to ensure the 60-day, 90-day, and 120-day timelines are met.</p> <p>Additionally, the Department, in collaboration with the U.S. Department of Labor (USDOL), developed a State Quality Service Plan (SQSP) which includes metrics to improve program outcomes.</p> <p>The team has implemented additional internal communication to follow up on cases which are approaching the 120-day timeline. Although the 120-day timeline is not an improvement measure listed on the SQSP, the Department will continue to work with USDOL to implement guidance and processes to meet the 120-day requirement.</p> <p>The conditions noted in this finding were previously reported in findings 2023-009, 2022-006, 2021-005, and 2020-011.</p> <p>Completion Date: January 2025</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	
2024	008	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 17.225 17.225 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department is committed to ensuring that the required reports for the Federal Unemployment Tax Act are properly reviewed and in compliance with federal requirements.</p> <p>The Department has a process in place for a secondary review of the employer tax credit reports prior to certification. The two exceptions identified in the audit were isolated incidents where both the preparer and reviewer missed one of the 50 lines on the two reports being reviewed.</p> <p>The Department will ensure management adequately reviews employer account reconciliations performed by staff to ensure the required number of accounts are reviewed for all reports prior to submission.</p> <p>Completion Date: February 2025</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	
2024	009	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 17.225 17.225 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the audit recommendation to review the Worker Profiling and Reemployment Services calculation of the profile score within the Unemployment Tax and Benefit (UTAB) system. In response to the prior year's finding, the Department began investigating the process of the score calculation in October 2024. The Department is also examining resource allocation to more effectively validate the profile score and ensure that coefficient values are correctly determined and assigned by the UTAB system.</p> <p>The Department partially concurs with the recommendation to reconcile the UTAB and Reemployment Appointment Scheduler (RAS) interface. There is currently a process in place to notify the RAS team if a record fails at the time of data transmission between UTAB and RAS. The Department will review its processes to verify the complete UTAB exit file was successfully received by RAS.</p> <p>The Department partially concurs with the recommendation to ensure staff have completed the required training before providing services to claimants. The Department currently monitors local offices to ensure staff have taken the required training to be able to provide reemployment screening services to claimants. The exception cited in the finding was due to one staff out of 277 who missed the refresher training during fiscal year 2024. The Department will continue to monitor local staff training to ensure compliance.</p> <p>The conditions noted in this finding were previously reported in finding 2023-010.</p> <p>Completion Date: Estimated May 2025</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	
2024	010	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 17.258 \$0 17.259 17.278</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department has implemented procedures to ensure the Federal Funding Accountability and Transparency Act (FFATA) reports are completed timely, and documentation of the review and submission to the federal agency is maintained. The Department:</p> <ul style="list-style-type: none"> Updated the process to require review and approval of the FFATA input sheet and required data elements prior to entry into the FFATA Subaward Reporting System (FSRS). After the report is submitted, it is reviewed, and supporting documentation is saved. Expanded training on the federal FFATA requirements and system to additional staff within the Grants Management Unit to ensure adequate coverage. <p>The FSRS is currently being phased out and reporting will be transitioned to SAM.gov after March 2025. The Department will update procedures and provide staff training once the federal government confirms the effective date of the transition.</p> <p>The conditions noted in this finding were previously reported in finding 2023-011.</p> <p>Completion Date: 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>	

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	011	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 20.205 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department is committed to ensuring our programs comply with federal regulations related to procurement, suspension, and debarment.</p> <p>The Department has policies and procedures in place, approved by the Federal Highway Administration (FHWA), to ensure all federally funded construction contracts have the necessary elements to meet both state and federal requirements.</p> <p>The Department provided clear guidance to teams to ensure Form FHWA-1273 <i>Required Contract Provisions Federal-Aid Construction Contracts</i> is included in all contracts. It was simply a mistake that Form 1273 was left out of the contract in question. In this case, the contract documents were some 1,200 pages and the inclusion of this form in an appendix was overlooked by the project team. As a result of various other checks and balances in place, the Department subsequently discovered the oversight and a change order was executed on July 18, 2024, to include the form. This was completed before any contract work commenced and prior to audit work beginning for the program.</p> <p>For added assurance, all contracts include language that requires the contractor to meet the various requirements associated with Form FHWA-1273, whether the form is included in the contract or not.</p> <p>The Department had follow-up conversations with appropriate staff to ensure all contracts awarded contain the required elements.</p> <p>Completion Date: February 2025</p> <p>Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>	

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	012	<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 program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 20.205 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Washington State Department of Transportation (WSDOT) is committed to ensuring our grant programs comply with federal regulations regarding required risk assessments.</p> <p>Risk assessments for subrecipients under the Federal Highway Administration grant programs are the responsibility of WSDOT's Regional Local Programs Engineers, located in the six WSDOT regions. The Department has attempted to complete a risk assessment at each phase of a project, however, staff turnover contributed to the lack of consistency and timeliness in completing these assessments.</p> <p>To help ensure consistency, the Department has updated position descriptions for Local Programs Engineers to reflect this requirement. The Department will:</p> <ul style="list-style-type: none"> • Ensure audit findings and exceptions are shared with responsible staff and regional management. • Communicate with Regional Local Programs Engineers to ensure risk assessments are performed and properly documented in accordance with the risk assessment program guidelines. • Communicate with regional management to ensure required monitoring activities by staff are tracked, and the status of these activities are reported as part of annual performance evaluations. <p>Communication with Regional Local Programs Engineers and regional management will continue to be on-going.</p> <p>The conditions noted in this finding were previously reported in finding 2023-012.</p> <p>Completion Date: Estimated June 2025</p> <p>Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>	

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	013	<p>Finding: The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to collect certified payrolls from contractors on projects funded by the Highway Planning and Construction program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 20.205 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: In July 2020 and November 2024, the Department received management decision letters from the Federal Highway Administration (FHWA) in response to similar findings for the fiscal years 2018, 2019, and 2023, respectively, which stated:</p> <ul style="list-style-type: none"> FHWA approved the Department's Construction Manual and Standard Specifications and confirmed that documented procedures contain the necessary controls to ensure reasonable compliance with 29 CFR 5.5 and the Davis-Bacon and Related Acts. FHWA agreed that current processes in place are reasonable and satisfy the intent of the Department of Labor's certified payroll requirements. Ensuring all certified payrolls are collected, and considering sanctions or other appropriate actions for missing payrolls using the methods outlined in WSDOT's procedures provide sufficient internal control and reasonable compliance, notwithstanding the collection of the payrolls within a seven-day period. FHWA considers this finding to be resolved. <p>The Department continues to strive for improvements in this area. To further address the prior year's audit recommendations, the Department took actions to update the Construction Manual, which was approved by FHWA and released in February 2025. This includes:</p> <ul style="list-style-type: none"> Updated language for certified payroll collection requirements when no work is performed on federal projects. Clarified the authority to withhold payments regarding federal wage administration. Standardized the required frequency of checking for certified payroll collection and the methods to document tracking. Defined "timely," given the circumstances surrounding weekly collection of certified payrolls and sanctions on a monthly pay estimate, including: <ul style="list-style-type: none"> The timeline when the Department must communicate overdue certified payroll to the contractor and the allowable methods of that communication. 	

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	013 (cont'd)	<ul style="list-style-type: none">○ The timeline for determining when the Department must consider imposing sanctions on the contractor after a certified payroll is overdue.○ The minimum required documentation that sanctions (e.g., partial deferral of payment) were considered against the contractor regarding an overdue certified payroll. <p>The Department discussed the updates to the Construction Manual and the audit findings at the statewide Documentation Engineering meeting, which was held in February 2025. Additionally, the Department will:</p> <ul style="list-style-type: none">• Release the Construction Bulletin to include highlights on the updates in the Construction Manual.• Share the details of the audit testing and exceptions with the Regional Documentation Engineers. <p>The conditions noted in this finding were previously reported in finding 2023-013.</p> <p>Completion Date: Estimated June 2025</p> <p>Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	014	<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 program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 20.205 <u>Amount</u> \$0</p> <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. The Department has worked closely with the Federal Highway Administration (FHWA) on our QA program and continues to receive feedback on the strength of our program.</p> <p>As indicated in the prior year's corrective action plan concerning a similar issue, the Department has been working towards replacing the Record of Materials (ROM) legacy system. Therefore, it was not practical to modify the system to help correct issues previously reported in the fiscal year (FY) 2022 and 2023 audits. During FY 2023, the Department eliminated the practice requiring updates to the ROM within 30 days of payment and instead relied on the required documentation as evidence of proper materials acceptance. The FY 2024 audit identified only two out of 58 materials tests that were either not documented properly or the required test was not performed.</p> <p>In January 2023, as a result of recommendations from the FY 2022 audit, the Department modified its practice related to how tester data is reviewed and entered into the tester certification tracking system. All offices now funnel tester data to the Headquarters Quality Systems Section for review and entry. These procedure changes were communicated to appropriate staff and are reflected in the Construction Manual, which was reviewed and approved by FHWA. The Department is assessing the replacement of additional software legacy programs associated with the QA program. Due to the timing of the implementation, these changes were not fully reflected in the current year's audit for the auditors to perform control testing. Nevertheless, only four out of 57 testers were found to have certification issues during the FY 2024 audit.</p> <p>The Department will continue to improve the QA program while waiting for the new software programs to be fully developed. To address the audit recommendations, the Department's Construction Division will examine current policies and procedures/practices related to the audit issues.</p>	

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	014 (cont'd)	<p>The Department will:</p> <ul style="list-style-type: none"> • Communicate with the FHWA to discuss the audit's recommendations and any changes required to be compliant with federal requirements. • Provide training to Project Engineering Office staff to emphasize QA program requirements, the FY 2024 finding, and audit exceptions. • Update policies and procedures as needed from discussions and training above. • Obtain approval of updates to the Construction Manual from the FHWA, if needed. • Communicate changes in policies and procedures to division staff and stakeholders. <p>The conditions noted in this finding were previously reported in findings 2023-014, 2022-011, 2021-011, 2020-017, and 2019-019.</p> <p>Completion Date: Estimated June 2025</p> <p>Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>

Housing Finance Commission

Agency 148

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	015	<p>Finding: The Housing Finance Commission did not have adequate internal controls over eligibility requirements for the Homeowner Assistance Fund program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.026 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Commission has taken the following corrective actions to strengthen controls over eligibility requirements for the Homeowner Assistance Fund (HAF) program:</p> <ul style="list-style-type: none"> Selected an increased percentage of approved, denied, and withdrawn HAF applications that have previously been reviewed by the contractor, as part of the Quality Control process, for a secondary review by program staff. Reviewed a selection of HAF applications independent of the Quality Control process performed by the contractor. Reviewed 100% of approved HAF applications prior to disbursing funds to confirm eligibility determinations are proper. <p>The conditions noted in this finding were previously reported in finding 2023-022.</p> <p>Completion Date: June 2024</p> <p>Agency Contact: Lucas Loranger Senior Finance Director 1000 Second Ave, Suite 2700 Seattle, WA 98104-3601 (206) 464-7139 Lucas.Loranger@wshfc.org</p>	

Housing Finance Commission

Agency 148

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	016	<p>Finding: The Housing Finance Commission did not have adequate internal controls over earmarking requirements for the Homeowner Assistance Fund program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.026 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Commission has taken the following corrective actions to strengthen controls over earmarking requirements for the Homeowner Assistance Fund (HAF) program:</p> <ul style="list-style-type: none"> Developed a system to track and monitor expenditures in relation to overall program expenditures to ensure earmarking requirements are within allowable parameters. Selected an increased percentage of approved, denied, and withdrawn HAF applications that have previously been reviewed by the contractor, as part of the Quality Control process, for a secondary review by program staff. Reviewed a selection of HAF applications independent of the Quality Control process performed by the contractor. Reviewed a selection of approved HAF applications prior to disbursing funds to confirm eligibility determinations are proper. <p>The conditions noted in this finding were previously reported in finding 2023-023.</p> <p>Completion Date: October 2024</p> <p>Agency Contact: Lucas Loranger Senior Finance Director 1000 Second Ave, Suite 2700 Seattle, WA 98104-3601 (206) 464-7139 Lucas.Loranger@wshfc.org</p>	

Housing Finance Commission

Agency 148

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	017	<p>Finding: The Housing Finance Commission did not have adequate internal controls over reporting requirements for the Homeowner Assistance Fund program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.026 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: To address the deficiencies identified by the auditors in completing annual performance reports, the Commission has taken the following corrective actions to strengthen controls over reporting for the Homeowner Assistance Fund (HAF) program:</p> <ul style="list-style-type: none"> Updated procedures to require: <ul style="list-style-type: none"> Homeownership Division and Finance Division staff to perform regular reconciliation of records to identify any discrepancies and to ensure all records are complete and accurate. Supporting data obtained for reporting be vetted by the contractor and the Homeownership Division staff. Leadership (division manager or above) to perform final review of data as well as the quarterly or annual report prior to submission to the grantor. Designated the records maintained by the Finance Division, specifically the general ledgers, as the source of financial data for the quarterly and annual reports for the Washington HAF program. Required third parties to develop or update a program manual regarding data used for reporting purposes. The manual incorporated recommendations of the audit finding. <p>As of June 30, 2024, the Commission consulted with the U.S. Department of the Treasury to determine if revision and resubmission of the reports are necessary to correct amounts reported. No corrective action was required.</p> <p>The conditions noted in this finding were previously reported in finding 2023-025.</p> <p>Completion Date: June 2024</p> <p>Agency Contact: Lucas Loranger Senior Finance Director 1000 Second Ave, Suite 2700 Seattle, WA 98104-3601 (206) 464-7139 Lucas.Loranger@wshfc.org</p>	

Housing Finance Commission

Agency 148

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	018	<p>Finding: The Housing Finance Commission did not have adequate internal controls over and did not comply with reporting requirements for the Homeowner Assistance Fund program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.026 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: To address the deficiencies identified by the auditors in completing quarterly performance reports, the Commission has taken the following corrective actions to strengthen controls over reporting for the Homeowner Assistance Fund (HAF) program:</p> <ul style="list-style-type: none"> Updated procedures to require: <ul style="list-style-type: none"> Homeownership Division and Finance Division staff to perform regular reconciliation of records to identify any discrepancies and to ensure all records are complete and accurate. Supporting data obtained for reporting be vetted by the contractor and the Homeownership Division staff. Leadership (division manager or above) to perform final review of data as well as the quarterly or annual report prior to submission to the grantor. Designated the records maintained by the Finance Division, specifically the general ledgers, as the source of financial data for the quarterly and annual reports for the Washington HAF program. Required third parties to develop or update a program manual regarding data used for reporting purposes. The manual incorporated recommendations of the audit finding. <p>As of June 30, 2024, the Commission consulted with the U.S. Department of the Treasury to determine if revision and resubmission of the reports are necessary to correct amounts reported. No corrective action was required.</p> <p>The conditions noted in this finding were previously reported in finding 2023-024.</p> <p>Completion Date: June 2024</p> <p>Agency Contact: Lucas Loranger Senior Finance Director 1000 Second Ave, Suite 2700 Seattle, WA 98104-3601 (206) 464-7139 Lucas.Loranger@wshfc.org</p>

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	019	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department maintains that there are effective internal controls over programs that are funded by the Coronavirus State and Local Fiscal Recovery Funds. Due to delayed audit planning and scoping, the auditors were unable to perform procedures to ascertain whether the Department established and followed internal controls to ensure compliance with program requirements. The Department plans to ensure sufficient time and resources are available for all future audits by performing the following steps:</p> <ul style="list-style-type: none"> • Performing outreach to all federal programs to document internal controls for all applicable compliance requirements before the start of the next single audit cycle. • Working with the State Auditor's Office earlier in the audit cycle to identify the audit scope for selected programs. • Providing support and guidance to programs selected for audit to ensure compliance with all internal controls and compliance requirements. <p>The conditions noted in this finding were previously reported in findings 2023-027, 2023-028, and 2022-019.</p> <p>Completion Date: Estimated August 2025</p> <p>Agency Contact: Gena Allen, CFE 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	
2024	020	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department maintains that there are effective internal controls over programs that are funded by the Coronavirus State and Local Fiscal Recovery Funds. The Department's contract templates include the required suspension and debarment language, which is in compliance with the federal regulations.</p> <p>Due to delayed audit planning and scoping, the auditors were unable to perform procedures to ascertain whether the Department established and followed internal controls to ensure compliance with program requirements. To address the internal control concerns reported, the Department plans to ensure sufficient time and resources are available for all future audits by performing the following steps:</p> <ul style="list-style-type: none"> • Performing outreach to all federal programs to document internal controls for all applicable compliance requirements before the start of the next single audit cycle. • Working with the State Auditor's Office earlier in the audit cycle to identify the audit scope for selected programs. • Providing support and guidance to programs selected for audit to ensure compliance with all internal controls and compliance requirements. <p>Completion Date: Estimated August 2025</p> <p>Agency Contact: Gena Allen, CFE Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>	

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	021	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Washington State Department of Transportation (WSDOT) is committed to ensuring our grant programs comply with federal regulations related to procurement, suspension, and debarment.</p> <p>WSDOT received the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) from the U.S. Department of the Treasury (Treasury) through the Office of Financial Management (OFM). At the time the funds were received, WSDOT was not able to obtain clear guidance or clarification from the Federal Highway Administration (FHWA) or Treasury on how these funds were to be administered.</p> <p>Nonetheless, WSDOT developed procedures for awarding contracts using the SLFRF funds, including contract provisions requiring adherence to the WSDOT Standard Specifications Manual for Road, Bridge, and Municipal Construction. WSDOT believed it was in compliance with all federal requirements, including procurement and suspension and debarment, and all applicable contract provisions. However, the auditors determined that these projects should be treated as other WSDOT projects and should follow FHWA contracting requirements.</p> <p>The SLFRF funds awarded were used for a limited program. If any future awards utilizing SLFRF funds are made, the Department will:</p> <ul style="list-style-type: none"> • Utilize the internal controls currently in place for the FHWA contracting. • Continue to communicate with OFM to ensure that funds awarded are in compliance with federal regulations. • Communicate any required changes to the appropriate WSDOT staff, as needed. <p>Completion Date: February 2025</p> <p>Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>	

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	022	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department maintains that there are effective internal controls over programs that are funded by the Coronavirus State and Local Fiscal Recovery Funds. The federal programs included in this audit had completed risk assessment procedures in compliance with federal requirements.</p> <p>Due to delayed audit planning and scoping, the auditors were unable to perform procedures to ascertain whether the Department established and followed internal controls to ensure compliance with program requirements. The Department plans to ensure sufficient time and resources are available for all future audits by performing the following steps:</p> <ul style="list-style-type: none"> • Performing outreach to all federal programs to document internal controls for all applicable compliance requirements before the start of the next single audit cycle. • Working with the State Auditor's Office earlier in the audit cycle to identify the audit scope for selected programs. • Providing support and guidance to programs selected for audit to ensure compliance with all internal controls and compliance requirements. <p>To strengthen controls over performing risk assessments for subrecipients, the Department will review procedures with program staff and verify processes are followed when required.</p> <p>The conditions noted in this finding were previously reported in findings 2023-031 and 2022-021.</p> <p>Completion Date: Estimated August 2025</p> <p>Agency Contact: Gena Allen, CFE 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	
2024	023	<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 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department has strong internal controls over monitoring subrecipient audit report submission and verification processes. Since the Department does not have a centralized information system which identifies all subrecipients needing an audit submission verification, several methods were used to identify applicable subrecipients.</p> <p>In October 2024, the Department's Internal Control Office hired two additional staff, one dedicated to ensuring the requirements in 2 CFR 200.501 are followed, including the review of subrecipients' single audit report submissions and timely issuance of management decision letters.</p> <p>The Department will continue to strengthen internal controls to ensure compliance with all subrecipient monitoring requirements:</p> <ul style="list-style-type: none"> • Work with leadership and the Central Contracts Office to determine options to identify all subrecipients who meet single audit reporting thresholds. • Work with program management to obtain full lists of federal subrecipients, conduct outreach for subrecipients who have not met the audit reporting deadline and document non-compliant and non-responsive subrecipients. • Establish a streamlined, documented process to ensure compliance with all monitoring and management decision requirements. <p>Completion Date: Estimated October 2025</p> <p>Agency Contact: Gena Allen, CFE Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>	

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	024	<p>Finding: The Office of Superintendent of Public Instruction improperly charged \$5,139 to the Special Education program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 84.027 \$5,139 84.027 COVID-19 84.173 84.173 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Office of Superintendent of Public Instruction concurs with this finding.</p> <p>The Office has strengthened internal controls to address accounting adjustments made during liquidation periods to ensure that expenditures occurring outside of a grant's period of performance are not shifted to the grant. Procedures are updated to:</p> <ul style="list-style-type: none"> • Monitor expenditures through reconciliation of monthly reports to ensure the spending level stays within the allowable threshold and grant maximum. • Require all journal vouchers correcting expenditures during the grant liquidation period be verified by budget staff to ensure they are charged to the appropriate grant period of performance. • Complete expenditure corrections within the grant liquidation period. • Liquidate obligations on the last business day of January (or 120 days after the budget period ends). <p>The Office will communicate the corrective action plan with internal stakeholders to ensure compliance with updated procedures.</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>Completion Date: November 2024</p> <p>Agency Contact: Tania May Assistant Superintendent, Special Education PO Box 47200 Olympia, WA 98504-7200 (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 Plan	
2024	025	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 84.027 84.027 COVID-19 84.173 84.173 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Office of Superintendent of Public Instruction concurs with this finding.</p> <p>As of April 2024, the Special Education Division fully implemented the corrective action plan which was developed to address prior years' findings. This included conducting fiscal monitoring annually and issuing a final report to all nine Educational Service Districts (ESDs) statewide.</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 a future onsite visit if deemed necessary.</p> <p>The conditions noted in this finding were previously reported in findings 2023-036, 2022-026, and 2021-023.</p> <p>Completion Date: April 2024</p> <p>Agency Contact: Tania May Assistant Superintendent, Special Education PO Box 47200 Olympia, WA 98504-7200 (360) 725-6075 Tania.may@k12.wa.us</p>	

Workforce Training and Education Coordinating Board

Agency 354

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	026	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 84.048 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Workforce Board has internal controls to ensure the state meets the matching requirements of federal administrative expenditures.</p> <p>The Board will continue to work with the Office of Superintendent of Public Instruction (OSPI) to:</p> <ul style="list-style-type: none"> • Ensure the required certification is submitted each year as specified in the interagency contract. • Obtain additional support with their quarterly billings. <p>Additionally, the Board has incorporated a monitoring section into the new contracts with OSPI and the State Board for Community and Technical Colleges to enhance oversight and ensure compliance with federal matching requirements.</p> <p>Completion Date: January 2025</p> <p>Agency Contact: Lisa Engelhart Chief Financial Officer PO Box 43105 Olympia, WA 98504-3105 (360) 709-4620 Lisa.engelhart@wtb.wa.gov</p>	

Workforce Training and Education Coordinating Board

Agency 354

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	027	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 84.048 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Workforce Board, in coordination with its partnered agencies, will develop written policies and procedures to document the monitoring process of level of effort requirements.</p> <p>The State Board for Community and Technical Colleges already has a document to submit semi-annual reports which the Workforce Board will utilize as a template to establish guidelines related to the level of effort reporting requirements. The Workforce Board will work on strengthening preventative controls to effectively monitor the level of effort requirements on a more continuous basis.</p> <p>Additionally, the Workforce Board will add language to all interagency agreements regarding the level of effort semi-annual reporting requirement and the certification that federal funds were used to supplement, not supplant, non-federal funds specific to the level of effort requirement.</p> <p>Completion Date: Estimated July 2025</p> <p>Agency Contact: Lisa Engelhart Chief Financial Officer PO Box 43105 Olympia, WA 98504-3105 (360) 709-4620 lisa.engelhart@wtb.wa.gov</p>	

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	028	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 84.425R 84.425V</p> <p><u>Amount</u> \$47,322,280</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Office distributed the remaining unobligated funds from the program to Local Education Agencies (LEAs) through the apportionment process to meet the legislative intent. Due to the nature of how the payments were calculated, the Office's grants system could not be used for the distribution.</p> <p>When a grant is awarded through our grants system, an email notification is sent to the organization that contains the federal elements required in 2 CFR 200.332. Although the Office concurs that we did not provide a formal subaward document that included all of the elements since the funds were not distributed through our grants system, the LEA's received other formal communication through a Gov Delivery email and the School District Accounting Manual that included most of these federal elements.</p> <p>Going forward, if the Office uses the apportionment process to distribute funds to LEAs, all the required federal elements in 2 CFR 200.332 will be included in a separate subaward.</p> <p>The Office's communication to LEAs also included the allowable use of these funds. Therefore, the Office does not concur that the funds should be questioned as not being allowable or properly supported.</p> <p>Completion Date: February 2025</p> <p>Agency Contact: TJ Kelly Chief Financial Officer P.O. Box 47200 Olympia, WA 98504-7200 (360) 725-6301 Thomas.Kelly@k12.wa.us</p>	

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	029	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.044 \$0 93.044 COVID-19 93.045 93.045 COVID-19 93.053</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department concurs with the finding. As of January 2024, the Department:</p> <ul style="list-style-type: none"> Created a subawards and amendments tracking spreadsheet with the required fields and contract information for reports required by the Federal Funding Accountability and Transparency Act (FFATA). Assigned two fiscal staff to ensure FFATA reporting activities are submitted in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS). <p>As of February 2024, the Department:</p> <ul style="list-style-type: none"> Ensured federal fiscal year 2024 funded contracts that were executed in December 2023 for the Office of Aging were entered in FSRS. Added procedures for the Office Chief or designee to review the subawards and amendments tracking spreadsheet monthly for FFATA reporting to ensure federal deadlines are met consistently. <p>As of March 2024, the Department collaborated with the Administration of Community Living and developed a plan to address the FFATA reporting backlog in state fiscal years 2022 and 2023 and ensured all FFATA reports were entered in FSRS for all previous years.</p> <p>The conditions noted in this finding were previously reported in finding 2023-039.</p> <p>Completion Date: March 2024</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
2024	030	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.044 \$0 93.044 COVID-19 93.045 93.045 COVID-19 93.053</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department concurs with the finding. This is a repeat finding of the same issues reported in the previous year due to the corrective action plan not being completed until July 2024. As of July 2024, the Department implemented the following procedures: <ul style="list-style-type: none"> • Included Initial Notices of Award (NOA), with the required 14 federal identification elements, in the initial subaward as Exhibit D in the contracts. • Added language to the subaward document informing Area Agencies on Aging (AAAs) that NOAs are posted online. • Fiscal staff to notify all AAA fiscal staff via email when new NOAs are posted. • Contracts staff to attach Exhibit D to the initial subaward before signing the contract. The conditions noted in this finding were previously reported in finding 2023-040.</p> <p>Completion Date: July 2024</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	
2024	031	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.044 \$0 93.044 COVID-19 93.045 93.045 COVID-19 93.053</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department concurs with the finding. This is a repeat finding of the same issues reported in the previous year due to the corrective action plan not being completed until October 2024. As of September 2024, the Department implemented the following procedures: <ul style="list-style-type: none"> • Send reminders to all Area Agencies on Aging (AAAs) to submit their audits six months after fiscal year-end close. • Continue email reminders until single audit reports are received or once the AAA has communicated an estimated audit completion date. • Document all communication with AAAs in the federal Tracker system. As of October 2024, the Department: <ul style="list-style-type: none"> • Updated the single audit monitoring tracking sheet to document the dates of audit requests, receipts, date of review, confirmation of Federal Audit Clearinghouse receipt, dates of communication with AAAs including when a management letter is sent and the AAAs response. • Required the AAA & Grants Unit Manager or Office Chief to review the monitoring tracking sheet nine months after the subrecipients' fiscal year end to ensure that all single audits are received timely. • Began performing monthly follow-up on outstanding audit reports and timing of management decision letters. The conditions noted in this finding were previously reported in finding 2023-041.</p> <p>Completion Date: October 2024</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 Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	032	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.268 \$464,473 93.268 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department partially agrees with the exceptions and questioned costs identified in the finding.</p> <p>The Department approved a payment with an incorrect indirect rate being applied which was subsequently identified by internal control processes and the overpayment was corrected during the audit period. The Department maintains that this should not be reported as an exception. Internal policies are held to a higher standard than federal requirements, and the level of documentation received from the subrecipients provided assurance that the payment in question met federal cost principles for allowability and period of performance at the time of review.</p> <p>Additionally, the program's internal monitoring processes support the overall assurance of the allowability of payments. The program:</p> <ul style="list-style-type: none"> • Maintains 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, staff ensure amounts submitted by project are reasonable and align with expectations for the budget period. • Refers to the federal Immunization Program Operations Manual to determine procedures related to allowable costs, purchases, and procurement. • Provides policy guidance, technical assistance, and training to subrecipients related to both allowability and compliance. • Continues to strengthen processes to ensure supporting documentation aligns with the Department's documentation matrix for subrecipients in accordance with their assigned risk level. <p>Additionally, the Department's Fiscal Monitoring Unit provides technical assistance and training, not only to program staff, but to the subrecipients while onsite and upon request as needed.</p> <p>The Department will consult with the grantor to determine whether the questioned costs identified in the finding should be repaid.</p> <p>The conditions noted in this finding were previously reported in findings 2023-044 and 2022-031.</p>

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	032 (cont'd)	Completion Date: February 2025 Agency Contact: Jeff Arbuckle External Audit Manager PO Box 47890 Olympia, WA 98504-7890 (360) 701-0798 Jeff.Arbuckle@doh.wa.gov

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	033	<p>Finding: The Department of Health did not have adequate internal controls over cash management and reporting requirements for the Immunization Cooperative Agreements program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.268 \$0 93.268 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially agrees with the finding.</p> <p>The Department agrees with the auditors' assessment of inadequate internal controls to ensure automated draw calculations in the Grant Management System are accurate. The Department is working diligently with the Information Technology (IT) division to identify and correct cash draw report calculation errors until they are resolved.</p> <p>The Department has taken steps to ensure adequate internal controls over cash management and allowable cost requirements for the program, but disagrees with the auditors' assessment of internal control weaknesses in the following areas:</p> <ul style="list-style-type: none"> • Daily manual reconciliation - During the audit period, the Department identified a concern with the AFRS Data Distribution Services database reporting criteria. With the IT division's assistance, the Department was able to identify the cause of the report errors and made corrections within the audit period. • Chart of account updates - The Department initially set up the coding structure based on the Office of Financial Management's 23-25 biennium Expenditure Authority (EA) schedule. In October 2023, an updated EA schedule was released to correct one EA code. The Department addressed the coding error timely and processed a journal voucher to move recorded expenditures to the correct coding. <p>Completion Date: Estimated July 2025</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	
2024	034	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.268 \$0 93.268 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department is committed to ensuring programs comply with federal regulations and will strengthen internal controls over the Federal Funding Accountability and Transparency Act (FFATA) reporting.</p> <p>In response to prior years' audit findings, the Department updated internal procedures for collecting data from contracting activities. When a new contract is signed, the contracts distribution unit sends an email to the FFATA inbox to notify the grants office to review and determine if it is required to be reported for FFATA.</p> <p>The Department does not have a system to ensure contract account coding is available at the time a contract is executed. To ensure the grants office is informed timely of new contracts, the contract office has been instructed to provide the previous year's funding source information when current account coding is not yet available.</p> <p>The Department also updated procedures to ensure documentation of management review and approval of FFATA reports are properly retained. Previously, approvals were communicated via TEAMS messages with only one-week retention. Currently, the FFATA reports are sent via email for review and approval. The reply email from the reviewer serves as supporting documentation of the existing control activities. The approval emails are saved in the FFATA folder on the network drive.</p> <p>The conditions noted in this finding were previously reported in findings 2023-045 and 2022-032.</p> <p>Completion Date: March 2025</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	
2024	035	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.268 \$0 93.268 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department has already taken steps to evaluate current processes to ensure providers maintain immunization records, control, accountability and safeguarding of vaccines for the Immunization Program.</p> <p>As of July 2024, the program implemented a more automated process in the RedCap system to identify the vaccine doses administered outside the age range (DOAR) activities. This process enables adequate reviews and follow up with providers to be performed for the DOAR reports.</p> <p>As of November 2024, the site visit coordinator began the process of closely monitoring site visits due in one month and reaching out to the regional representatives to determine the status of scheduling site visits in order to minimize delays.</p> <p>The Department will continue to conduct monthly site visits and outreach and follow internal policies and procedures to meet DOAR reporting requirements.</p> <p>Completion Date: November 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	
2024	036	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.323 \$298,415 93.323 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially agrees with the finding. The Department agrees with the auditors' assessment of inadequate internal controls to ensure automated draw calculations in the Grant Management System are accurate. The Department is working diligently with the Information Technology (IT) division to identify and correct cash draw report calculation errors until they are resolved. The Department has taken steps to ensure adequate internal controls over cash management and allowable cost requirements for the program, but disagrees with the auditors' assessment of internal control weaknesses in the following areas:</p> <ul style="list-style-type: none"> • Daily manual reconciliation - During the audit period, the Department identified a concern with the AFRS Data Distribution Services database reporting criteria. With the IT division's assistance, the Department was able to identify the cause of the report errors and made corrections within the audit period. • Chart of account updates - The Department initially set up the coding structure based on the Office of Financial Management's 23-25 biennium Expenditure Authority (EA) schedule. In October 2023, an updated EA schedule was released to correct one EA code. The Department addressed the coding error timely and processed a journal voucher to move recorded expenditures to the correct coding. • Cash Management Improvement Act (CMIA) - The Department spends on a first in, first out method and uses the previous year's coding for all expenditures that occurred in the allowable period. The Department has controls in place to ensure cash draws are performed in line with the CMIA funding techniques and the payroll cycle. <p>The Department will consult with the grantor to determine whether the questioned costs identified in the finding should be repaid.</p> <p>Completion Date: Estimated July 2025</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
2024	037	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.323 \$2,037 93.323 COVID-19</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Department continues to disagree with the State Auditor's Office (SAO) assessment of a material weakness in internal controls over the consolidated contract provider payment process.</p> <p>The Department partially agrees with the exceptions and questioned costs identified in the finding. The Department approved two payments that did not have the required supporting documentation for the subrecipients' assigned risk level per agency policies, but maintains that these payments met federal cost principles for allowability as determined by staff review.</p> <p>Additionally, the program's internal monitoring processes support the overall assurance of the allowability of payments. The program:</p> <ul style="list-style-type: none"> • Maintains 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, staff ensure amounts submitted by project are reasonable and align with expectations for the budget period. • Refers to the notice of funding opportunity, posted guidance, notice of award, as well as applicable federal regulations, to determine procedures related to allowable costs, purchases, and procurement. • Provides policy guidance, technical assistance, and training to subrecipients related to both allowability and compliance. • Continues to strengthen processes to ensure supporting documentation aligns with the Department's documentation matrix for subrecipients in accordance with their assigned risk level. <p>Additionally, the Department's Fiscal Monitoring Unit provides technical assistance and training not only to program staff but also to the subrecipients while onsite and upon request as needed.</p> <p>The Department will consult with the grantor to determine whether the questioned costs identified in the finding should be repaid.</p> <p>The conditions noted in this finding were previously reported in findings 2023-046 and 2022-033.</p> <p>Completion Date: Not applicable</p>

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	037 (cont'd)	Agency Contact:	Jeff Arbuckle External Audit Manager PO Box 47890 Olympia, WA 98504-7890 (360) 701-0798 Jeff.Arbuckle@doh.wa.gov

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	038	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.323 93.323 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: During the COVID pandemic, the Department operated under a competitive procurement waiver in order to expedite funding to critical partners throughout the state. Efforts to accelerate contracts combined with the misperception that Educational Service Districts (ESDs) are an extension of the Office of Superintendent of Public Instruction prompted the decision to use an Interagency Agreement, and no suspension and debarment check was performed at the time the contracts were signed.</p> <p>As of January 2024, the Department corrected the error and included the suspension and debarment clause in the ESDs and all vendor contracts. The corrections were not reflected in contracts executed prior to January 2024.</p> <p>The conditions noted in this finding were previously reported in finding 2023-047.</p> <p>Completion Date: January 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	
2024	039	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 93.323 93.323 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department has taken steps to implement a process for reviewing reporting entries to ensure accuracy and compliance with reporting requirements.</p> <p>To improve efficiency in the reporting process, program fiscal staff have revised internal expenditure reports to eliminate irrelevant or unnecessary grants for reporting purposes. This will decrease workload, reduce the possibility of errors, and save time on both entering and reviewing data.</p> <p>Additionally, user-friendly enhancements to the Centers for Disease Control and Prevention systems with improved accessibility of spending data has enabled the Department to more effectively identify data entry errors.</p> <p>The conditions noted in this finding were previously reported in finding 2023-048 and 2022-034.</p> <p>Completion Date: February 2025</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	
2024	040	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.323 93.323 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: During the COVID-19 pandemic, the Department operated under a competitive procurement waiver in order to expedite funding to critical partners throughout the state. Efforts to accelerate contracts combined with the misperception that Educational Service Districts (ESD) are an extension of the Office of Superintendent of Public Instruction prompted the decision to use an Interagency Agreement and therefore some fiscal monitoring reviews were not performed. Effective January 2024, the Department corrected this error with ESDs and vendor contracts executed after this date.</p> <p>The Department is continuing to refine the Fiscal Monitoring Unit (FMU) risk-based approach to subrecipient monitoring. The FMU is implementing a desk review process for identified low risk agencies which will lessen the administrative burden while still meeting the intent of 2 CFR 200.332 for subrecipient monitoring. Additionally, the FMU has hired additional staff who are fully trained and will be better positioned to meet the monitoring requirements moving forward.</p> <p>The improvements to the FMU monitoring process and the additional resources will allow the Department to comply with the subrecipient monitoring expectations for programs receiving federal funding.</p> <p>The conditions noted in this finding were previously reported in findings 2023-050 and 2022-033.</p> <p>Completion Date: Estimated December 2025</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	
2024	041	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.323 93.323 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department was not able to complete corrective action for the prior year's finding due to staff shortages.</p> <p>The Department will continue to work on providing proper training and written processes to staff on the subrecipient single audit review process to ensure:</p> <ul style="list-style-type: none"> • Timely review of federal subrecipient single audits. • Management decision letters are issued to subrecipients. • Subrecipients submit corrective action plans addressing deficiencies pertaining to the federal award, when applicable. <p>Management will monitor the control activities to ensure future compliance with the requirements.</p> <p>The conditions noted in this finding were previously reported in finding 2023-049.</p> <p>Completion Date: Estimated December 2025</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 Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	042	<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> \$67,698,747</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 grant. This consisted of making significant grant level adjustments between allowable grant sources to properly spend grant dollars within the allowable period of performance and ensure level of effort and matching requirements were met. The Department's grant adjustments were processed based on eligible clients and allowable activities.</p> <p>The State Auditor's Office (SAO) has taken issue in the past several audits and maintained that the program is not auditable without child-level data. The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit for accurately testing compliance. During the audit period, the Department did not have the staff and 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 the SAO.</p> <p>In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget.</p> <p>The enacted budget included funding to implement the Department's budget request beginning in state fiscal year 2025, specifically: <i>"Funding in this subsection must be expended with internal controls that provide child-level detail for all transactions, beginning July 1, 2024."</i></p> <p>The Department is working with a developer to assist with building out the required databases between the Social Service Payment System and the Agency Financial Reporting System to allow transfers between funding sources to include child-level data related to the expenditures.</p> <p>The Department looks forward to working with SAO to resolve the child-level data concerns in the audit of the child care grant programs.</p>	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	042 (cont'd)	<p>The conditions noted in this finding were previously reported in findings 2023-051, 2022-035, and 2021-028.</p> <p>Completion Date: Estimated December 2025</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											
2024	043	Finding:	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.										
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><tr><td>93.558</td><td>\$0</td></tr><tr><td>93.575</td><td></td></tr><tr><td>93.575 COVID-19</td><td></td></tr><tr><td>93.596</td><td></td></tr></table>	<u>Assistance Listing #</u>	<u>Amount</u>	93.558	\$0	93.575		93.575 COVID-19		93.596	
		<u>Assistance Listing #</u>	<u>Amount</u>										
		93.558	\$0										
		93.575											
		93.575 COVID-19											
		93.596											
		Status:	Corrective action complete										
		Corrective Action:	<p>In response to prior audit findings, the Department developed a corrective action plan to address the internal control deficiencies. This finding was issued due to the corrective action plan not being fully implemented during the audit period.</p> <p>To address the prior years' eligibility audit findings, the Department has taken the following actions:</p> <ul style="list-style-type: none">As of April 2024, conducted a root cause analysis of internal audit findings, particularly for cases with errors due to household composition and approved activities, and updated the desk aid with corrective actions identified.As of May 2024:<ul style="list-style-type: none">Improved and published the desk aid outlining simplified eligibility determination process that includes procedures for those families who do not have an approved activity.Developed updated household composition training for all staff as part of core childcare training. <p>The Department will continue to partner with the Administration for Children and Families and follow our program integrity plan.</p> <p>The conditions noted in this finding were previously reported in findings 2023-059, 2022-036, 2021-035, 2020-039, 2019-032, 2018-030, 2017-026, 2016-023, 2015-026, 2014-026, 2013-017, and 12-30.</p>										
		Completion Date:	May 2024										
Agency Contact:	Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov												

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	044	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.563 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with the audit finding.</p> <p>The Department has an established written process for conducting a sample of five counties to determine the statewide court hearing rate for the fiscal year. Two weeks after the due date for submitting court hearing data, two of the five counties contacted us with technical issues and concerns that their data may not be accurate and requested that other counties' data be used as part of the sampling process.</p> <p>Since the Department was already into state fiscal year (SFY) 2024 and the court hearing rate needed to be established for courts' reimbursement requests, it was not feasible to find two other counties that could pull two months of court hearings data from the prior year. The Division of Child Support management made the decision to carry over the certified rate from the prior fiscal year's sampling process. Based on the insignificant difference in the sampling rates between SFY 2022 (6.35%) and SFY 2023 (6.58%), the Department determined that a carryover of the SFY 2023 rate would provide the most accurate representation of court caseloads and could mitigate the risk of the Department reimbursing the courts at an excessive rate.</p> <p>The Department provided the auditor documentation from the two counties that communicated their inability to participate in the SFY 2024 sampling process, as well as the Department's communication to all the court administrators. In addition, the Department provided the approved SFY 2023 rate and sampling data.</p> <p>As of March 2025, a new county has been found to participate in the sampling process and the other county has resolved their system issues.</p> <p>By May 2025, the Department will update procedures for county hearing rate assessments to include requiring documentation when deviations from the established process are necessary.</p> <p>Completion Date: Estimated May 2025</p>	

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	044 (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	
2024	045	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.563 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with the auditor's findings.</p> <p>The Department currently has control activities in place to review and approve risk assessments of program subrecipients. Weekly meetings take place with management to discuss current and ongoing issues with subrecipients and to assess potential risks. During these meetings, management is kept apprised of concerns, workloads, and status of risk assessment completion.</p> <p>In addition, risk assessment worksheets are used to document the assessed risks and actions taken as discussed with management in the weekly meetings.</p> <p>By June 2025, the Department will ensure the County Fiscal Liaison:</p> <ul style="list-style-type: none"> Retains email confirmations signed by the Chief of Policy or Government Liaison for each set of risk assessments completed for program subrecipients including prosecutors, courts, and clerks. Updates subrecipient monitoring procedures to require documentation of management review and approval for all risk assessments. <p>Completion Date: Estimated June 2025</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	
2024	046	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.566 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>The Department's Office of Refugee and Immigrant Assistance (ORIA) will immediately report the contracts and amendments identified in the audit to the federal subaward reporting system.</p> <p>In response to prior year's audit finding, ORIA developed procedures to strengthen internal controls over the Federal Funding Accountability and Transparency Act (FFATA) reporting. To ensure ongoing compliance with the requirements, the Department will identify procedural gaps and provide training to staff responsible for the reporting duties.</p> <p>By July 2025, the Department will:</p> <ul style="list-style-type: none"> • Develop a verification process to ensure supervisory reviews are performed to confirm FFATA submissions are done timely and completely. • Update procedures as needed to ensure full implementation of the updated FFATA reporting process. <p>The conditions noted in this finding were previously reported in finding 2023-052.</p> <p>Completion Date: Estimated July 2025</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	
2024	047	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.566 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>The Department's Office of Refugee and Immigrant Assistance (ORIA) has taken corrective actions to strengthen controls over subrecipient monitoring. During the fiscal year, the program monitored some of their subrecipients, but did not have monitoring reports as documentation of the review. Since the program determined these subrecipients to be low risk, monitoring consisted of a desk review which was documented only on the monitoring screen of the Agency Contracts Database.</p> <p>By June 2025, the Department will:</p> <ul style="list-style-type: none"> • Work with the Division of Finance and Financial Resources (DFFR) to develop and implement effective internal controls and clear written procedures covering program and fiscal subrecipient monitoring requirements. ORIA will train all staff responsible for subrecipient monitoring on the newly established internal controls and written procedures. • ORIA and DFFR will explore the Department's ability to increase staff resources. <p>By August 2025, the Department will develop a risk assessment with the required elements and have additional risk factors outlined in the Department policy.</p> <p>By October 2025, the Department will:</p> <ul style="list-style-type: none"> • Complete the updated risk assessments for all contracts. • Update monitoring plans and activities to align with updated risk levels. <p>The conditions noted in this finding were previously reported in finding 2023-054.</p> <p>Completion Date: Estimated October 2025</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	
2024	048	<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 subrecipients of the Refugee and Entrant Assistance programs received required single audits, and that it followed up on findings and issued management decisions.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.566 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with the auditor's findings.</p> <p>The Department's Office of Refugee and Immigrant Assistance (ORIA) has taken corrective actions to strengthen controls over subrecipient monitoring. During the fiscal year, the program verified each subrecipient's total federal financial assistance through online tax forms and determined if a single audit report is required. For subrecipients that met the single audit threshold, ORIA either received the single audit report from the subrecipient or accessed the Federal Audit Clearinghouse database to obtain a copy. However, the Department did not issue management decisions when applicable.</p> <p>By May 2025, the Department will work with the Division of Finance and Financial Resources (DFFR) to review all subrecipients' single audit reports for state fiscal year 2024. Any audit findings related to activities funded by ORIA awards will be identified for necessary actions.</p> <p>By June 2025, as applicable, the Department will issue management decision letters for the findings outlining the determination of the effectiveness of the subrecipient's proposed corrective action to address findings.</p> <p>By July 2025, the Department will:</p> <ul style="list-style-type: none"> • Work with DFFR to implement effective internal controls and develop written procedures to ensure subrecipients receive required single audits; and to issue written management decisions as needed. • Monitor subrecipients' corrective actions for findings received to ensure they are completed. <p>The conditions noted in this finding were previously reported in finding 2023-053.</p> <p>Completion Date: Estimated July 2025</p>	

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	048 (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 Plan	
2024	049	<p>Finding: The Department of Commerce improperly charged \$492,317 to earmarking requirements for the Low-Income Home Energy Assistance Program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.568 \$492,317 93.568 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department is committed to maintaining compliance with federal guidelines and demonstrating our accountability in managing public funds.</p> <p>In response to the audit finding, the Low-Income Home Energy Assistance Program staff have completed the following:</p> <ul style="list-style-type: none"> Coordinated efforts with budget staff to verify the amounts expended and the deficiency reported. Reviewed budget formulas used to calculate the required earmark as it relates to total funds expended. <p>The Program will continue to:</p> <ul style="list-style-type: none"> Perform a thorough review of financial records, reconciliations, and adjustments to budgeting procedures to prevent future occurrences. Implement enhanced internal controls and monitoring processes to ensure accurate budgeting and reporting of earmarked funds. <p>The program will consult with the United States Department of Health and Human Services to seek guidance on the questioned costs.</p> <p>Completion Date: Estimated July 2025</p> <p>Agency Contact: Gena Allen, CFE 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	
2024	050	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.568 93.568 COVID-19</p> <p><u>Amount</u> \$4,409,760</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department will review and strengthen its policies and internal controls to ensure compliance with the Low-Income Home Energy Assistance Program (LIHEAP) period of performance requirements. This includes:</p> <ul style="list-style-type: none"> • Implementing additional checks to verify that all expenditures are incurred within the award's period of performance. • Providing additional training to staff on the period of performance requirements to prevent future misinterpretations. <p>As part of the corrective action, the program has implemented the following changes:</p> <ul style="list-style-type: none"> • For the 2024 and 2025 program years for LIHEAP awards, all subrecipient contracts were issued with a two-year period of performance to avoid new expenses being added to the closeout year. • Ensured that all new subrecipient contracts align with the Department's updated internal approach. <p>Based on the recommendation in the audit finding, the Department will consult with the grantor regarding the questioned costs identified in the audit.</p> <p>Completion Date: Estimated October 2025</p> <p>Agency Contact: Gena Allen, CFE 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	
2024	051	<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>Assistance Listing #</u> 93.568 93.568 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: In response to the finding for the Low-Income Home Energy Assistance Program (LIHEAP), program staff, Community Economic Opportunities Unit leadership, and division budget staff collaborated to co-design and implement a robust procedure for completing future Carryover and Reallotment Reports.</p> <p>This new process was developed through a series of collaborative planning sessions that emphasized clarity in roles and responsibilities and a commitment to ensuring accuracy. Specific steps included:</p> <ul style="list-style-type: none"> Defining clear roles and responsibilities for each staff member involved in the preparation, review, and submission of the report. This ensures that every individual understands their tasks and deadlines, minimizing the risk of errors or delays. Establishing a multi-step review process to validate data accuracy and ensure compliance with federal reporting requirements. This includes peer reviews before final submission. Creating a process timeline with milestone dates for data collection, review, and submission to guarantee timely completion of the report. <p>Integrating these measures into the program's operations allows the Department to strengthen its internal controls and ensure compliance with LIHEAP reporting requirements. The new process will enable timely, accurate, and efficient reporting, aligning with the expectations of the Department of Health and Human Services, Office of Community Services.</p> <p>The Department will consult with the federal grantor to determine if it should revise and resubmit the report.</p> <p>Completion Date: Estimated August 2025</p> <p>Agency Contact: Gena Allen, CFE 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	
2024	052	<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: <u>Assistance Listing #</u> <u>Amount</u> 93.568 \$0 93.568 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department is in the process of implementing procedures to strengthen internal controls and ensure compliance with the Federal Funding Accountability and Transparency Act (FFATA) reporting requirements.</p> <p>The Department will review and update procedures to improve data entry accuracy for FFATA reporting. Additional internal controls will be implemented to strengthen the reporting process, which will include:</p> <ul style="list-style-type: none"> Establishing a verification process for budget staff to review and approve award letters and funding allocation before issuing subawards and completing FFATA reporting. Implementing a process to ensure each subaward and amendment is entered separately into the reporting system by the federal deadline. Completing a secondary review by budget staff to verify financial accuracy before submission in the reporting system by the Program Manager. Developing a standard procedure for retaining copies of completed reports. <p>The FFATA subaward reporting has recently transitioned to SAM.gov. The Department will establish a procedural review for the account migration to ensure appropriate user access is maintained.</p> <p>The Department will review the FFATA procedures annually to ensure compliance with current federal requirements.</p> <p>Completion Date: Estimated August 2025</p> <p>Agency Contact: Gena Allen, CFE 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	
2024	053	<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>Assistance Listing #</u> 93.568 93.568 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Low-Income Home Energy Assistance Program (LIHEAP) staff will work with the Financial Services Division staff to enhance and improve internal controls and ensure accurate reporting which will include the following:</p> <ul style="list-style-type: none"> Budget staff will review and approve the SF-425 federal financial reports, the Carryover and Reallotment Report, and the Grantee Survey Section 1 for completeness and accuracy prior to submission to the program for entry into the federal reporting system. Budget and accounting staff will ensure Module 1 of the LIHEAP Performance Data Form reconciles to the amounts reported on both the Carryover and Reallotment and the SF-425 reports to prevent reporting inconsistencies. LIHEAP Energy and Weatherization staff will coordinate activities between their programs to include: <ul style="list-style-type: none"> Completing a memorandum of understanding outlining reporting requirements and timelines. Scheduling time to attend training on reporting timelines and data accuracy requirements. Tracking data on weatherization obligations, households served, and expenditures for required federal reporting. <p>The Department's information technology (IT) staff completed system updates to correct identified issues and ensure alignment with the federal reporting guidelines. IT staff will continue to monitor and refine data processes to improve accuracy and consistency.</p> <p>The conditions noted in this finding were previously reported in findings 2023-055, 2022-039, and 2021-032.</p> <p>Completion Date: Estimated August 2025</p> <p>Agency Contact: Gena Allen, CFE 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	
2024	054	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.568 93.568 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department has two programs that administer and award Low-Income Home Energy Assistance Program (LIHEAP) funds: the Energy Assistance program and the Weatherization program.</p> <p>The Energy Assistance program implemented a plan to improve the documentation and communication regarding required federal award identification elements to ensure compliance with 2 CFR 200.332 Requirements for Pass-Through Entities. The plan includes the following steps:</p> <ul style="list-style-type: none"> • The appropriate contract template is selected, and program staff properly identify recipient type as “contractor” or “subrecipient”. • The Federal Award Identification Number is included on each contract face sheet, information sheet, section one, and the contract special terms and conditions. • The LIHEAP Commerce Specialist enters the required information, which is reviewed and verified by the LIHEAP Program Manager and the Community and Economic Opportunities Managing Director before contract execution. <p>The program ensures all federal requirements for pass-through entities are included in the contract or in a separate document as part of the subaward. This process has already been implemented in current contracts.</p> <p>The conditions noted in this finding were previously reported in finding 2023-056.</p> <p>Completion Date: February 2025</p> <p>Agency Contact: Gena Allen, CFE 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	
2024	055	<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 Low Income Home Energy Assistance program received required single audits, and that it appropriately followed up on findings and issued management decisions.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.568 93.568 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: In October 2024, the Department's Internal Control Office hired two additional staff with one dedicated to ensuring the requirements in 2 CFR 200.501 are followed.</p> <p>The Internal Control Office will complete the following processes to ensure compliance with subrecipient monitoring requirements of all Low-Income Home Energy Assistance Program (LIHEAP) awards:</p> <ul style="list-style-type: none"> • Obtain the subaward population from program management. • Issue management decision letters to all program subrecipients who receive LIHEAP findings. • Work with program management to conduct outreach for subrecipients who have not met the audit reporting deadline. • Document non-responsive subrecipients not in compliance with the reporting requirement and notify program management. <p>Completion Date: Estimated September 2025</p> <p>Agency Contact: Gena Allen, CFE 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 Plan	
2024	056	<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 \$415,579,473 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>As part of the audit resolution process, the Department of Health and Human Services (HHS), Administration for Children & Families (ACF), which oversees the CCDF program at the federal level, reviews all the State Auditor's Office (SAO) findings and issues management decision letters. The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) where ACF did not sustain the disallowance of questioned costs for prior findings and stated:</p> <p><i>"Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."</i></p> <p>The ACF recommended:</p> <p><i>"...that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations."</i></p> <p>The SAO has taken issue in the past several audits and maintained that the program is not auditable without child-level data. The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit for accurately testing compliance. During the audit period, the Department did not have the staff and resources to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance as recommended by the SAO.</p> <p>In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget.</p>	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	056 (cont'd)	<p>The enacted budget included funding to implement the Department's budget request beginning in state fiscal year 2025, specifically:</p> <p><i>"Funding in this subsection must be expended with internal controls that provide child-level detail for all transactions, beginning July 1, 2024."</i></p> <p>The Department is working with a developer to assist with building out the required databases between the Social Service Payment System and the Agency Financial Reporting System to allow transfers between funding sources to include child-level data related to the expenditures.</p> <p>The Department looks forward to working with SAO to resolve the child-level data concerns in the audit of the CCDF grant programs.</p> <p>The conditions noted in this finding were previously reported in findings 2023-058, 2022-041, 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 2025</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	
2024	057	<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> <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>As part of the audit resolution process, the Department of Health and Human Services (HHS), Administration for Children & Families (ACF), which oversees the CCDF program at the federal level, reviews all the State Auditor's Office (SAO) findings and issues management decision letters. The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) where ACF did not sustain the disallowance of questioned costs for prior findings and stated:</p> <p><i>"Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."</i></p> <p>The ACF recommended:</p> <p><i>"...that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations."</i></p> <p>The SAO has taken issue in the past several audits and maintained that the program is not auditable without child-level data. The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit for accurately testing compliance. During the audit period, the Department did not have the staff and resources to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance as recommended by the SAO.</p> <p>In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget.</p>	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	057 (cont'd)	<p>The enacted budget included funding to implement the Department's budget request beginning in state fiscal year 2025, specifically:</p> <p><i>"Funding in this subsection must be expended with internal controls that provide child-level detail for all transactions, beginning July 1, 2024."</i></p> <p>The Department is working with a developer to assist with building out the required databases between the Social Service Payment System and the Agency Financial Reporting System to allow transfers between funding sources to include child-level data related to the expenditures.</p> <p>The Department looks forward to working with SAO to resolve the child-level data concerns in the audit of the CCDF grant programs.</p> <p>The conditions noted in this finding were previously reported in findings 2023-060, 2022-042, 2021-036, and 2020-040.</p> <p>Completion Date: Estimated December 2025</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	
2024	058	<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 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>As part of the audit resolution process, the Department of Health and Human Services (HHS), Administration for Children & Families (ACF), which oversees the CCDF program at the federal level, reviews all the State Auditor's Office (SAO) findings and issues management decision letters. The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) where ACF did not sustain the disallowance of questioned costs for prior findings and stated:</p> <p><i>"Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."</i></p> <p>The ACF recommended:</p> <p><i>"...that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations."</i></p> <p>The SAO has taken issue in the past several audits and maintained that the program is not auditable without child-level data. The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit for accurately testing compliance. During the audit period, the Department did not have the staff and resources to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance as recommended by the SAO.</p> <p>In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget.</p>	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	058 (cont'd)	<p>The enacted budget included funding to implement the Department's budget request beginning in state fiscal year 2025, specifically:</p> <p><i>"Funding in this subsection must be expended with internal controls that provide child-level detail for all transactions, beginning July 1, 2024."</i></p> <p>The Department is working with a developer to assist with building out the required databases between the Social Service Payment System and the Agency Financial Reporting System to allow transfers between funding sources to include child-level data related to the expenditures.</p> <p>The Department looks forward to working with SAO to resolve the child-level data concerns in the audit of the CCDF grant programs.</p> <p>The conditions noted in this finding were previously reported in findings 2023-061, 2022-043, 2021-037, and 2020-041.</p> <p>Completion Date: Estimated December 2025</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	
2024	059	<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>As part of the audit resolution process, the Department of Health and Human Services (HHS), Administration for Children & Families (ACF), which oversees the CCDF program at the federal level, reviews all the State Auditor's Office (SAO) findings and issues management decision letters. The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) where ACF did not sustain the disallowance of questioned costs for prior findings and stated:</p> <p><i>"Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."</i></p> <p>The ACF recommended:</p> <p><i>"...that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations."</i></p> <p>The SAO has taken issue in the past several audits and maintained that the program is not auditable without child-level data. The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit for accurately testing compliance. During the audit period, the Department did not have the staff and resources to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance as recommended by the SAO.</p> <p>In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget.</p>	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	059 (cont'd)	<p>The enacted budget included funding to implement the Department's budget request beginning in state fiscal year 2025, specifically:</p> <p><i>"Funding in this subsection must be expended with internal controls that provide child-level detail for all transactions, beginning July 1, 2024."</i></p> <p>The Department is working with a developer to assist with building out the required databases between the Social Service Payment System and the Agency Financial Reporting System to allow transfers between funding sources to include child-level data related to the expenditures.</p> <p>The Department looks forward to working with SAO to resolve the child-level data concerns in the audit of the CCDF grant programs.</p> <p>The conditions noted in this finding were previously reported in findings 2023-062, 2022-044, and 2021-038.</p> <p>Completion Date: Estimated December 2025</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	
2024	060	<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>Assistance Listing #</u> 93.575 93.575 COVID-19 93.596</p> <p><u>Amount</u> \$0</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. The Department partially concurs with this finding and provides the following details of corrective action taken:</p> <p>Licensed providers:</p> <p>During state fiscal year 2024 the Department completed 100% of on-site monitoring visits. Of the cases identified by the State Auditor's Office (SAO), the average follow-up visit was delayed by 11 business days. Although the follow-up visits were not completed within the timelines required, 100% of the follow-up visits occurred. The Department is focused on strengthening internal controls around all health and safety requirements and is confident that corrective actions taken will improve this area moving forward.</p> <p>Additionally, the Department:</p> <ul style="list-style-type: none"> • Created the option to document on the monitoring checklist when a non-compliance item is corrected on-site during the monitoring visit. • Developed and implemented a monitoring recheck tool in the WA Compass system to verify tracking and monitoring requirements are completed prior to cases being marked as complete within the system. • Implemented data-driven decisions to assist providers and their staff to meet health and safety requirements. • Established new licensing staff positions to create a pathway for advancement to assist with staff recruitment efforts. • Created a new unit of licensing staff in King County to assist with caseload increases in the fastest growing provider area in Washington. • Implemented new recruitment and training plans for child care licensors, which has enabled new licensing staff to complete monitoring visits at the same rate as experienced staff. <p>License-exempt family, friend, and neighbor (FFN) providers:</p> <p>As part of the 2023 corrective action plan, the Department created an enhancement to the WA Compass system to better track and monitor FFN health and safety requirements with a dashboard.</p>	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	060 (cont'd)	<p>To better document monitoring compliance for program audit, the Department will work with the Information Technology Division to develop a report that will capture the task lists on the dashboard at the start of the month for the License Exempt Specialist team.</p> <p>The conditions noted in this finding were previously reported in findings 2023-064, 2022-045, 2021-039, 2020-042, 2019-039, 2018-035, 2017-025, 2016-022, and 2015-024.</p> <p>Completion Date: Estimated May 2025</p> <p>Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov</p>

Edmonds College

Agency 610

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	061	<p>Finding: Edmonds College did not have adequate controls over reporting for its Head Start Program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.600 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: In response to the audit finding, the College established a documented procedure for the compilation and submission of the SF-425 reports to ensure compliance with federal requirements. This procedure includes:</p> <ul style="list-style-type: none"> • Defining roles and responsibilities of staff. • Performing a secondary review of all reports before submission. • Retaining source data used in creating the reports. <p>Completion Date: April 2025</p> <p>Agency Contact: Ginger Williams Head Start Executive Director 20816 44th Ave. W. Lynnwood, WA 98036-7744 (425) 550-3840 ginger.williams@edmonds.edu</p>	

Edmonds College

Agency 610

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	062	<p>Finding: Edmonds College did not have adequate internal controls over and did not comply with protection of federal interest requirements for its Head Start program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.600 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: In response to the audit finding, Edmonds College has completed the following:</p> <ul style="list-style-type: none"> Established a written protocol with the Department of Enterprise Services (DES) to ensure the Head Start Program Performance Standards 1303.46 is met in recording and posting federal interest. Established internal controls to ensure college management monitor future work with DES to properly complete the <i>Office of Head Start Lease Rider</i> attachment in the lease agreements where federal funds are used to renovate leased property. <p>Completion Date: February 2025</p> <p>Agency Contact: Ginger Williams Head Start Executive Director 20816 44th Ave. W. Lynnwood, WA 98036-7744 (425) 550-3840 ginger.williams@edmonds.edu</p>	

Edmonds College

Agency 610

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	063	<p>Finding: Edmonds College did not have adequate internal controls over and did not comply with program governance requirements for its Head Start program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.600 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: In response to the audit finding, the College will explore options for a Governing Body that complies with governance requirements for the Head Start program.</p> <p>By May 2025, the College will consult with its Assistant Attorney General to discuss the composition of a new Governing Body and will take the necessary steps to fully comply with federal regulations.</p> <p>By July 2025, the College will:</p> <ul style="list-style-type: none"> • Establish a Governing Body that is compliant with requirements outlined in the Head Start Act to perform the required monthly review of financial and credit card statements, major financial expenditures, and any funding applications. • Ensure the Policy Council receives and approves the required financial and credit card statements each month. • Provide training to the new Governing Body and active members of the Policy Council within the required 180 days. <p>Completion Date: Estimated July 2025</p> <p>Agency Contact: Ginger Williams Head Start Executive Director 20816 44th Ave. W. Lynnwood, WA 98036-7744 (425) 550-3840 ginger.williams@edmonds.edu</p>	

Skagit Valley College

Agency 674

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	064	<p>Finding: Skagit Valley College did not have adequate internal controls over and did not comply with program governance requirements for its Head Start program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.600 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The College has reviewed and strengthened current internal controls to ensure the Board receives the required financial and credit card statements monthly and that all new Board members receive training within the required 180 days.</p> <p>Financial reporting procedures The Head Start Program Director prepares monthly reporting to be available for inclusion in the monthly board packet, or as requested. In January 2025, the Procedures of Policy Council and Board Reporting were updated to ensure that required monthly reporting is provided to each governing body, regardless of whether there is a scheduled meeting for that month. This procedure became effective for the February 2025 Board of Trustees meeting.</p> <p>All financial reporting that was not previously provided to the Board of Trustees for the period covering July 1, 2023, through December 31, 2024, was transmitted on February 24, 2025.</p> <p>Board member training In January 2025, the Head Start Director provided the Board of Trustees an updated document on the program's selection criteria and enrollment process. Additionally, the Head Start Board of Trustees Handbook, which has incorporated other training materials, was provided to each board member. The Head Start Director will conduct an annual review of the handbook content and update as appropriate to ensure training materials remain current.</p> <p>Completion Date: March 2025</p> <p>Agency Contact: Mike Cogan VP of Administrative Services and CFO 2405 East College Way Mount Vernon, WA 98273-5899 (360) 899-2945 mike.cogan@skagit.edu</p>	

Spokane Community Colleges – District 17

Agency 676

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	065	<p>Finding: The Community Colleges of Spokane did not have adequate controls over and did not comply with program governance requirements for its Head Start program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.600</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The College District will enhance our monthly financial reporting to include a unique identifier for monthly expenditures. Additionally, a report of expenditures procured by credit card will be attached to the regular financial report.</p> <p>The College District acknowledges the importance of clear documentation and tracking of the required training and meeting attendance by all Board of Trustees members and Policy Council members. Beginning in March 2025, the College District started providing additional methods and opportunities for new members to receive fiscal and governance training. To strengthen controls over program governance requirements and to demonstrate the commitment to continuous improvement of existing processes, the College District will further document training completion and the distribution of monthly financial information to all members.</p> <p>Completion Date: Estimated June 2025</p> <p>Agency Contact: Linda McDermott Chief Financial Officer 501 N Riverpoint Blvd, PO Box 6000 Spokane, WA 99217-6000 (509) 434-5275 Linda.McDermott@ccs.spokane.edu</p>	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	066	<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: <u>Assistance Listing #</u> 93.658 93.658 COVID-19</p> <p><u>Amount</u> \$6,000</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department is committed to strengthening internal controls and complying with grant requirements. In response to the prior year audit finding, the Department has taken the following actions:</p> <ul style="list-style-type: none"> Between April and December 2023: <ul style="list-style-type: none"> Filled two vacant contract staff positions dedicated to reviewing child welfare contracts to include family time visit payments. Developed compliance audit plans for child welfare contracts and began fiscal monitoring of family time visit payments. Implemented a new process for creating Sprout invoices from family time activity data to include the following: <ul style="list-style-type: none"> Utilizing algorithms to identify reimbursements outside of reasonable amounts. Requiring providers to submit additional documentation or explanation for flagged invoices. Identifying duplicate billings using a re-run process. Performing additional review and approval of invoices of the Network Administrator in Eastern Washington prior to release of payment. Between January and March 2024: <ul style="list-style-type: none"> Identified and implemented regional program approvals for Western Washington providers. Implemented fiscal monitoring controls to ensure payments to providers for travel and family visits are allowable and adequately supported. Utilized the Plan, Do, Check, Act (continuous quality improvement process) to add additional steps to the process to ensure payments were accurate. <p>In response to the State Auditor's Office (SAO) recommendations, the Department will:</p> <ul style="list-style-type: none"> Reconcile the identified payment exceptions and take appropriate action. Review the implemented invoice and payment process and update training resources as needed. 	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	066 (cont'd)	<ul style="list-style-type: none">Refine the compliance audit plans and update documentation for the contract monitoring process to ensure that SAO can review documentation for monitoring tasks completed. <p>The conditions noted in this finding were previously reported in findings 2023-066, 2022-048, and 2021-040.</p> <p>Completion Date: Estimated July 2025</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
2024	067	<p>Finding: 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.</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 is committed to strengthening internal controls and complying with grant requirements. As stated in the finding's <i>Cause of Condition</i>, the Department did not fully implement the prior year's corrective action plan during the audit period and did not have the reporting capabilities to track rate setting reviews for the entire audit period.</p> <p>To strengthen internal controls and documentation, and as part of the implementation of the new rate assessment process, the Department took the following corrective actions:</p> <ul style="list-style-type: none"> Published a new report in FamLink to assist rate assessors in identifying: <ul style="list-style-type: none"> Six-month reviews that have not been performed timely. Cases with upcoming rate assessments and due dates for reviews. Implemented monthly tracking by supervisors to assist with internal controls and compliance. <p>The Department continues to use the Plan, Do, Check, Act (continuous quality improvement process) to improve the accuracy of the new reports and provide additional training to staff as needed to ensure compliance with the requirement of performing six-month reviews of the reimbursement rates.</p> <p>The conditions noted in this finding were previously reported in finding 2023-067.</p> <p>Completion Date: June 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	
2024	068	<p>Finding: 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> <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 concurs with the finding and is committed to improving internal controls.</p> <p>The Department did not have adequate staffing levels to maintain the business processes for one monthly workbook for the Public Assistance Cost Allocation Plan. The Department was not able to complete the August 2023 workbook for cost base 100 (administrative charges) due to competing state and federal fiscal year close deadlines. Available staff were focused on grant reconciliations and closing out the prior fiscal year financial transactions.</p> <p>The Department has reviewed the base edit form written procedures with staff and added monthly reminders for the Cost Allocation and Grants Management Unit. In addition, the Department has confirmed that to date all cost base 100 workbooks have been properly completed for the state fiscal year 2025.</p> <p>The conditions noted in this finding were previously reported in findings 2023-065 and 2022-047.</p> <p>Completion Date: March 2025</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
2024	069	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.658 \$3,493 93.658 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department is committed to strengthening internal controls and complying with grant requirements. For the specific exceptions identified in the finding, the Department has taken the following actions:</p> <p>Individuals:</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. Updated the peer review process to ensure that a sample of cases are reviewed quarterly and all documentation is properly retained. <p>Background Checks:</p> <ul style="list-style-type: none"> In January 2024, the Department increased its use of National Crime Information Center (NCIC) background checks to ensure all individuals required to complete fingerprint-based checks are compliant prior to a child's placement. The Department continues to use the Plan, Do, Check, Act (continuous quality improvement process) to communicate changes and provide additional training to staff as needed to ensure compliance with the background check requirement. <p>The conditions noted in this finding were previously reported in findings 2023-068 and 2022-050.</p> <p>Completion Date: January 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	
2024	070	<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 is committed to strengthening internal controls and complying with grant requirements. As stated in the finding's <i>Cause of Condition</i>, the Department did not follow the U.S. Department of Health and Human Services' (HHS) published instructions.</p> <p>To address the auditor's specific recommendations, the Department has:</p> <ul style="list-style-type: none"> Reviewed and updated all electronic versions of the quarterly crosswalks to align with HHS instructions. Submitted a correction to the April 2025 quarterly report. <p>The conditions noted in this finding were previously reported in findings 2023-069 and 2022-051.</p> <p>Completion Date: April 2025</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	
2024	071	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.658 \$0 93.658 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs that policies and procedures related to rate setting for Foster Care maintenance payments are not currently established and is committed to strengthening internal controls and complying with federal requirements.</p> <p>In February 2025, the Department met with the State Auditor's Office to gather an understanding of concerns and discuss how reasonable and allowable rates could be documented to ensure federal compliance.</p> <p>The Department will prioritize establishing written policies and procedures for setting payment rates to ensure maintenance payment rates only include allowable costs.</p> <p>Completion Date: Estimated July 2026</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	
2024	072	<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 providers were allowable and properly supported for the Social Services Block Grant.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.667 <u>Amount</u> \$9,098,747</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department maintains that funds were not improperly charged or reported for the Social Services Block Grant (SSBG) program.</p> <p>The Department implemented grant-level management of all federal funds, including the SSBG program. This process consists of making grant-level adjustments between allowable grant sources to properly spend grant funds within the allowable period of performance and ensure level of effort and matching requirements are met. The Department allocated the SSBG funds to eligible clients and allowable activities in compliance with 45 CFR 98.67 but did not include the level of data recommended by the State Auditor's Office (SAO) for some transfers.</p> <p>In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget. The enacted budget included funding to implement the Department's budget request beginning July 1, 2024.</p> <p>The Department is working with a developer to assist with building out the required databases between the Social Service Payment System and the Agency Financial Reporting System to allow transfers between funding sources to include transaction level data related to the expenditures.</p> <p>The Department is committed to collaborating with SAO to determine an appropriate methodology which identifies a sampling unit that can be used to accurately test compliance. The Department looks forward to working with SAO to resolve the data concerns in the audit of the SSBG program.</p> <p>The conditions noted in this finding were previously reported in finding 2023-070.</p> <p>Completion Date: Estimated December 2025</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	
2024	073	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.667 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department maintains that funds were not improperly charged or reported for the Social Services Block Grant (SSBG) program.</p> <p>The Department provided the State Auditor's Office (SAO) with detailed expenditure data reports, email documentation showing management's review of the expenditures being charged to the SSBG program and changes being requested prior to federal submission. In addition, the federal reporting system creates an email after certification, which the Department shared with the SAO.</p> <p>The Department implemented grant-level management of all federal funds, including the SSBG program. This process consists of making grant-level adjustments between allowable grant sources to properly spend grant funds within the allowable period of performance and ensure level of effort and matching requirements are met. The Department allocated the SSBG funds to eligible clients and allowable activities in compliance with 45 CFR 98.67 but did not include the level of data recommended by the SAO for some transfers.</p> <p>In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget. The enacted budget included funding to implement the Department's budget request beginning July 1, 2024.</p> <p>The Department is working with a developer to assist with building out the required databases between the Social Service Payment System and the Agency Financial Reporting System to allow transfers between funding sources to include transaction level data related to the expenditures.</p> <p>The Department is committed to collaborating with SAO to determine an appropriate methodology which identifies a sampling unit that can be used to accurately test compliance. The Department looks forward to working with SAO to resolve the data concerns in the audit of the SSBG program.</p> <p>The conditions noted in this finding were previously reported in finding 2023-072.</p> <p>Completion Date: Estimated December 2025</p>	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	073 (cont'd)	Agency Contact: Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504-0970 (360) 725-4402 stefanie.niemela@dcyf.wa.gov

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	074	<p>Finding: The Health Care Authority did not have adequate internal controls over and did not comply with managed care financial audit requirements.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.767 \$0 93.767 COVID-19 93.775 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: Audited financial reports: The Authority amended the managed care contract to require Managed Care Organizations to submit financial statements prepared in accordance with Generally Accepted Accounting Principles and Generally Accepted Auditing Standards. The amended contract requirement went into effect January 1, 2025.</p> <p>Periodic audits: The Authority implemented internal controls during state fiscal year 2024 to ensure periodic audits are completed within the required timeline.</p> <p>The conditions noted in this finding were previously reported in findings 2023-073, 2022-054, and 2021-048.</p> <p>Completion Date: June 2024</p> <p>Agency Contact: Kari Summerour, CPA External Audit Compliance Manager PO Box 42724 Olympia, WA 98504-2691 (360) 725-9586 Kari.Summerour@hca.wa.gov</p>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	075	<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: <u>Assistance Listing #</u> <u>Amount</u></p> <p>93.767 \$3,844,961</p> <p>93.767 COVID-19</p> <p>93.775</p> <p>93.777</p> <p>93.777 COVID-19</p> <p>93.778</p> <p>93.778 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority partially concurs with the finding.</p> <p>The Authority does not concur with the auditor's assertion that two providers did not have a valid Core Provider Agreement on file. The Authority also does not concur that two new providers were enrolled without completion of a full enrollment screening.</p> <p>Corrective action has been in process to address revalidation issues from prior audits. As of January 1, 2024, the Authority implemented a system change moving the revalidation date to 90 days before the end of the five-year period.</p> <p>The Authority is revising existing procedures to strengthen internal controls over provider enrollment. Additional procedure implementation is also in progress to ensure high risk providers receive fingerprint-based background checks.</p> <p>Regarding the nursing facility revalidations, the Authority operates cooperatively under a written agreement with the Department of Social and Health Services (Department) who carry out the nursing facility licensing and revalidations. The Department stated:</p> <p><i>Effective May 2024, the Department updated the nursing facility revalidation process to require the Facilities Contract Specialist review the nursing facility revalidation monitoring spreadsheet monthly and that revalidation paperwork will be sent one year before the due date to ensure revalidation is done ahead of the 5-year period. In addition, the Department will consult with the Authority to determine if it is feasible to automate the revalidation notices.</i></p> <p><i>By December 31, 2025, Department contracts staff will verify that the Medicaid Provider Disclosure Statement forms are in the Management Operation Document Imaging System for all nursing facilities and that each form has been completed within the 5-year period.</i></p>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2024	075 (cont'd)	<p>The conditions noted in this finding were previously reported in findings 2023-074, 2022-055, 2021-047, 2020-046, 2019-048, 2018-042, 2017-033, and 2016-035.</p> <p>Completion Date: Estimated December 2025</p> <p>Agency Contact: William Sogge External Audit Compliance Specialist PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	076	<p>Finding: The Department of Health did not have adequate internal controls over and did not comply with requirements to ensure timely review of hospital complaints.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department has a process in place to screen complaints for possible imminent danger.</p> <p>The Department has assessed and strengthened internal controls within the licensing and regulatory systems that are necessary to demonstrate compliance. The systems will properly reflect the accurate date of initial screening for imminent danger within two working days of receiving a complaint, as required by the Centers for Medicare and Medicaid Services <i>State Operations Manual</i>, and subsequent 21-day basic assessment and review timeline per internal policies.</p> <p>Additionally, the Department is performing quarterly audits to confirm and document that timely screening of complaints is taking place as required.</p> <p>The conditions noted in this finding were previously reported in finding 2023-076.</p> <p>Completion Date: August 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 Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	077	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department and its contractor, Consumer Direct Care Network Washington (CDWA), identify potential and suspected provider fraud and refer fraud allegations with a potential loss of \$1,000 or more to the Medicaid Fraud Control Unit (MFCU). Fraud referrals under \$1,000 are all reviewed and tracked to enable repeat referrals to be identified and compiled to show a pattern of possible fraudulent behaviors. For cases under \$1,000, CDWA completes provider education and training on billing standards, which will be documented and used to support any future referrals.</p> <p>The 15 cases identified in the audit finding that were not referred to MFCU were each under \$1,000 of potential loss. Provider education was completed by CDWA, and the funds were returned to Medicaid.</p> <p>As of February 2025, the Department met with CDWA to discuss a revised process that will ensure compliance with MFCU requirements. In addition, the <i>Medicaid Provider Fraud Referral</i> form DSHS 12-210 was modified to include CDWA as an entity.</p> <p>By May 2025, the Department and CDWA will:</p> <ul style="list-style-type: none"> Revise and finalize existing procedures related to the referrals of all credible allegations of fraud to MFCU regardless of the amount of potential loss. Request approval for the creation of a ticketing system for CDWA to submit provider fraud referrals directly into SharePoint. This will streamline the process, reduce workload, and help ensure compliance with MFCU requirements. <p>Completion Date: Estimated May 2025</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	
2024	078	<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 survey requirements for Medicaid intermediate care facilities.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with the finding.</p> <p>The Department was not able to meet the Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF-IID) survey requirements due to a backlog from prior years, not because of lack of internal controls. It was through applied internal controls that we identified concerns and were able to allocate resources to meet the most serious concerns.</p> <p>The Department made efforts in fiscal year 2023 and 2024 to address the backlog of complaints and recertification surveys, but resources had to be prioritized to handle new complaints. There is only one team that manages surveys, complaints, and revisits for the entire state. To optimize the use of resources, the Field Manager meets with the Administrative Assistant on a quarterly basis to review the 365-day average report and determine if survey schedules need to be modified to meet federal requirements.</p> <p>To continue to address this audit issue, regional administrators have met with their ICF/IID teams to review survey scheduling for the year to ensure teams will be able to meet targeted survey completion dates and the required recertification timeframes.</p> <p>By January 2026, the Department expects to meet compliance with the 15.9-month recertification survey timeline and the 12.9-month statewide average.</p> <p>The conditions noted in this finding were previously reported in findings 2023-078, 2020-053, 2019-061, 2018-052, 2017-042, 2016-037, 2015-045, and 2014-046.</p> <p>Completion Date: Estimated January 2026</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	
2024	079	<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 survey requirements for Medicaid nursing homes.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with the finding.</p> <p>The Department was not able to meet the Nursing Home Recertification Survey requirements due to a backlog from prior years, not because of lack of internal controls. It was through applied internal controls that we identified concerns and were able to allocate resources to meet the most serious concerns.</p> <p>The Department made efforts in fiscal year 2023 and 2024 to address the backlog of complaints and recertification surveys, but resources had to be prioritized for new complaints. There is only one team that manages surveys, complaints, and revisits for the entire state. To optimize the use of resources, the Field Manager meets with the Administrative Assistant on a quarterly basis to review the 365-day average report and determine if survey schedules need to be modified to meet federal requirements</p> <p>To continue to address this audit issue, regional administrators have met with their Nursing Home teams to review survey scheduling for the year to ensure teams will be able to meet targeted survey completion dates and the required survey and recertification timeframes.</p> <p>By January 2026, the Department expects to meet compliance with the 15.9-month recertification survey timeline and the 12.9-month statewide average.</p> <p>The conditions noted in this finding were previously reported in findings 2023-079 and 2020-054.</p> <p>Completion Date: Estimated January 2026</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 Plan	
2024	080	<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: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Authority does not concur with the finding. The Authority maintains its internal controls are effective, and policies and procedures are compliant with federal requirements. Over the past four years, the Authority has taken corrective action on the prior audit findings including: <ul style="list-style-type: none"> • Consulted with the Centers for Medicare & Medicaid Services (CMS) for direction. • Updated Washington Administrative Code and the Revised Code of Washington to align with federal regulations. • Provided for the filing of cost reports and audited or contracted for the audit of the financial and statistical records of inpatient hospitals. CMS provided the Authority with technical guidance on two occasions, indicating it defers to the states on how these audits are defined. The Authority believes it has addressed the deficiencies identified in previous audits and no additional corrective action will be taken. The conditions noted in this finding were previously reported in findings 2023-081, 2022-060, 2021-051, and 2020-049.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: Kari Summerour, CPA External Audit Compliance Manager PO Box 42724 Olympia, WA 98504-2691 (360) 725-9586 Kari.summerour@hca.wa.gov</p>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	081	<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> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority concurs with the finding and continues to develop and implement its statewide surveillance and utilization control program by:</p> <ul style="list-style-type: none"> • Updating its Surveillance Utilization Review Subsystem policies and procedures. • Updating and documenting its statewide monitoring program. • Documenting its internal control program to ensure it complies with all utilization control requirements. <p>The conditions noted in this finding were previously reported in findings 2023-082, 2022-061, 2021-050, 2020-047, 2020-048, 2019-052, 2019-053, and 2018-047. In fiscal year 2024, the State Auditor's Office determined the Authority resolved findings 2020-047, 2020-048, 2019-052, 2019-053, and 2018-047.</p> <p>Completion Date: Estimated June 2026</p> <p>Agency Contact: Kari Summerour, CPA External Audit Compliance Manager PO Box 42724 Olympia, WA 98504-2691 (360) 725-9586 Kari.Summerour@hca.wa.gov</p>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	082	<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 Substance Use Prevention, Treatment, and Recovery Services program were allowable and met period of performance requirements.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.959 93.959 COVID-19</p> <p><u>Amount</u> \$10,467,736</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Authority does not concur with the finding. The Authority maintains that its internal controls are effective, and procedures are compliant with grant requirements. No corrective action will be implemented. The costs questioned by the auditor do not reflect funds that have been paid or drawn from the grantor. As a result, there are no funds to return to the grantor. The conditions noted in this finding were previously reported in findings 2023-084 and 2022-067.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: William Sogge, CPA, CIA External Audit Compliance Specialist PO Box 42724 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	083	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.959 93.959 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Authority implemented a new process to identify and report contracts required to be reported by the Federal Funding Accountability and Transparency Act in early fiscal year 2024. A reconciliation process to ensure all reports are filed as required was then developed and implemented in April 2024.</p> <p>After implementation, several inconsistencies were identified and resolved in June and July 2024. Updated training was provided to staff involved in the process to resolve the identified issues.</p> <p>The conditions noted in this finding were previously reported in findings 2023-086, 2022-069, and 2021-058.</p> <p>Completion Date: July 2024</p> <p>Agency Contact: William Sogge, CPA, CIA External Audit Compliance Specialist PO Box 42724 Olympia, WA 98504-2691 (360) 725-5110 william.sogge@hca.wa.gov</p>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	084	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.959 \$0 93.959 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: In January 2024, the Authority implemented adequate internal controls, policies, and procedures over its process for tracking subrecipients' single audits. In accordance with the audit recommendation, the Authority will continue to follow the new policies and procedures. No further corrective action is necessary.</p> <p>The conditions noted in this finding were previously reported in findings 2023-087 and 2022-066.</p> <p>Completion Date: January 2024</p> <p>Agency Contact: William Sogge, CPA, CIA External Audit Compliance Specialist PO Box 42724 Olympia, WA 98504-2691 (360) 725-5110 william.sogge@hca.wa.gov</p>	

Military Department

Agency 245

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2024	085	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 97.036 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Military Department concurs with the finding.</p> <p>During this audit period, the Department experienced changes in data collection/reporting processes, increased workload, decentralization of employees, and employee turnover. As a result, data entry errors in the Federal Funding Accountability and Transparency Act (FFATA) reporting were more prevalent.</p> <p>As of January 2025, the Department implemented the following corrective actions:</p> <ul style="list-style-type: none"> • The grant management team and contracts office reviewed and validated internal written procedures. • Updated the FFATA reporting procedures to ensure that amendments or sub-awards that bring an award over the \$30,000 threshold are accounted for. • The grant program staff added an internal control step in which the supervisor will review and confirm the accuracy of the FFATA data before it is submitted to the contracts office to be entered into the FFATA reporting system. <p>The Department is committed to strengthening internal controls and complying with FFATA reporting requirements. Management will continue to monitor the process to ensure future reports are submitted accurately and completely. The corrective actions were fully implemented as of the February 2025 reporting period.</p> <p>Completion Date: February 2025</p> <p>Agency Contact: Seth Nickerson Deputy Chief Financial Officer Building 1 1 Militia Drive Camp Murray, WA 98430-5000 (253) 310-1783 seth.nickerson@mil.wa.gov</p>	

State of Washington

Single Audit Report

For Fiscal Year Ended

June 30, 2024

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

March 25, 2025

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 2024 Single Audit report.

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2023-082	Health Care Authority	In progress	H - 121
2023-083	Department of Social and Health Services	Complete	H - 122
2023-084	Health Care Authority	Corrective action not taken	H - 123
2023-085	Health Care Authority	Complete	H - 124
2023-086	Health Care Authority	In progress	H - 125
2023-087	Health Care Authority	In progress	H - 126
2022-001	State of Washington	Repeat finding	Refer to finding 2023-001 at H - 17
2022-002	University of Washington	In progress	H - 127
2022-003	Office of Superintendent of Public Instruction	In progress	H - 128
2022-004	Department of Health	Corrective action not taken	H - 129
2022-005	Employment Security Department	Repeat finding	Refer to finding 2023-008 at H - 24
2022-006	Employment Security Department	Repeat finding	Refer to finding 2023-009 at H - 25
2022-007	Employment Security Department	In progress	H - 130
2022-011	Department of Transportation	Repeat finding	Refer to finding 2023-014 at H - 32
2022-016	Department of Commerce	Repeat finding	Refer to finding 2023-017 at H - 36
2022-017	Department of Commerce	Repeat finding	Refer to findings 2023-018 at H - 37 2023-019 at H - 38
2022-018	Office of Financial Management	Repeat finding	Refer to finding 2023-026 at H - 45
2022-019	Department of Commerce	Repeat finding	Refer to finding 2023-027 at H - 46
2022-020	Office of Financial Management	Repeat finding	Refer to finding 2023-030 at H - 50
2022-021	Department of Commerce	Repeat finding	Refer to finding 2023-031 at H - 51
2022-025	Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2023-034 at H - 54

Finding Number	State Agency	Corrective Action Status	Page Number
2022-026	Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2023-036 at H - 57
2022-029	University of Washington	Repeat finding	Refer to finding 2023-042 at H - 63
2022-030	University of Washington	Repeat finding	Refer to finding 2023-043 at H - 64
2022-031	Department of Health	Repeat finding	Refer to finding 2023-044 at H - 66
2022-032	Department of Health	Repeat finding	Refer to finding 2023-045 at H - 68
2022-033	Department of Health	Repeat finding	Refer to findings 2023-046 at H - 69 2023-050 at H - 73
2022-034	Department of Health	Repeat finding	Refer to finding 2023-048 at H - 71
2022-035	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-051 at H - 75
2022-036	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-059 at H - 89
2022-039	Department of Commerce	Repeat finding	Refer to finding 2023-055 at H - 82
2022-041	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-058 at H - 87
2022-042	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-060 at H - 90
2022-043	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-061 at H - 92
2022-044	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-062 at H - 94
2022-045	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-064 at H - 97
2022-047	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-065 at H - 99
2022-048	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-066 at H - 100
2022-050	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-068 at H - 103
2022-051	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-069 at H - 105
2022-054	Health Care Authority	Repeat finding	Refer to finding 2023-073 at H - 109
2022-055	Health Care Authority	Repeat finding	Refer to finding 2023-074 at H - 111

Finding Number	State Agency	Corrective Action Status	Page Number
2022-056	Department of Social and Health Services	Corrective action not taken	H - 131
2022-057	Department of Social and Health Services	Repeat finding	Refer to finding 2023-080 at H - 118
2022-058	Department of Social and Health Services	Complete	H - 133
2022-059	Department of Social and Health Services	Repeat finding	Refer to finding 2023-077 at H - 114
2022-060	Health Care Authority	Repeat finding	Refer to finding 2023-081 at H - 120
2022-061	Health Care Authority	Repeat finding	Refer to finding 2023-082 at H - 121
2022-062	Health Care Authority	Complete	H - 134
2022-063	Health Care Authority	In progress	H - 135
2022-065	Health Care Authority	In progress	H - 136
2022-066	Health Care Authority	Repeat finding	Refer to finding 2023-087 at H - 126
2022-067	Health Care Authority	Repeat finding	Refer to finding 2023-084 at H - 123
2022-068	Health Care Authority	Repeat finding	Refer to finding 2023-085 at H - 124
2022-069	Health Care Authority	Repeat finding	Refer to finding 2023-086 at H - 125
2021-001	State of Washington	Repeat finding	Refer to finding 2023-001 at H - 17
2021-003	Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2022-003 at H - 128
2021-004	Department of Health	Repeat finding	Refer to finding 2022-004 at H - 129
2021-005	Employment Security Department	Repeat finding	Refer to finding 2023-009 at H - 25
2021-007	Employment Security Department	Repeat finding	Refer to finding 2022-007 at H - 130
2021-011	Department of Transportation	Repeat finding	Refer to finding 2023-014 at H - 32
2021-023	Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2023-036 at H - 57
2021-028	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-051 at H - 75

Finding Number	State Agency	Corrective Action Status	Page Number
2021-032	Department of Commerce	Repeat finding	Refer to finding 2023-055 at H - 82
2021-033	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-058 at H - 87
2021-035	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-059 at H - 89
2021-036	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-060 at H - 90
2021-037	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-061 at H - 92
2021-038	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-062 at H - 94
2021-039	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-064 at H - 97
2021-040	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-066 at H - 100
2021-047	Health Care Authority	Repeat finding	Refer to finding 2023-074 at H - 111
2021-048	Health Care Authority	Repeat finding	Refer to finding 2023-073 at H - 109
2021-049	Department of Social and Health Services	Repeat finding	Refer to finding 2022-056 at H - 131
2021-050	Health Care Authority	Repeat finding	Refer to finding 2023-082 at H - 121
2021-051	Health Care Authority	Repeat finding	Refer to finding 2023-081 at H - 120
2021-054	Department of Social and Health Services	Repeat finding	Refer to finding 2023-080 at H - 118
2021-056	Health Care Authority	Repeat finding	Refer to finding 2023-085 at H - 124
2021-057	Health Care Authority	Repeat finding	Refer to finding 2023-084 at H - 123
2021-058	Health Care Authority	Repeat finding	Refer to finding 2023-086 at H - 125
2020-002	State of Washington	Repeat finding	Refer to finding 2023-001 at H - 17
2020-004	Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2022-003 at H - 128
2020-011	Employment Security Department	Repeat finding	Refer to finding 2023-009 at H - 25
2020-012	Employment Security Department	Repeat finding	Refer to finding 2022-007 at H - 130

Finding Number	State Agency	Corrective Action Status	Page Number
2020-017	Department of Transportation	Repeat finding	Refer to finding 2023-014 at H - 32
2020-038	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-058 at H - 87
2020-039	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-059 at H - 89
2020-040	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-060 at H - 90
2020-041	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-061 at H - 92
2020-042	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-064 at H - 97
2020-046	Health Care Authority	Repeat finding	Refer to finding 2023-074 at H - 111
2020-047	Health Care Authority	Repeat finding	Refer to finding 2023-082 at H - 121
2020-048	Health Care Authority	Repeat finding	Refer to finding 2023-082 at H - 121
2020-049	Health Care Authority	Repeat finding	Refer to finding 2023-081 at H - 120
2020-051	Department of Social and Health Services	Repeat finding	Refer to finding 2022-056 at H - 131
2020-053	Department of Social and Health Services	Repeat finding	Refer to finding 2023-078 at H - 116
2020-054	Department of Social and Health Services	Repeat finding	Refer to finding 2023-079 at H - 117
2020-059	Health Care Authority	Repeat finding	Refer to finding 2023-084 at H - 123
2019-001	State of Washington	Repeat finding	Refer to finding 2023-001 at H - 17
2019-005	Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2022-003 at H - 128
2019-019	Department of Transportation	Repeat finding	Refer to finding 2023-014 at H - 32
2019-032	Department of Social and Health Services	Repeat finding	Refer to finding 2023-059 at H - 89
2019-035	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-058 at H - 87
2019-039	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-064 at H - 97

Finding Number	State Agency	Corrective Action Status	Page Number
2019-047	Health Care Authority	In progress	H - 137
2019-048	Health Care Authority	Repeat finding	Refer to finding 2023-074 at H - 111
2019-049	Health Care Authority	Corrective action not taken	H - 138
2019-052	Health Care Authority	Repeat finding	Refer to finding 2023-082 at H - 121
2019-053	Health Care Authority	Repeat finding	Refer to finding 2023-082 at H - 121
2019-054	Department of Social and Health Services	Repeat finding	Refer to finding 2022-056 at H - 131
2019-057	Department of Social and Health Services	In progress	H - 139
2019-058	Department of Social and Health Services	In progress	H - 142
2019-060	Department of Social and Health Services	Corrective action not taken	H - 144
2019-061	Department of Social and Health Services	Repeat finding	Refer to finding 2023-078 at H - 116
2019-062	Department of Social and Health Services	Complete	H - 145
2018-001	State of Washington	Repeat finding	Refer to finding 2023-001 at H - 17
2018-030	Department of Social and Health Services	Repeat finding	Refer to finding 2023-059 at H - 89
2018-034	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-058 at H - 87
2018-035	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2023-064 at H - 97
2018-041	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 137
2018-042	Health Care Authority	Repeat finding	Refer to finding 2023-074 at H - 111
2018-047	Health Care Authority	Repeat finding	Refer to finding 2023-082 at H - 121
2018-048	Health Care Authority	Repeat finding	Refer to finding 2019-049 at H - 138
2018-052	Department of Social and Health Services	Repeat finding	Refer to finding 2023-078 at H - 116
2018-054	Department of Social and Health Services	Repeat finding	Refer to finding 2019-060 at H - 144

Finding Number	State Agency	Corrective Action Status	Page Number
2018-057	Department of Social and Health Services	Repeat finding	Refer to finding 2019-062 at H - 145
2018-058	Department of Social and Health Services	Repeat finding	Refer to finding 2022-056 at H - 131
2018-059	Department of Social and Health Services	Repeat finding	Refer to finding 2019-057 at H - 139
2018-060	Department of Social and Health Services	Repeat finding	Refer to finding 2019-058 at H - 142
2017-001	State of Washington	Repeat finding	Refer to finding 2023-001 at H - 17
2017-024	Department of Early Learning	Repeat finding	Refer to finding 2023-058 at H - 87
2017-025	Department of Early Learning	Repeat finding	Refer to finding 2023-064 at H - 97
2017-026	Department of Social and Health Services	Repeat finding	Refer to finding 2023-059 at H - 89
2017-031	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 137
2017-032	Health Care Authority	In progress	H - 147
2017-033	Health Care Authority	Repeat finding	Refer to finding 2023-074 at H - 111
2017-036	Health Care Authority	In progress	H - 149
2017-038	Health Care Authority	Repeat finding	Refer to finding 2019-049 at H - 138
2017-039	Health Care Authority	In progress	H - 150
2017-040	Health Care Authority	Corrective action not taken	H - 151
2017-042	Department of Social and Health Services	Repeat finding	Refer to finding 2023-078 at H - 116
2017-044	Department of Social and Health Services	Repeat finding	Refer to finding 2022-056 at H - 131
2017-048	Department of Social and Health Services	In progress	H - 152
2017-050	Department of Social and Health Services	In progress	H - 154
2016-021	Department of Early Learning	Repeat finding	Refer to finding 2023-058 at H - 87
2016-022	Department of Early Learning	Repeat finding	Refer to finding 2023-064 at H - 97

Finding Number	State Agency	Corrective Action Status	Page Number
2016-023	Department of Social and Health Services	Repeat finding	Refer to finding 2023-059 at H - 89
2016-028	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 137
2016-032	Health Care Authority	In progress	H - 156
2016-034	Health Care Authority	Repeat finding	Refer to finding 2019-049 at H - 138
2016-037	Department of Social and Health Services	Repeat finding	Refer to finding 2023-078 at H - 116
2016-044	Department of Social and Health Services	Repeat finding	Refer to finding 2017-048 at H - 152
2016-045	Department of Social and Health Services	Repeat finding	Refer to finding 2022-056 at H - 131
2016-047	Department of Social and Health Services	In progress	H - 157
2015-023	Department of Early Learning	Repeat finding	Refer to finding 2023-058 at H - 87
2015-024	Department of Early Learning	Repeat finding	Refer to finding 2023-064 at H - 97
2015-026	Department of Social and Health Services	Repeat finding	Refer to finding 2023-059 at H - 89
2015-030	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 137
2015-037	Health Care Authority	In progress	H - 158
2015-039	Health Care Authority	Repeat finding	Refer to finding 2019-049 at H - 138
2015-040	Department of Social and Health Services	In progress	H - 159
2015-045	Department of Social and Health Services	Repeat finding	Refer to finding 2023-078 at H - 116
2015-049	Department of Social and Health Services	Repeat finding	Refer to finding 2022-056 at H - 131
2015-051	Department of Social and Health Services	Repeat finding	Refer to finding 2017-048 at H - 152
2014-023	Department of Early Learning	Repeat finding	Refer to finding 2023-058 at H - 87
2014-026	Department of Social and Health Services	Repeat finding	Refer to finding 2023-059 at H - 89
2014-034	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 137

Finding Number	State Agency	Corrective Action Status	Page Number
2014-042	Department of Social and Health Services	Repeat finding	Refer to finding 2022-056 at H - 131
2014-046	Department of Social and Health Services	Repeat finding	Refer to finding 2023-078 at H - 116
2014-048	Department of Social and Health Services	Repeat finding	Refer to finding 2017-048 at H - 152
2013-016	Department of Early Learning	Repeat finding	Refer to finding 2023-058 at H - 87
2013-017	Department of Social and Health Services	Repeat finding	Refer to finding 2023-059 at H - 89
2013-020	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 137
2013-036	Department of Social and Health Services	Repeat finding	Refer to finding 2022-056 at H - 131
12-28	Department of Early Learning	Repeat finding	Refer to finding 2023-058 at H - 87
12-30	Department of Social and Health Services	Repeat finding	Refer to finding 2023-059 at H - 89
12-39	Department of Social and Health Services	Repeat finding	Refer to finding 2022-056 at H - 131
12-49	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 137
11-23	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2023-058 at H - 87
11-38	Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 137
10-31	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2023-058 at H - 87
10-40	Department of Social and Health Services	Repeat finding	Refer to finding 2019-047 at H - 137
09-12	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2023-058 at H - 87
09-19	Department of Social and Health Services	Repeat finding	Refer to finding 2019-047 at H - 137
08-13	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2023-058 at H - 87
08-25	Department of Social and Health Services	Repeat finding	Refer to finding 2019-047 at H - 137

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 2024 Single Audit.

We appreciate the efforts of the Washington State Auditor's Office in completing the Single Audit for the state for fiscal year 2024. If you have any questions regarding the Summary Schedule of Prior Audit Findings, please do not hesitate to contact our office.

Sincerely,

Sara Rupe
Deputy Statewide Accounting Director

State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	001	<p>Finding: The State lacked adequate internal controls over financial reporting to ensure accurate recording and monitoring of financial activity in its financial statements.</p> <p>Questioned Costs: <u>Assistance Listing #</u> N/A <u>Amount</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>Health Care Authority</i> 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 2023, the Authority requested funding from the legislature for fiscal year 2025, to contract for the additional SOC2 audit report to resolve the audit finding. The decision package was not funded. The Authority will again submit a decision package for fiscal year 2026. If the decision package is approved, the contract would be amended in July 2025 and audits would begin on a yearly basis.</p> <p><i>Completion: Estimated July 2025</i></p> <p><i>Employment Security Department</i> During fiscal year 2024, the Department provided additional accounting training to staff specifically for financial statement reporting. The increase in knowledge and skills will allow for proper calculation and detection of errors in the allowance for uncollectable receivables related to claimant overpayments.</p> <p><i>Completion: May 2024</i></p> <p>The auditors determined findings 2018-001, 2020-002 and 2022-001 were resolved in the fiscal year 2024 audit.</p> <p>Completion Date: Estimated July 2025</p> <p>Agency Contact: Sara Rupe Deputy Statewide Accounting Director PO Box 43127 Olympia, WA 98504-3127 (360) 974-9252 sara.rupe@ofm.wa.gov</p>	

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	002	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 10.558 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Office has established and implemented the following internal controls to ensure subrecipients are monitored according to program requirements:</p> <ul style="list-style-type: none"> • A procedure where the program supervisor and program director assign and track the monitoring activities that have been assigned to staff. • A procedure utilizing a data dashboard to track subrecipient review progress and completion. <p>Completion Date: In progress</p> <p>Agency Contact: Chaundi Barbosa CACFP Director PO Box 47200 Olympia, WA 98504-7200 (360) 764-0411 Chaundi.Barbosa@k12.wa.us</p>	

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	003	<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 communicated federal award identification elements to subrecipients of the Child and Adult Care Food Program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 10.558 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: In response to the audit finding, the Office:</p> <ul style="list-style-type: none"> • Will establish policies and procedures and internal controls to communicate federal award information and requirements to all subrecipients. • Is consulting with the U.S. Department of Agriculture for additional guidance on communicating subaward information for programs that are reimbursement based. <p>Completion Date: Estimated August 2024</p> <p>Agency Contact: Leanne Eko Chief Nutrition Officer PO Box 47200 Olympia, WA 98504-7200 (360) 725-0410 Leanne.eko@k12.wa.us</p>	

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
June 30, 2024

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	004	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 10.558 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Office will implement internal controls to ensure all subrecipients requiring a single audit are identified and follow up on any program-related findings that require a management decision. Internal controls will include:</p> <ul style="list-style-type: none"> • Updating procedures on maintaining the subrecipient audit tracking log. • Implementing a training plan for the Child Nutrition Services fiscal team, which includes cross training and completing the State Auditor's Office subrecipient monitoring training. <p>The Office will follow up with the subrecipient identified in the audit to ensure it obtains its required single audit.</p> <p>Completion Date: Estimated August 2024</p> <p>Agency Contact: Debbie Libra Fiscal & Claims Supervisor PO Box 47200 Olympia, WA 98504-7200 (564) 233-8620 Debbie.libra@k12.wa.us</p>	

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	005	<p>Finding: The Office of Superintendent of Public Instruction did not have adequate internal controls over and was not compliant with requirements to perform risk assessments for subrecipients of the Child and Adult Care Food Program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 10.558 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Office has established and implemented the following internal controls to ensure subrecipients are monitored according to program requirements:</p> <ul style="list-style-type: none"> • Conduct a risk assessment annually on approved subrecipients during each renewal cycle. • Utilize the risk assessment results, Washington Integrated Nutrition System data, and USDA program specific guidance to determine how subrecipients will be monitored in the coming year. • Follow a risk assessment process to identify and track the monitoring status of each subrecipient. <p>Completion Date: November 2023</p> <p>Agency Contact: Chaundi Barbosa CACFP Director PO Box 47200 Olympia, WA 98504-7200 (360) 764-0411 Chaundi.Barbosa@k12.wa.us</p>	

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	006	<p>Finding: The Employment Security Department made improper payments to ineligible beneficiaries of the Unemployment Insurance program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 17.225 17.225 COVID-19</p> <p><u>Amount</u> \$603</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Department does not concur with the finding.</p> <p>The State Auditor's Office (SAO) made the assertion that the Department incorrectly interpreted guidance in the Unemployment Insurance Program Letter (UIPL) No. 16-20 requiring claimants to provide proof of employment to receive Pandemic Unemployment Assistance (PUA) payments. However, the section cited by SAO was paragraph b(ii) which only lays out the requirements for establishing the respond-by dates for providing documentation for review. The deadline for responses is different depending on whether the PUA claim was filed before January 31, 2021, or on/after that date. This paragraph does not establish the requirements for payment or non-payment of PUA weeks.</p> <p>In our finding response, the Department cited section C.2 of the UIPL, which states:</p> <p><i>If, in that timeframe, the individual fails to provide documentation or fails to show good cause to have the deadline extended, an overpayment must be established for all of the weeks paid beginning with the week ending January 2, 2021. This is because the individual cannot be deemed ineligible for a week of unemployment ending before the date of enactment solely for failure to submit documentation.</i></p> <p>Therefore, the three cases identified by SAO should not be exceptions under this guidance.</p> <p>Further, the Department received guidance from the U.S. Department of Labor on January 11, 2021, which confirmed the proper methodology used by the Department.</p> <p>The auditors determined this finding was resolved in the fiscal year 2024 audit.</p> <p>Completion Date: Not Applicable</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 Status	
2023	007	<p>Finding: The Employment Security Department did not have adequate internal controls to ensure it submitted accurate financial reports for the Unemployment Insurance program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 17.225 \$0 17.225 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department has implemented procedures to ensure the ETA 9130 and ETA 2112 reports have a secondary review by management prior to submission to the federal grantor. Additionally, documentation of the review and submission will be maintained.</p> <p>Completion Date: February 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 Status	
2023	008	<p>Finding: The Employment Security Department did not have adequate internal controls to ensure it submitted accurate monthly reports for the Unemployment Insurance program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 17.225 17.225 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: In response to the prior year's finding, the Department immediately implemented the secondary review of the monthly ETA 9055 performance reports. However, the auditor's recommendation and the Department's implementation occurred after state fiscal year 2023 had begun.</p> <p>The Department expects adequate internal controls to be in place and functioning for fiscal year 2024 and onward.</p> <p>The conditions noted in this finding were previously reported in finding 2022-005.</p> <p>Completion Date: May 2023</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 Status	
2023	009	<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> 17.225 17.225 COVID-19</p> <p><u>Amount</u> \$0</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>During the prior audit period, the Department was in a hiring freeze for Unemployment Insurance administrative funding, furthering the challenge to fully staff the unit and meet program requirements. The hiring freeze was lifted in April 2023 and the unit began filling vacant positions in May 2023. Due to the lengthy training timelines for new positions, the Department anticipated the unit would not meet federally mandated performance measures for case reviews for state fiscal year 2023.</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 2022-006, 2021-005, and 2020-011.</p> <p>Completion Date: Estimated March 2025</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 Status	
2023	010	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 17.225 17.225 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the recommendation to review the calculation of the profile score within the Unemployment Tax and Benefit (UTAB) system. The Department will explore a plan and review resource allocations to more effectively validate the profile score to ensure that coefficient values are correctly determined and assigned by the UTAB system.</p> <p>The Department partially concurs with the recommendation to reconcile the UTAB and Reemployment Appointment Scheduler (RAS) interface. There is currently a process in place to notify the RAS team if a record fails at the time of data transmission between UTAB and RAS. The Department will review its processes to verify the complete UTAB exit file was successfully received by RAS.</p> <p>The Department does not concur with the recommendation to implement additional internal controls over the claimant profiling process. The Department has coordinated closely with the U.S. Department of Labor (USDOL) to conduct the randomized control trial (RCT) to evaluate the Reemployment Services and Eligibility Assessments (RESEA). The Department has written approval from USDOL to utilize this method concurrently with the program's established process. All program-eligible applicants are scored and provided a risk profile score based on both established standards and a random score for the purposes of carrying out the RCT.</p> <p>The Department does not concur with the recommendation to ensure all employees receive the required RESEA training before providing reemployment screening services to claimants. The Department has internal controls in place to ensure training requirements are met and staff are not granted access to schedule appointments for RESEA services without first receiving the required training.</p> <p>The exceptions noted by the auditors relate to the annual refresher training. In the fall of 2022, the Department implemented procedures to formally track the refresher training completed by RESEA staff. The audit exceptions identified were for two staff not currently providing RESEA services to clients. These individuals will receive the refresher training prior to providing RESEA services going forward.</p>	

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	010 (cont'd)	Completion Date: Estimated April 2025 Agency Contact: Jay Summers External Audit Manager PO Box 9046 Olympia, WA 98507-9046 (360) 529-6718 Joshua.Summers@esd.wa.gov

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	011	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 17.258 \$0 17.259 17.278</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department has implemented procedures to ensure the Federal Funding Accountability and Transparency Act (FFATA) reports are completed timely, and documentation of the review and submission to the federal agency is maintained. The Department:</p> <ul style="list-style-type: none"> Established new credentials within the federal reporting system which will allow the Department to provide verification of the timeliness of the reports. Updated the process to require completing and saving supporting documentation for the reports prior to entering data into the federal system separately by the Grants Manager. Expanded training on the federal FFATA requirements and system to additional staff within the Grants Management Unit to ensure adequate coverage. <p>Completion Date: In progress</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>	

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	012	<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 program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 20.205 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Washington State Department of Transportation (WSDOT) is committed to ensuring our grant programs comply with federal regulations regarding required risk assessments.</p> <p>Risk assessments for subrecipients under the Federal Highway Administration grant programs are the responsibility of WSDOT's Regional Local Programs Engineers, located in the six WSDOT regions. The Department has attempted to complete a risk assessment at each phase of a project, however, staff turnover contributed to the lack of consistency and timeliness in completing these assessments.</p> <p>To help ensure consistency, the Department has updated position descriptions for Local Programs Engineers to reflect this requirement. The Department:</p> <ul style="list-style-type: none"> Communicated with Regional Local Programs Engineers to ensure risk assessments are performed and properly documented in accordance with the risk assessment program guidelines. Communicated with regional management to ensure required monitoring activities by staff are tracked, and the status of these activities are reported as part of annual performance evaluations. <p>Communication with Regional Local Programs Engineers and regional management will continue to be on-going.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>	

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	013	<p>Finding: The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to collect certified payrolls from contractors on projects funded by the Highway Planning and Construction program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 20.205 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: In April 2019 and July 2020, the Department received management decision letters from the Federal Highway Administration (FHWA) in response to similar findings for the fiscal years 2018 and 2019, respectively, which stated:</p> <ul style="list-style-type: none"> FHWA approved the Department's Construction Manual and Standard Specifications and confirmed that documented procedures contain the necessary controls to ensure reasonable compliance with 29 CFR 5.5 and the Davis-Bacon and Related Acts. FHWA agreed that current processes in place are reasonable and satisfy the intent of the Department of Labor's certified payroll requirements. FHWA considers this finding to be resolved. <p>The Department continues to strive for improvements in this area. To further address the audit recommendations, the Department is planning on taking the following actions by December 2024:</p> <ul style="list-style-type: none"> Update the Construction Manual to include language for certified payroll collection requirements when no work is performed on federal projects. Review and update the Construction Manual, as needed, to clarify the authority to withhold payments regarding federal wage administration. Standardize the required frequency of checking for certified payroll collection and the methods to document tracking. Define "timely," given the circumstances surrounding weekly collection of certified payrolls and sanctions on a monthly pay estimate, including: <ul style="list-style-type: none"> Defining the timeline when the Department must communicate overdue certified payroll to the contractor and the allowable methods of that communication. Defining the timeline for determining when the Department must consider imposing sanctions on the contractor after a certified payroll is overdue. Defining the minimum required documentation that sanctions (e.g., partial deferral of payment) were considered against the contractor regarding an overdue certified payroll. 	

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	013 (cont'd)	<ul style="list-style-type: none">• Communicate any changes to the Construction Manual to appropriate construction staff and partners.• Continue to work with our federal grantor, FHWA, for any further actions needed to resolve this finding. <p>Completion Date: Estimated December 2024</p> <p>Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	014	<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: <u>Assistance Listing #</u> 20.205 <u>Amount</u> \$0</p> <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. The Department has worked closely with the Federal Highway Administration (FHWA) on our QA program and continues to receive feedback on the strength of our program.</p> <p>The Department has been working towards replacement of the Record of Materials (ROM) legacy system; therefore, it was not practical to modify the system to help correct issues previously reported in the fiscal year 2022 audit. During fiscal year 2023, the Department eliminated the practice requiring updates to the ROM within 30 days of payment and instead relied on the required documentation as evidence of proper materials acceptance. Due to the timing of implementation, these changes were not fully reflected in the current year's audit.</p> <p>In January 2023, as a result of recommendations from the fiscal year 2022 audit, the Department modified its practice related to how tester data is reviewed and entered into the tester certification tracking system. All offices now funnel tester data to the Headquarters Quality Assurance Program for review and entry. These procedure changes were communicated to appropriate staff and are reflected in the Construction Manual, which was reviewed and approved by FHWA. The Department is also assessing replacement of additional software legacy programs associated with the QA program.</p> <p>The Department will continue to improve the QA program while waiting for the new software programs to be fully developed. To address the audit recommendations, the Department's Construction Division will examine current policies and procedures/practices related to the audit issues. The Department:</p> <ul style="list-style-type: none"> Updated policies and procedures, including the Department's Construction Manual (M46-01), to ensure staff practices meet federal regulations. Updates also included other clarifications to address documentation and evidence of compliance, and a reasonable level of controls regarding materials testing, inspections, certification, acceptance, and tester certifications. 	

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	014 (cont'd)	<ul style="list-style-type: none">• Obtained approval of updates to the Construction Manual from the FHWA.• Communicated changes in policies and procedures to division staff and stakeholders.• Provided training to Project Engineering Office staff to emphasize QA program requirements. Training will continue to be on-going. <p>The conditions noted in this finding were previously reported in findings 2022-011, 2021-011, 2020-017 and 2019-019.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504 (360) 705-7035 danielje@wsdot.wa.gov</p>

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	015	<p>Finding: The Washington State Department of Transportation did not have adequate internal controls over and did not comply with cash management requirements for the Formula Grants for Rural Areas program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 20.509 <u>Amount</u> \$41,555</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The audit identified a payment that was entered into the Electronic Clearing House Operation (ECHO) system with incorrect project information. The Department has since implemented additional controls to help ensure the draws of program funds are timely and accurate and are drawn for the correct program.</p> <p>To address the audit recommendations, the Department:</p> <ul style="list-style-type: none"> Assigned Project Support and Receivable (PS&R) staff to submit Public Transportation ECHO draws. Two additional staff have been identified as backup in this process to ensure draws are processed timely. Rescheduled the entry of draw information into the ECHO system to the morning to allow for timely corrections as needed. Updated the ECHO system to allow automatic confirmation email for payments entered into the system. <p>Additionally,</p> <ul style="list-style-type: none"> The PS&R Manager will automatically receive draw confirmation emails and conduct a review and check as the draws are being submitted. Additional checks and balances will be performed by the person entering information into the ECHO system. The Public Transportation division has a validation process in place for staff to check the amounts with the project. <p>The Department will continue to review procedures regularly and update as required to ensure compliance.</p> <p>The questioned costs identified in the audit have been reimbursed to the incorrectly charged federal program.</p> <p>Completion Date: October 2023</p> <p>Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	016	<p>Finding: The Washington State Department of Transportation did not have adequate internal controls over and did not comply with subrecipient monitoring requirements for the Formula Grants for Rural Areas program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 20.509 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Washington State Department of Transportation concurs with the finding.</p> <p>As of October 2023, the Public Transportation Division (PTD) had conducted all five site visits identified in the condition of this finding.</p> <p>In addition, the PTD has updated the policies and procedures to document the risk-based site visit approach more accurately. This update clarified how an organization's risk assessment score impacts the timing and number of administrative and financial site visits. This update did not impact capital reviews and drug and alcohol site visits because PTD staff conduct them every two years regardless of risk assessment scores.</p> <p>The PTD is also planning on implementing the auditor's recommendations, specifically to evaluate new ways for management, supervisors, and staff to monitor site visit completion and established due dates more effectively. Once a new process is developed, management will ensure policies and/or procedures are updated and communicate the new process to impacted staff.</p> <p>Completion Date: June 2024</p> <p>Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504-7320 (360) 705-7035 danielje@wsdot.wa.gov</p>	

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
June 30, 2024

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	017	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 21.023 COVID-19</p> <p><u>Amount</u> \$4,123,486</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The funding for the Emergency Rental Assistance program ended on June 30, 2023. The Department is no longer funding this program.</p> <p>To address the control deficiencies reported in the prior year's finding, the Department improved internal control processes, resulting in improved compliance.</p> <p>The Department strives to meet all federal requirements and any repayment of questioned costs will be determined through the normal audit resolution process with the U.S. Treasury.</p> <p>The conditions noted in this finding were previously reported in finding 2022-016.</p> <p>Completion Date: July 2023</p> <p>Agency Contact: Gena Allen, CFE 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 Status	
2023	018	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 21.023 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: In November 2023, the Homelessness Assistance Unit implemented the following procedures to strengthen internal controls and ensure compliance with reporting requirements for federal programs:</p> <ul style="list-style-type: none"> • Monthly expenditures are reviewed and approved by the program coordinator and federal team manager before being submitted into the federal reporting system. The expenditure approval is documented via email. • Annual report data is reviewed and approved by the federal team manager and documented via email. • Annual federal reports are submitted to the required federal department and are saved and posted to the Commerce webpage. <p>Funding for this program ended June 30, 2023. The Department will follow these updated procedures for other federal programs with similar reporting requirements.</p> <p>The conditions noted in this finding were previously reported in finding 2022-017.</p> <p>Completion Date: November 2023</p> <p>Agency Contact: Gena Allen, CFE 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 Status	
2023	019	<p>Finding: The Department of Commerce did not have adequate internal controls over reporting requirements for the Emergency Rental Assistance program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.023 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department has implemented procedures to strengthen internal controls and eliminate possible errors to ensure required approval of quarterly financial reports (SF-425) is documented within the Contracts Management System (CMS).</p> <p>The Accounting Department is responsible for the completion of the SF-425. Accounting management staff, or their delegate, utilize a newly created tracking log to document the date approval is submitted within CMS. The documentation of approval confirms the completion of management review prior to submission of the report.</p> <p>Funding for this program ended June 30, 2023. The Department will follow these updated procedures for other federal programs with similar reporting requirements.</p> <p>The conditions noted in this finding were previously reported in finding 2022-017.</p> <p>Completion Date: October 2023</p> <p>Agency Contact: Gena Allen, CFE 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 Status	
2023	020	<p>Finding: The Department of Commerce did not have adequate internal controls over and did not comply with subrecipient monitoring requirements for the Emergency Rental Assistance program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.023 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The U.S. Department of Treasury funding for this federal program ended June 30, 2023. As a result of a similar finding issued in fiscal year 2022, the Department has implemented procedures to strengthen internal controls to ensure compliance with the subrecipient fiscal monitoring requirements and confirm expenditures are allowable and properly supported.</p> <p>In fiscal year 2023, the program hired a new employee to assist with program monitoring duties.</p> <p>As of January 2024, the Department implemented the following procedures:</p> <ul style="list-style-type: none"> Increased the number of client files reviewed during program monitoring from five to ten for each grantee. Expanded monthly monitoring to include the collection and review of specific back-up documentation to accompany all payment requests to ensure payments are allowable and properly supported. <p>Completion Date: January 2024</p> <p>Agency Contact: Gena Allen, CFE 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 Status	
2023	021	<p>Finding: The Department of Commerce did not have adequate internal controls over federal requirements to ensure subawards for the Emergency Rental Assistance program contained the correct federal award identification elements.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.023 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: During 2022, the Department identified the need to determine subrecipient and contractor classifications on the face sheet of all contracts. The Department implemented the following actions:</p> <ul style="list-style-type: none"> Added a check box to all federal contract template face sheets to designate whether a contract is issued to a subrecipient or contractor. Added all federal subaward required data elements to the face sheet. <p>The Department followed these updated procedures until the program ended June 30, 2023.</p> <p>Completion Date: October 2022</p> <p>Agency Contact: Gena Allen, CFE Internal Control Officer PO Box 42525-2525 Olympia, WA 98504 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>	

Housing Finance Commission

Agency 148

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	022	<p>Finding: The Housing Finance Commission did not have adequate internal controls over eligibility requirements for the Homeowner Assistance Fund program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.026 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Commission has taken the following corrective actions to strengthen controls over eligibility requirements for the Homeowner Assistance Fund (HAF) program:</p> <ul style="list-style-type: none"> Selected an increased percentage of approved, denied, and withdrawn HAF applications that have previously been reviewed by the contractor, as part of the Quality Control process, for a secondary review by program staff. Reviewed a selection of HAF applications independent of the Quality Control process performed by the contractor. Reviewed a selection of approved HAF applications prior to disbursing funds to confirm eligibility determinations are proper. <p>Completion Date: In progress</p> <p>Agency Contact: Lucas Loranger Senior Finance Director 1000 Second Ave, Suite 2700 Seattle, WA 98104-3601 (206) 464-7139 Lucas.Loranger@wshfc.org</p>	

Housing Finance Commission

Agency 148

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	023	<p>Finding: The Housing Finance Commission did not have adequate internal controls over earmarking requirements for the Homeowner Assistance Fund program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.026 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Commission will take the following corrective actions to strengthen controls over earmarking requirements for the Homeowner Assistance Fund (HAF) program:</p> <ul style="list-style-type: none"> • Develop a system to track and monitor expenditures in relation to overall program expenditures to ensure earmarking requirements are within allowable parameters. • Select an increased percentage of approved, denied, and withdrawn HAF applications that have previously been reviewed by the contractor, as part of the Quality Control process, for a secondary review by program staff. • Review a selection of HAF applications independent of the Quality Control process performed by the contractor. • Review a selection of approved HAF applications prior to disbursing funds to confirm eligibility determinations are proper. <p>Completion Date: Estimated August 2024</p> <p>Agency Contact: Lucas Loranger Senior Finance Director 1000 Second Ave, Suite 2700 Seattle, WA 98104-3601 (206) 464-7139 Lucas.Loranger@wshfc.org</p>	

Housing Finance Commission

Agency 148

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	024	<p>Finding: The Housing Finance Commission did not have adequate internal controls over and did not comply with reporting requirements for the Homeowner Assistance Fund program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.026 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: To address the deficiencies identified by the auditors in completing quarterly performance reports, the Commission has taken the following corrective actions to strengthen controls over reporting for the Homeowner Assistance Fund (HAF) program:</p> <ul style="list-style-type: none"> • The Homeownership Division and Finance Division staff will perform regular reconciliation of records to identify any discrepancies and to ensure all records are complete and accurate. • The records maintained by the Finance Division, specifically the general ledgers, are the designated source of financial data for the quarterly and annual reports for the Washington HAF program. • Third parties are required to develop or update the program manual regarding data used for reporting purposes by June 30, 2024. The manual needs to incorporate recommendations of the audit finding. • Any supporting data obtained from a third party needs to be vetted by the third party and the Homeownership Division staff. • Leadership (division manager or above) will perform final review of data as well as the quarterly or annual report to be submitted to the grantor. <p>As of June 30, 2024, the Commission consulted with the U.S. Department of the Treasury to determine if revision and resubmission of the reports are necessary to correct amounts reported. The Commission will follow the audit resolution process as determined by the grantor.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Lucas Loranger Senior Finance Director 1000 Second Ave, Suite 2700 Seattle, WA 98104-3601 (206) 464-7139 Lucas.Loranger@wshfc.org</p>	

Housing Finance Commission

Agency 148

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	025	<p>Finding: The Housing Finance Commission did not have adequate internal controls over and did not comply with reporting requirements for the Homeowner Assistance Fund program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.026 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: To address the deficiencies identified by the auditors in completing annual performance reports, the Commission has taken the following corrective actions to strengthen controls over reporting for the Homeowner Assistance Fund (HAF) program:</p> <ul style="list-style-type: none"> • Homeownership Division and Finance Division staff will perform regular reconciliation of records to identify any discrepancies and to ensure all records are complete and accurate. • The records maintained by the Finance Division, specifically the general ledgers, are the designated source of financial data for the quarterly and annual reports for the Washington HAF program. • Third parties are required to develop or update a program manual regarding data used for reporting purposes by June 30, 2024. The manual needs to incorporate recommendations of the audit finding. • Any supporting data obtained from a third party needs to be vetted by the third party and the Homeownership Division staff. • Leadership (division manager or above) will perform final review of data as well as the quarterly or annual report to be submitted to the grantor. <p>As of June 30, 2024, the Commission consulted with the U.S. Department of the Treasury to determine if revision and resubmission of the reports are necessary to correct amounts reported. The Commission will follow the audit resolution process as determined by the grantor.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Lucas Loranger Senior Finance Director 1000 Second Ave, Suite 2700 Seattle, WA 98104-3601 (206) 464-7139 Lucas.Loranger@wshfc.org</p>	

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
June 30, 2024

Office of Financial Management

Agency 105

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	026	<p>Finding: 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 for only allowable activities.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$300,000,000</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Office does not concur with the audit finding.</p> <p>The state of Washington implemented internal controls and created Fund 706 to track the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) expenditures. The state, through legislation, approved the transfer of \$300 million from the SLFRF account to various state transportation accounts under the revenue loss provision. The Office reaffirms that all expenditures from the transportation accounts that received the SLFRF 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-SLFRF and SLFRF funds.</p> <p>The Office will continue to:</p> <ul style="list-style-type: none"> • Work with the U.S. Treasury, through the audit resolution and management decision process, to ensure no questioned costs are required to be repaid. • Document all correspondence with the grantor during the audit resolution process. <p>The conditions noted in this finding were previously reported in finding 2022-018.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: Sara Rupe Deputy Statewide Accounting Director PO Box 43127 Olympia, WA 98504-3127 (360) 974-9252 sara.rupe@ofm.wa.gov</p>	

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	027	<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: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$95,560</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department's Eviction Rental Assistance program which was funded with the Coronavirus State and Local Fiscal Recovery Funds ended in June 2023. During the audit period, the Department implemented procedures to strengthen internal controls to ensure expenditures were allowable, properly supported, and in compliance with the subrecipient fiscal monitoring requirements.</p> <p>The Department's Homelessness Assistance Unit implemented the following corrective actions:</p> <ul style="list-style-type: none"> • Updated unit reimbursement procedures to include a requirement for supporting documentation that details transaction level expenditure information for direct expenses that reconciles to payment requests. • Provided training to staff on reviewing transaction level supporting documentation to ensure expenditures reconcile with reimbursement requests and are within the period of performance. • Added a review note to each reimbursement request to document the grant coordinator's review of documentation and reconciliation to payment requests. • Worked with the Department's internal control officer for review and feedback of the updated procedures. <p>The Department is currently working to standardize a reimbursement documentation process that is in compliance with federal requirements.</p> <p>The Department will discuss any repayment of questioned costs through the normal audit resolution process with the Department of Treasury.</p> <p>The conditions noted in this finding were previously reported in finding 2022-019.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Gena Allen, CFE 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 Status	
2023	028	<p>Finding: The Department of Commerce did not have adequate internal controls over and did not comply with requirements to monitor subrecipients and 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: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$75,251,225</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Legislature appropriated Coronavirus State and Local Fiscal Recovery Funds (SLFRF) to the Department's Energy Division to award assistance to utility service providers to eliminate customer account arrearages. Payments for the program ended in 2022 and the program is no longer funded by the Department.</p> <p>The Department will implement procedures to strengthen internal controls for future programs managed by the Energy Division to ensure payments to subrecipients are adequately supported, allowable, and only reimburse costs incurred during the grant period of performance.</p> <p>As part of the audit resolution process, the Department will:</p> <ul style="list-style-type: none"> • Work with utilities to obtain official client arrearage reports to verify the amounts paid and the period in which they were incurred. • Verify all households served were eligible per U.S. Treasury guidance. • Reconcile all allowable and unallowable expenditures. • Consult with the grantor to discuss the resolution of any questioned costs identified. <p>Completion Date: Estimated July 2024</p> <p>Agency Contact: Gena Allen, CFE Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>	

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	029	<p>Finding: The Department of Social and Health Services 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: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$312,659,850</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with the finding.</p> <p>The Department's Office of Refugee and Immigrant Assistance (ORIA) administered this funding through the Washington COVID-19 Immigrant Relief Fund program and contracted with a subrecipient organization to conduct eligibility determinations to approve and disburse funds to undocumented immigrants. This program is now closed, with all subrecipient contracts ended and the final payments sent in early 2023.</p> <p>The Department is taking action to strengthen internal controls over subrecipient monitoring for ORIA's contracts.</p> <p>By July 2024, the Department will:</p> <ul style="list-style-type: none"> • Complete a review of all active contracts utilizing federal funding to ensure subrecipients are accurately identified. • Explore the feasibility of increasing ORIA and Economic Services Administration accounting staff resources to support the workload increase associated with monitoring subrecipients. <p>By October 2024, the Department will convene a work group with contracts and accounting staff to create effective internal controls and written procedures for fiscal and program monitoring of ORIA's subrecipient contracts. This will include the following:</p> <ul style="list-style-type: none"> • Verify the subrecipient status for each contract is correctly determined and recorded in the Agency Contracts Database. • Include the required subrecipient language in the contract. • Obtain a copy of the indirect rate certification or cost allocation plan from the subrecipient. • Complete risk assessments. • Create appropriate monitoring plans for each subrecipient. • Conduct fiscal monitoring of each subrecipient to obtain assurance that the use of federal funds complies with federal laws and regulations. • Create corrective action plans when required.

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	029 (cont'd)	<p>By January 2025, the Department will ensure all ORIA program staff responsible for monitoring receive training on the updated procedures.</p> <p>In addition, the Office of the Secretary will request the Department's Internal Audit and Consultation office conduct an internal audit of ORIA to ensure the program implements strong internal controls, properly accounts for federal funds, and materially complies with federal requirements.</p> <p>The Department does not concur with the questioned costs. The funds were used to assist Washington workers/families who were affected by the COVID-19 pandemic but were unable to access federal stimulus programs and other social support due to their immigration status. Repayment of these funds would only hinder the state's ability to provide critical services to our clients.</p> <p>If the grantor contacts the Department regarding the questioned costs, the Department will discuss this with the Department of Health & Human Services and will take additional action as appropriate.</p> <p>Completion Date: Estimated January 2025</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>

Office of Financial Management

Agency 105

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	030	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Office has continued to strengthen internal controls for the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) reporting to ensure compliance with the federal requirements.</p> <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. • Communicate with agencies to remind them of the requirement to maintain adequate supporting documentation for all reports, including quarterly reported obligations. • 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 and supporting accounting records are adequately reviewed by management 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>The conditions noted in this finding were previously reported in finding 2022-020.</p> <p>Completion Date: January 2024</p> <p>Agency Contact: Sara Rupe Deputy Statewide Accounting Director PO Box 43127 Olympia, WA 98504-3127 (360) 974-9252 sara.rupe@ofm.wa.gov</p>

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	031	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Department does not concur with the audit finding.</p> <p>The Legislature appropriated Coronavirus State and Local Fiscal Recovery Funds (SLFRF) to the Department's Energy Division to award assistance to utility service providers to eliminate customer account arrearages.</p> <p>The Department maintains that internal controls were in place for the program requirements. A risk assessment was not necessary because all utility providers who applied and served eligible citizens were awarded funding. Payments for the program ended in 2022 and the program is no longer funded by the Department. As a result, the Department does not plan to implement any corrective action.</p> <p>Similar conditions noted in this finding were previously reported in finding 2022-021 for the Emergency Rental Assistance program which was also funded by SLFRF.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: Gena Allen, CFE Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>	

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
June 30, 2024

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	032	<p>Finding: The Department of Commerce 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 Coronavirus State and Local Fiscal Recovery Fund.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 21.027 COVID-19 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: During 2022, the Department identified the need to determine subrecipient and contractor classifications on the face sheet of all contracts. The Department implemented the following actions:</p> <ul style="list-style-type: none"> Added a check box to all federal contract template face sheets to designate whether a contract is issued to a subrecipient or contractor. Added all federal subaward required data elements to the face sheet. <p>Completion Date: October 2022</p> <p>Agency Contact: Gena Allen, CFE Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov</p>	

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	033	<p>Finding: The Office of Superintendent of Public Instruction did not have adequate internal controls to ensure it filed all reports required by the Federal Funding Accountability and Transparency Act for the Title I, Part A program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 84.010 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: In response to the audit finding, the Office:</p> <ul style="list-style-type: none"> Established effective internal controls to ensure all required Federal Funding Accountability and Transparency Act reports are submitted. This includes ensuring Title IA is included in the cross-check of all federal programs after manual entries have been completed in the Subaward Reporting System. Ensures management monitors reporting of this information monthly to ensure future reports are submitted completely and accurately. <p>Completion Date: October 2023</p> <p>Agency Contact: Michelle Sartain Grants Management Supervisor PO Box 47200 Olympia, WA 98504-7200 (360) 742-2045 Michelle.sartain@k12.wa.us</p>	

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status											
2023	034	Finding:	The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to ensure it met the earmarking requirements for the Special Education program.										
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><tr><td>84.027</td><td>\$378,206</td></tr><tr><td>84.027 COVID-19</td><td></td></tr><tr><td>84.173</td><td></td></tr><tr><td>84.173 COVID-19</td><td></td></tr></table>	<u>Assistance Listing #</u>	<u>Amount</u>	84.027	\$378,206	84.027 COVID-19		84.173		84.173 COVID-19	
		<u>Assistance Listing #</u>	<u>Amount</u>										
		84.027	\$378,206										
		84.027 COVID-19											
84.173													
84.173 COVID-19													
Status:	Corrective action complete												
Corrective Action:	<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 fiscal year (FY) 2021. The director and budget analyst have been maintaining weekly check-ins since May 2022 to discuss the implementation of proper internal controls.</p> <p>Beginning in FY 2023, the Office has fully implemented processes 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 the Office will meet earmarking requirements and 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>The conditions noted in this finding were previously reported in finding 2022-025.</p>												
Completion Date:	March 2024												

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
June 30, 2024

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	034 (cont'd)	Agency Contact: Tania May Assistant Superintendent, Special Education PO Box 47200 Olympia, WA 98504-7200 (360) 725-6075 <u>Tania.may@k12.wa.us</u>

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	035	<p>Finding: The Office of Superintendent of Public Instruction improperly charged \$42,265 to the Special Education Cluster.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 84.027 \$42,265 84.027 COVID-19 84.173 84.173 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: As stated in the finding, the Office has adequate internal controls to comply with period of performance requirements. To address the allowable periods for journal vouchers (corrections), the Office will ensure the correction cycle will align with federally established liquidation periods.</p> <p>In response to the finding, the Office has updated procedures to strengthen internal controls, as follows:</p> <ul style="list-style-type: none"> • Monitor monthly expenditures to ensure the Office stays within the allowable pre-determined threshold and grant award limit. • Complete expenditure corrections within the grant liquidation period. • Liquidate obligations charged to the grant on the last business day of January (or 120 days after the budget period ends). • Request prior approval of late liquidations from the federal grantor as needed. <p>The Office will communicate the corrective action plan with internal stakeholders to ensure compliance with updated process/procedures.</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>Completion Date: January 2024</p> <p>Agency Contact: Amy Kollar Director of Agency Financial Services PO Box 47200 Olympia, WA 98504-7200 (360) 725-6283 Amy.kollar@k12.wa.us</p>

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	036	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 84.027 84.027 COVID-19 84.173 84.173 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 corrective actions have been implemented:</p> <ul style="list-style-type: none"> • ESDs were required to upload documentation by February 1, 2024. • The Office completed a review of submitted documents and issued reports to ESDs as of February 29, 2024. The reports identified required or recommended corrective actions. • The Office issued final reports to ESDs within 60 calendar days after documentation was reviewed, as of April 30, 2024. <p>The conditions noted in this finding were previously reported in findings 2022-026 and 2021-023.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Tania May Assistant Superintendent, Special Education PO Box 47200 Olympia, WA 98504-7200 (360) 725-6075 Tania.may@k12.wa.us</p>	

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
June 30, 2024

Office of Financial Management

Agency 105

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	037	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 84.425D 84.425R 84.425U 84.425V 84.425W</p> <p>Status: Corrective action not required</p> <p>Corrective Action: The Office does not concur with the audit finding.</p> <p>The Office maintains monthly monitoring details on agency expenditures. The expenditure data has not changed since the close of the fiscal year. The finding was based on preliminary information and data that the auditors obtained in November 2023.</p> <p>In December 2023, the Office submitted updated expenditure data to the Office of Elementary and Secondary Education (OESE) in accordance with OESE guidance to correctly include every budgeted funding source in the maintenance of effort (MOE) calculations. The Office met the MOE requirement for fiscal year 2023; therefore, there is no need for a waiver request.</p> <p>The Office will also continue to work with the Legislature, which is the state-level authority for state appropriations, to ensure the state maintains the MOE requirements.</p> <p>The auditors determined this finding was resolved in the fiscal year 2024 audit.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: Sara Rupe Deputy Statewide Accounting Director PO Box 43127 Olympia, WA 98504-3127 (360) 974-9252 sara.rupe@ofm.wa.gov</p>	<p><u>Amount</u> \$0</p>

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status													
2023	038	Finding:	The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with federal reporting requirements for the Education Stabilization Fund program.												
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><tr><td>84.425D</td><td>\$0</td></tr><tr><td>84.425R</td><td></td></tr><tr><td>84.425U</td><td></td></tr><tr><td>84.425V</td><td></td></tr><tr><td>84.425W</td><td></td></tr></table>	<u>Assistance Listing #</u>	<u>Amount</u>	84.425D	\$0	84.425R		84.425U		84.425V		84.425W	
		<u>Assistance Listing #</u>	<u>Amount</u>												
		84.425D	\$0												
		84.425R													
		84.425U													
		84.425V													
		84.425W													
		Status:	Corrective action complete												
		Corrective Action:	<p>Certain data elements missing on the annual Elementary and Secondary School Emergency Relief (ESSER) performance report was not due to lack of internal controls, but rather a result of:</p> <ul style="list-style-type: none">• Late publication of the federal reporting template which did not allow timely collection of cost details from school districts.• Non-alignment of reporting time frame with school district fiscal year and the decision against assumptions of state level expenditure for reporting. <p>To address the audit recommendations, the Office organized a series of webinars and trainings for school districts, so they are prepared to annually submit required key information directly to the Office for ESSER reporting. Through these training events, the Office’s fiscal team answered questions and assisted districts to ensure timely and accurate reporting and comply with federal requirements.</p> <p>The Office has been having ongoing conversations with the U.S. Department of Education regarding federal reporting on the ESSER funds. At this time, there is no indication that the grantor will request the information to be resubmitted.</p>												
Completion Date:	June 2024														
Agency Contact:	TJ Kelly Chief Financial Officer PO Box 47200 Olympia, WA 98504-7200 (360) 725-6301 Thomas.Kelly@k12.wa.us														

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status													
2023	039	Finding:	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.												
		Questioned Costs:	<table><thead><tr><th><u>Assistance Listing #</u></th><th><u>Amount</u></th></tr></thead><tbody><tr><td>93.044</td><td>\$0</td></tr><tr><td>93.044 COVID-19</td><td></td></tr><tr><td>93.045</td><td></td></tr><tr><td>93.045 COVID-19</td><td></td></tr><tr><td>93.053</td><td></td></tr></tbody></table>	<u>Assistance Listing #</u>	<u>Amount</u>	93.044	\$0	93.044 COVID-19		93.045		93.045 COVID-19		93.053	
		<u>Assistance Listing #</u>	<u>Amount</u>												
		93.044	\$0												
		93.044 COVID-19													
		93.045													
		93.045 COVID-19													
		93.053													
		Status:	Corrective action in progress												
		Corrective Action:	<p>The Department concurs with the finding.</p> <p>As of January 2024, the Department:</p> <ul style="list-style-type: none">Created a subawards and amendments tracking spreadsheet with the required fields and contract information for reports required by the Federal Funding Accountability and Transparency Act (FFATA).Assigned two fiscal staff to ensure FFATA reporting activities are submitted in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS). <p>As of February 2024, the Department:</p> <ul style="list-style-type: none">Ensured federal fiscal year 2024 funded contracts that were executed in December 2023 for the Office of Aging were entered in FSRS.Added procedures for the Office Chief or designee to review the subawards and amendments tracking spreadsheet monthly for FFATA reporting to ensure federal deadlines are met consistently. <p>By July 2024, the Department will collaborate with the Administration of Community Living to develop a plan to address the FFATA reporting backlog in state fiscal years 2022 and 2023, and to ensure all FFATA reports are entered in FSRS for all previous years.</p>												
Completion Date:	Estimated July 2024														
Agency Contact:	<p>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
2023	040	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.044 \$0 93.044 COVID-19 93.045 93.045 COVID-19 93.053</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the finding. The Department receives Notices of Award (NOA) from the Administration of Community Living roughly three to four times per award in partial amounts. To reduce the time and effort it takes to issue subaward amendments to the 13 Area Agencies on Aging (AAA), the Department decided to post NOAs on the Department's intranet used to communicate management bulletins and other documents to the AAAs to make the process more efficient. Unfortunately, the Department did not update subaward language to outline this change in the process. By August 2024, the Department will: <ul style="list-style-type: none"> • Include NOAs, with the required 14 federal identification elements, for each funding source in the initial subaward as an Exhibit D in the contracts. In addition, contract staff will ensure Exhibit D is attached to the initial subaward before the contracts are signed. • Add language to the subaward informing the AAAs that future NOAs will be posted on the Department's intranet. </p> <p>Completion Date: Estimated August 2024</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													
2023	041	<p>Finding:</p>	<p>The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to ensure subrecipients of the Aging Cluster programs obtained required single audits.</p>												
		<p>Questioned Costs:</p>	<table><thead><tr><th><u>Assistance Listing #</u></th><th><u>Amount</u></th></tr></thead><tbody><tr><td>93.044</td><td>\$0</td></tr><tr><td>93.044 COVID-19</td><td></td></tr><tr><td>93.045</td><td></td></tr><tr><td>93.045 COVID-19</td><td></td></tr><tr><td>93.053</td><td></td></tr></tbody></table>	<u>Assistance Listing #</u>	<u>Amount</u>	93.044	\$0	93.044 COVID-19		93.045		93.045 COVID-19		93.053	
<u>Assistance Listing #</u>	<u>Amount</u>														
93.044	\$0														
93.044 COVID-19															
93.045															
93.045 COVID-19															
93.053															
		<p>Status:</p>	<p>Corrective action in progress</p>												
		<p>Corrective Action:</p>	<p>The Department concurs with the finding.</p> <p>As of March 2024, the Department:</p> <ul style="list-style-type: none">• Issued communication and management letters to the two Area Agencies on Aging (AAAs) whose single audits were not submitted to the Federal Audit Clearinghouse (FAC).• Updated the single audit monitoring tracking sheet to document the dates of audit requests, receipts, dates of review, confirmation of FAC receipt, dates of communication with AAAs, dates when management letters are sent, and the AAAs’ responses. <p>By July 2024, the Department will:</p> <ul style="list-style-type: none">• Implement a reminder process for all AAAs to submit single audit reports six months after the subrecipients’ fiscal year-end.• Send email reminders until audit reports are received or once AAAs communicate an estimated audit completion date.• Document all communication. <p>By September 2024, the Department will:</p> <ul style="list-style-type: none">• Review the monitoring tracking sheet nine months after the subrecipients’ fiscal year-end to ensure all single audits are received timely.• Follow up monthly on outstanding audit reports and ensure timely issuance of management decision letters.												
		<p>Completion Date:</p>	<p>Estimated September 2024</p>												
		<p>Agency Contact:</p>	<p>Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>												

University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	042	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 93.067 93.067 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The University acknowledges that two reports were submitted late, and therefore not in compliance with Federal Funding Accountability and Transparency Act (FFATA) requirements.</p> <p>As of November 2023, the University submitted the two reports in the FFATA Subaward Reporting System and performed a review of all active subawards to ensure no other reports were required.</p> <p>The University is still working on developing automatic internal reports to assist in the identification and review of FFATA-reportable actions. Implementation of this process is expected to occur in the fiscal year 2025.</p> <p>Meanwhile, the University is working toward implementing additional steps to:</p> <ul style="list-style-type: none"> • Strengthen identification of subawards meeting the threshold for FFATA reporting through manual assessment or ad-hoc reports. • Improve tracking of submitted FFATA reports. • Strengthen management's monitoring process through a secondary review by the leadership team. <p>The automatic reports, once developed, will replace the manual process described above.</p> <p>The conditions noted in this finding were previously reported in finding 2022-029.</p> <p>Completion Date: Estimated December 2024</p> <p>Agency Contact: Erick Winger Controller 4300 Roosevelt Way NE Seattle, WA 98105-4718 (206) 543-5322 erickw@uw.edu</p>	

University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	043	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 93.067 93.067 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The University uses an initial certification process to determine whether a subrecipient is subject to the single audit and requests a copy of or link to the online audit report. If the subrecipient is not subject to the single audit, a series of questions are asked and a risk assessment is carried out based on the information gathered.</p> <p>The University does not have an automatic annual process to determine if a subrecipient has received the required single or program-specific audits. Rather, the University relies on the terms of the subaward, which requires the subrecipient to certify that they:</p> <ul style="list-style-type: none"> • Continue to comply with the Uniform Guidance requirements. • Notify the University of adverse findings. • If not subject to the single audit, provide copies of the most recent program audit or other financial statement audit to allow the University to assess internal controls. <p>To address the audit finding, the University updated the initial certification form to allow for a more definitive determination of whether a subrecipient is subject to the single audit. The University will also strengthen internal controls by:</p> <ul style="list-style-type: none"> • Verifying with publicly available information to confirm if the audit requirement is applicable. • Implementing an annual assessment for each active federal subaward utilizing questionnaire and publicly available information to be aware of any findings or questioned costs. • Updating tracking mechanism to document each initial and ongoing assessment. <p>The University will continue to issue written management decisions for all applicable audit findings and ensure subrecipients develop and perform acceptable corrective actions to address all audit recommendations.</p> <p>The conditions noted in this finding were previously reported in finding 2022-030.</p>	

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
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University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	043 (cont'd)	Completion Date: Estimated December 2024 Agency Contact: Erick Winger Controller 4300 Roosevelt Way NE Seattle, WA 98105-4718 (206) 543-5322 erickw@uw.edu

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	044	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.268 \$416,027 93.268 COVID-19</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Department does not concur with the finding.</p> <p>The Department disagrees with the State Auditor's Office (SAO) assessment of a material weakness in internal controls over the consolidated contract provider payment process for the Immunizations Cooperative Agreements program. The level of documentation received from the subrecipient accounting system provided assurance that the exceptions questioned by SAO met federal cost principles for allowability and period of performance.</p> <p>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"> • 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, staff ensure amounts submitted by project are reasonable and align with expectations for the budget period submitted. • Program staff refer to the federal Immunization Program Operations Manual to determine procedures related to allowable costs, purchases, and procurement. • The Fiscal Monitoring Unit provides technical assistance and training to program staff and subrecipients while onsite and at the request of the entities receiving funding. • Program staff provides policy guidance, technical assistance, and training to subrecipients related to program compliance requirements. <p>The program has continued to strengthen processes to ensure supporting documentation aligns with the agency's documentation matrix for subrecipients in accordance with assigned risk level.</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>The conditions noted in this finding were previously reported in finding 2022-031.</p>

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
June 30, 2024

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	044 (cont'd)	Completion Date: Not applicable Agency Contact: Jeff Arbuckle External Audit Manager PO Box 47890 Olympia, WA 98504-7890 (360) 701-0798 Jeff.Arbuckle@doh.wa.gov

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	045	<p>Finding: The Department of Health 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 Immunization Cooperative Agreements program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.268 93.268 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department agrees with the finding.</p> <p>In response to the prior year's finding, the Department implemented procedures to ensure Federal Funding Accountability and Transparency Act (FFATA) reports are submitted timely, and management performs and documents review of the reports before submission in the FFATA Subaward Reporting System (FSRS). These include using the signature date of the subaward documents as the obligation date to ensure timely submission of the FFATA reports.</p> <p>Due to the timing of the audit, the above procedures were not in place during all of state fiscal year 2023, which resulted in some of the exceptions noted by the auditors.</p> <p>As stated in the finding's <i>Cause of Condition</i>, the subaward amendments were submitted late because the transition of the Data Universal Numbering System number to Unique Entity Identifier had caused significant delays for sub-awardees to provide the updated identifier information for reporting in FSRS.</p> <p>The conditions noted in this finding were previously reported in finding 2022-032.</p> <p>Completion Date: In progress</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 Status
2023	046	<p>Finding: 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 Epidemiology and Laboratory Capacity for Infectious Diseases program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.323 \$1,735 93.323 COVID-19</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Department does not concur with the finding.</p> <p>The Department disagrees with the State Auditor's Office (SAO) assessment of a material weakness in internal controls over the consolidated contract provider payment process for the Epidemiology and Laboratory Capacity for Infectious Diseases (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 with 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 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>The conditions noted in this finding were previously reported in finding 2022-033.</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>

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	047	<p>Finding: The Department of Health did not have adequate internal controls over and did not comply with suspension and debarment requirements for the Epidemiology and Laboratory Capacity for Infectious Diseases program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.323 93.323 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: During the COVID-19 pandemic, the Department operated under a competitive procurement waiver in order to expedite funding to critical partners throughout the state. Efforts to accelerate contracts combined with the misperception that Educational Service Districts (ESD) are an extension of the Office of Superintendent of Public Instruction prompted the decision to use an Interagency Agreement, and no suspension and debarment check was performed at the time the contract was signed.</p> <p>This was an isolated occurrence, and the Department has corrected the error moving forward to include the suspension and debarment clause with all ESD contracts.</p> <p>Completion Date: In progress</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 Status	
2023	048	<p>Finding: 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> <p>Questioned Assistance Listing # Amount</p> <p>Costs: 93.323 \$0</p> <p>93.323 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: In response to the fiscal year 2022 audit recommendations, the Department implemented procedures to ensure management review and approval of the fiscal report, Case Investigation and Contact Tracing (CICT) report, and the Reopening Schools testing report are documented and retained before submission to the federal grantor.</p> <p>At the beginning of fiscal year 2023, the auditors were still conducting field work for the prior year's audit. Procedures were not in place at that time when reports were submitted to the Case Risk and Exposure Surveillance Tool and RedCap systems. As a result, corrective actions were not fully implemented during the current audit year.</p> <p>The CICT reporting was discontinued as of August 2023, and the Reopening Schools project ended after July 31, 2023.</p> <p>The conditions noted in this finding were previously reported in finding 2022-034.</p> <p>Completion Date: In progress</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 Status	
2023	049	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.323 93.323 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department will review internal controls to ensure:</p> <ul style="list-style-type: none"> • Timely review of federal subrecipient single audits. • Management decision letters are issued to subrecipients. • Subrecipients take timely and appropriate action on all deficiencies pertaining to the federal award. <p>Management will monitor the control activities to ensure future compliance with the requirements.</p> <p>Completion Date: Estimated December 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 Status	
2023	050	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.323 93.323 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Department has implemented corrective actions to address the prior year's finding and does not concur with this finding.</p> <p>The State Auditor's Office (SAO) did not report on the subrecipient review process in its entirety. The Department's Fiscal Monitoring Unit (FMU) is not an audit department and functions differently than what SAO recommended in the finding. Federal guidance does not require a certain percentage of samples to be selected to ensure adequate review.</p> <p>The Department's subrecipient monitoring process is comprehensive and involves the steps outlined below:</p> <ul style="list-style-type: none"> • Complete initial risk assessment of subrecipients post contract execution to determine the level of support required from each entity as backup documentation for payment requests. • Program contract managers review supporting documentation prior to payment. • FMU conducts subrecipient monitoring visits to ensure each entity has adequate internal controls to comply with federal requirements. This includes: <ul style="list-style-type: none"> ○ Reviewing at least three months of invoices submitted by subrecipients and judgmentally selecting transactions based on subject matter expertise about DOH, specific programs, and federal guidance. The review includes ensuring adequate supporting documentation is maintained for invoiced amounts, such as timesheets and receipts. ○ Reviewing entity policies, procedures, and history of compliance. ○ Assessing manual and automated internal controls, and applicable cost allocation methodology. ○ Reviewing applicable contracts. <p>Each entity has a consistent internal control structure across all funding types. As such, FMU performs subrecipient monitoring site reviews of the entity, not for a specific grant. The reviewers are required to document all grants received by the entity and select a few transactions from each, if applicable. FMU typically selects to review a quarter of the invoiced amounts. If a grant award is not represented in the invoices selected, FMU will select additional invoices to ensure all awards are included.</p>	

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	050 (cont'd)	<p>Similar conditions noted in this finding were previously reported in finding 2022-033.</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>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	051	<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> \$107,338,725</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 grant. This consisted of making significant grant level adjustments between allowable grant sources to properly spend grant dollars within the allowable period of performance and ensure level of effort and matching requirements were met. The Department's grant adjustments were processed based on eligible clients and allowable activities.</p> <p>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 recommended by the State Auditor's Office. In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget. Funding was provided to develop and maintain the business process that would allow adjustments to include child-level data beginning July 2024.</p> <p>The conditions noted in this finding were previously reported in findings 2022-035 and 2021-028.</p> <p>Completion Date: Estimated December 2025</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 Status	
2023	052	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.566 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the auditor's findings.</p> <p>The Department will immediately report all first tier subawards, including amendments, totaling \$30,000 or more to the Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System (FSRS).</p> <p>As of May 2024, to ensure ongoing compliance with the FFATA reporting requirements, the Department:</p> <ul style="list-style-type: none"> Established effective internal controls and written procedures to ensure: <ul style="list-style-type: none"> All first-tier subawards of \$30,000 or more are reported. Grant amendments for initial awards that are below \$30,000 are tracked as soon as the modifications trigger reporting requirements. Reports for submission contain the required data elements. Implemented and communicated the procedures for reporting first tier subawards to the Division of Finance and Financial Resources (DFFR) for inputting into FSRS. Developed written procedures for inputting subawards appropriately in FSRS and will communicate those procedures to DFFR staff. <p>As of June 2024, the Department:</p> <ul style="list-style-type: none"> Compiled the required data elements for the 29 first tier subawards and the 18 subaward amendments, in addition to any new subawards in fiscal year 2024 that met the reporting threshold, and reported to DFFR for input into FSRS. Worked with DFFR to develop and subsequently implement a process to verify all subawards and subaward amendments have been reported in FSRS. <p>Completion Date: In progress</p>	

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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	052 (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 Status
2023	053	<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 subrecipients of the Refugee and Entrant Assistance programs received required single audits, and that it followed up on findings and issued management decisions.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.566 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>By September 2024, the Department's Office of Refugee and Immigrant Assistance (ORIA) will follow up with the remaining 35 subrecipients and require the completion of the Subrecipient Federal Financial Assistance form for fiscal year 2023, as needed.</p> <p>By November 2024, ORIA will:</p> <ul style="list-style-type: none"> Follow up with the remaining 35 subrecipients to verify that they completed a single audit if they received \$750,000 or more in federal assistance. Inform any subrecipients that have not been audited about the single audit requirement. Work with Economic Services Administration (ESA) accounting staff to review all completed audit reports and, for any findings found, issue a management decision on the effectiveness of the subrecipients' proposed corrective actions to address the findings. Work with ESA accounting unit to establish and implement effective internal controls and written procedures to: <ul style="list-style-type: none"> Identify subrecipients who receive \$750,000 or more annually in federal assistance from all sources. Verify if subrecipients complete required audits, if applicable, and take appropriate action if audits are not completed. Review single and program-specific audit reports for findings. Write and issue a management decision, when appropriate, within six months outlining the Department's determination of the adequacy of the subrecipient's proposed corrective actions to address the finding. Monitor the subrecipient's corrective action plan for timely and effective completion. <p>By December 2024, ESA accounting staff will track and monitor subrecipient activities to ensure appropriate and timely corrective action is taken to resolve single and programmatic audit findings.</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	053 (cont'd)	<p>By March 2025, ORIA and ESA accounting unit will train all program staff responsible for monitoring the new procedures to ensure a full understanding of the shared responsibilities for compliance with department policies.</p> <p>Completion Date: Estimated March 2025</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	
2023	054	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.566 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>In response to a prior audit finding, the Department's Office of Refugee and Immigrant Assistance (ORIA) developed a subrecipient versus contractor determination tool. However, this tool was not formalized until April 2023, and implementation and training occurred in April through June 2023.</p> <p>The Department is taking action to strengthen internal controls over subrecipient monitoring for ORIA's contracts.</p> <p>By July 2024, the Department will:</p> <ul style="list-style-type: none"> • Complete a review of all active contracts utilizing federal funding to ensure subrecipients are accurately identified. • Explore the feasibility of increasing ORIA and Economic Services Administration accounting staff resources to support the workload increase associated with monitoring subrecipients. <p>By October 2024, the Department will convene a work group with contracts and accounting staff to create effective internal controls and written procedures for fiscal and program monitoring of ORIA's subrecipient contracts. This will include the following:</p> <ul style="list-style-type: none"> • Verify the subrecipient status for each contract is correctly determined and recorded in the Agency Contracts Database. • Include the required subrecipient language in the contract. • Obtain a copy of the indirect rate certification or cost allocation plan from the subrecipient. • Complete risk assessments. • Create appropriate monitoring plans for each subrecipient. • Conduct fiscal monitoring of each subrecipient to obtain assurance that the use of federal funds complies with federal laws and regulations. • Create corrective action plans when required. <p>By January 2025, the Department will ensure all ORIA program staff responsible for monitoring receive training on the updated procedures.</p>	

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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	054 (cont'd)	Completion Date: Estimated January 2025 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	
2023	055	<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>Assistance Listing #</u> 93.568 93.568 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Low-Income Home Energy Assistance Program (LIHEAP) utilized a reporting process that was audited as part of the fiscal year 2023 audit. The LIHEAP program has the following process:</p> <ul style="list-style-type: none"> • The program manager prepares the necessary reports. • The managing director reviews reports before submittal. • The program manager submits reports once the managing director's approval is received. • The program manager receives notice that the report has been accepted by the grantor. • The program manager saves a copy of the report, documentation and the report submission acceptance from the grantor. <p>To address the deficiencies reported by the auditors, program management implemented additional steps into their reporting process:</p> <ul style="list-style-type: none"> • The LIHEAP program manager retains all data reports from the LIHEAP data system used for reporting. • LIHEAP information technology staff save a snapshot of the entire database from the date of the report. This allows point-in-time reporting information to be retained as audit support documentation and for audit support. • The managing director sends written/email approval to the program manager for reports reviewed. • The program manager retains written approvals as audit support documentation and for audit support. <p>Following the auditors' recommendations, the LIHEAP program submitted updated Grantee Survey and Household Reports, which were accepted by the grantor's awarding portal.</p> <p>The conditions noted in this finding were previously reported in findings 2022-039 and 2021-032.</p> <p>Completion Date: In progress</p>	

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

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Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	055 (cont'd)	Agency Contact: Gena Allen, CFE 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	
2023	056	<p>Finding: 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 contained the federal award identification elements.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.568 93.568 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department has two programs that administer and award Low-Income Home Energy Assistance Program (LIHEAP) funds: the Energy Assistance program and the Weatherization program.</p> <p>The Energy Assistance program created a plan to improve the documentation and communication regarding required federal award identification elements to ensure compliance with 2 CFR 200.332, which outlines requirements for pass-through entities. For all contracts:</p> <ul style="list-style-type: none"> The Federal Award Identification Number (FAIN) will be included on the face sheet, information sheet, and section one in each contract. This will eliminate errors resulting from multiple federal awards being issued from a single contract. The information will be entered by the LIHEAP Commerce Specialist and reviewed by the LIHEAP Program Manager and the Community and Economic Opportunities Managing Director prior to execution of each contract. <p>The Weatherization program will also follow this process to correct similar deficiencies reported by the auditors.</p> <p>In the spring of 2023, the Department instituted an agency-wide process to comply with the Requirements for Pass Through Entities in 2 CFR 200.332. A template is completed and provided to all federal subrecipients at the time the subaward is issued. The agency requirements were also communicated through our Daily Digest Communication, once in 2022 and again in 2023. Additionally, the Internal Control Officer has worked with program staff to familiarize them with the requirements and process.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Gena Allen, CFE 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 Status	
2023	057	<p>Finding: The Department of Commerce did not have adequate internal controls over and did not comply with requirements to perform risk assessments and monitor subrecipients of the Low-Income Home Energy Assistance Program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.568 \$0 93.568 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department has two programs that administer and award Low-Income Home Energy Assistance Program (LIHEAP) funds: the Energy Assistance program and the Weatherization program. There were no issues identified with the Energy Assistance program.</p> <p>The Weatherization program has improved its risk assessment process to include the following:</p> <ul style="list-style-type: none"> • Provided proper training and development to new program staff to ensure risk assessments are completed on time. • Expanded the list of approvers for all steps within the risk assessment process, including supervisors, to demonstrate a thorough review process is in place. <p>The Weatherization program has improved the monitoring process by incorporating the following:</p> <ul style="list-style-type: none"> • Perform monitoring visits of all subrecipients per federal requirements two times per year instead of one. • Complete a full review and assessment of the monitoring process by the Compliance Manager and monitoring team. • Update all monitoring related forms, tools, and protocols to ensure accuracy, consistency, and completeness. The updated protocols will be in place in program year 2024. • Maintain an expanded list of approvers, including supervisors, for all steps within the monitoring process. • Continue to monitor all subrecipients at a level that exceeds federal program requirements of 5% of completed units. • Create a plan for addressing the monitoring frequency of high-risk subrecipients. • Monitor all associated funding sources to ensure compliance with program rules. • Utilize our data system and monitoring activities to evaluate the objectives for monitoring LIHEAP funds in the Weatherization program. <p>Completion Date: January 2024</p>	

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
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Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	057 (cont'd)	Agency Contact: Gena Allen, CFE Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	058	<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> 93.575 356,042,172 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>As part of the audit resolution process, the Department of Health and Human Services (HHS), Administration for Children & Families (ACF), which oversees the CCDF program at the federal level, reviews all State Auditor's Office (SAO) findings and issues management decision letters. The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) which states:</p> <p><i>"The ACF noted that the auditor raised concern about the Department's accounting procedures and efforts made to trace expenditures at the transaction-level. As the basis for the finding, the auditor used CFRs (200.53, 200.303, 200.403, 200.410) that do not apply to CCDF. Federal regulations allow Lead Agencies to expend and account for CCDF funds in accordance with their own procedures."</i></p> <p>In addition, ACF did not sustain the disallowance of questioned costs and stated:</p> <p><i>"Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."</i></p> <p>The ACF recommended:</p> <p><i>"...that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations."</i></p> <p>The Department met with ACF and SAO on November 8, 2023, to discuss the ACF decision at which time ACF upheld the above statements that the activities allowed finding was not substantiated.</p>	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	058 (cont'd)	<p>The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit that can be used to accurately test compliance. The SAO maintained that the program is not auditable without child-level data. The Department does not currently have the staff and 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.</p> <p>In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget. Funding was provided to develop and maintain the business process that would allow adjustments to include child-level data beginning July 2024.</p> <p>The conditions noted in this finding were previously reported in findings 2022-041, 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 2025</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 Status
2023	059	<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> <p>Questioned Assistance Listing # Amount Costs: 93.558 \$0 93.575 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 will continue to maintain internal controls using our program integrity procedures, utilizing a combination of centralized and local case reviews to identify error trends, identify root causes, and develop solutions to the root causes.</p> <p>To address the fiscal year 2023 eligibility audit finding, the Department has:</p> <ul style="list-style-type: none"> As of April 2024, conducted a root cause analysis of internal audit findings, particularly for cases with errors due to household composition and approved activities, and updated the desk aid with corrective actions identified. As of May 2024, improved and published the desk aid outlining simplified eligibility determination process that includes procedures for those families who do not have an approved activity. As of May 2024, developed updated household composition training for all staff as part of core child care trainings. <p>The conditions noted in this finding were previously reported in findings 2022-036, 2021-035, 2020-039, 2019-032, 2018-030, 2017-026, 2016-023, 2015-026, 2014-026, 2013-017 and 12-30.</p> <p>Completion Date: In progress</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 Status	
2023	060	<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> <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>As part of the audit resolution process, the Department of Health and Human Services (HHS), Administration for Children & Families (ACF), which oversees the CCDF program at the federal level, reviews all State Auditor's Office (SAO) findings and issues management decision letters. The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) which states:</p> <p><i>"The ACF noted that the auditor raised concern about the Department's accounting procedures and efforts made to trace expenditures at the transaction-level. As the basis for the finding, the auditor used CFRs (200.53, 200.303, 200.403, 200.410) that do not apply to CCDF. Federal regulations allow Lead Agencies to expend and account for CCDF funds in accordance with their own procedures."</i></p> <p>In addition, ACF did not sustain the disallowance of questioned costs and stated:</p> <p><i>"Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."</i></p> <p>The ACF recommended:</p> <p><i>"...that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations."</i></p> <p>The Department met with ACF and SAO on November 8, 2023, to discuss the ACF decision at which time ACF upheld the above statements that the activities allowed finding was not substantiated.</p>	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	060 (cont'd)	<p>The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit that can be used to accurately test compliance. The SAO maintained that the program is not auditable without child-level data. The Department does not currently have the staff and 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.</p> <p>In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget. Funding was provided to develop and maintain the business process that would allow adjustments to include child-level data beginning July 2024.</p> <p>The conditions noted in this finding were previously reported in findings 2022-042, 2021-036 and 2020-040. Finding 2019-037 was previously reported under a separate corrective action plan. Per auditors' request, finding 2019-037 was added to this series of findings in fiscal year 2024.</p> <p>Completion Date: Estimated December 2025</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 Status
2023	061	<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 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>As part of the audit resolution process, the Department of Health and Human Services (HHS), Administration for Children & Families (ACF), which oversees the CCDF program at the federal level, reviews all State Auditor's Office (SAO) findings and issues management decision letters. The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) which states:</p> <p><i>"The ACF noted that the auditor raised concern about the Department's accounting procedures and efforts made to trace expenditures at the transaction-level. As the basis for the finding, the auditor used CFRs (200.53, 200.303, 200.403, 200.410) that do not apply to CCDF. Federal regulations allow Lead Agencies to expend and account for CCDF funds in accordance with their own procedures."</i></p> <p>In addition, ACF did not sustain the disallowance of questioned costs and stated:</p> <p><i>"Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."</i></p> <p>The ACF recommended:</p> <p><i>"...that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations."</i></p> <p>The Department met with ACF and SAO on November 8, 2023, to discuss the ACF decision at which time ACF upheld the above statements that the activities allowed finding was not substantiated.</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	061 (cont'd)	<p>The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit that can be used to accurately test compliance. The SAO maintained that the program is not auditable without child-level data. The Department does not currently have the staff and 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.</p> <p>In response to the auditor's recommendations, the Department:</p> <ul style="list-style-type: none"> • Implemented written procedures for period of performance requirements effective December 6, 2023. • Submitted a budget request for the 2024 supplemental budget. Funding was provided to develop and maintain the business process that would allow adjustments to include child-level data beginning July 2024. <p>The conditions noted in this finding were previously reported in findings 2022-043, 2021-037 and 2020-041.</p> <p>Completion Date: Estimated December 2025</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 Status
2023	062	<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>As part of the audit resolution process, the Department of Health and Human Services (HHS), Administration for Children & Families (ACF), which oversees the CCDF program at the federal level, reviews all State Auditor's Office (SAO) findings and issues management decision letters. The Department received a management decision letter dated October 3, 2023, from HHS for finding 2021-033 (2020-038) which states:</p> <p><i>"The ACF noted that the auditor raised concern about the Department's accounting procedures and efforts made to trace expenditures at the transaction-level. As the basis for the finding, the auditor used CFRs (200.53, 200.303, 200.403, 200.410) that do not apply to CCDF. Federal regulations allow Lead Agencies to expend and account for CCDF funds in accordance with their own procedures."</i></p> <p>In addition, ACF did not sustain the disallowance of questioned costs and stated:</p> <p><i>"Although the Department's internal controls were lacking, the ACF has not identified any funds that were expended on ineligible activities."</i></p> <p>The ACF recommended:</p> <p><i>"...that the Department work with the auditors to determine an appropriate methodology that can be tested to ensure child care payments comply with Federal regulations."</i></p> <p>The Department met with ACF and SAO on November 8, 2023, to discuss the ACF decision at which time ACF upheld the above statements that the activities allowed finding was not substantiated.</p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	062 (cont'd)	<p>The Department is committed to collaborating with SAO to determine an appropriate methodology that identifies a sampling unit that can be used to accurately test compliance. The SAO maintained that the program is not auditable without child-level data. The Department does not currently have the staff and 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.</p> <p>In response to the auditor's recommendations, the Department submitted a budget request for the 2024 supplemental budget. Funding was provided to develop and maintain the business process that would allow adjustments to include child-level data beginning July 2024.</p> <p>The conditions noted in this finding were previously reported in findings 2022-044 and 2021-038.</p> <p>Completion Date: Estimated December 2025</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 Status	
2023	063	<p>Finding: The Department of Children, Youth, and Families 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 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 complete</p> <p>Corrective Action: The Department concurs with the finding. During the audit period, the Department experienced a high level of staff turnover and vacancy rates resulting in missed and inaccurate Federal Funding Accountability and Transparency Act (FFATA) reporting. As of October 2023, the Department implemented the following corrective actions: <ul style="list-style-type: none"> Reviewed written policies and procedures with cost allocation and grant management staff. Corrected the FFATA reports in question and submitted them in the Subaward Reporting System. The Department is committed to strengthening internal controls and complying with FFATA reporting requirements. Management will continue to monitor the process to ensure future reports are submitted accurately and completely.</p> <p>Completion Date: 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 Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	064	<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>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 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 the fall of 2022, the Department began recruiting new staff to address staff turnover issues and providing training on child care licensing rules and regulations. • In November 2022, added new positions to assist supervisors with onboarding and training new staff and focused training on monitoring visits, caseload management, and health and safety requirements. • 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, implemented return to in-person field work by reducing pandemic level requirements and authorizing staff to visit providers on-site to assist with meeting health and safety requirements. ○ In February 2023, developed and implemented a field practice onboarding process to streamline training for newly hired staff on practices to support the annual monitoring of all licensed child care providers. ○ In the spring of 2023, prioritized monitoring visits to return to compliance with Child Care and Development Fund program health and safety requirements. • Conducted a root cause analysis to determine other underlying causes for missed monitoring visits and untimely follow-ups, and how to address them. • For license-exempt family, friend, and neighbor (FFN) providers, the Department: <ul style="list-style-type: none"> ○ Received approval from the Office of Child Care for a hybrid monitoring approach (in-person and virtual visits). ○ Dedicated staff resources to update the WA Compass system to include all health and safety requirements for FFNs and address data format issues. 	

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	064 (cont'd)	<p>The Department will continue to strengthen internal controls as follows:</p> <p>For licensed providers:</p> <ul style="list-style-type: none"> • Create in-training licensing positions to assist with staff recruitment efforts. • Continue to track and monitor health and safety requirements with available tools until all WA Compass system development is completed. • 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 2022-045, 2021-039, 2020-042, 2019-039, 2018-035, 2017-025, 2016-022 and 2015-024.</p> <p>Completion Date: Estimated July 2025</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 Status	
2023	065	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> 93.658 93.658 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the finding and is committed to improving internal controls.</p> <p>The Department did not have adequate staffing levels to maintain the business processes for one monthly workbook for the Public Assistance Cost Allocation Plan. The Department was not able to complete the September 2022 workbook for cost base 100 (administrative charges) due to competing state and federal fiscal year close deadlines. Available staff were focused on grant reconciliations and closing out the prior fiscal year financial transactions.</p> <p>The Department has reviewed the base edit form written procedures with staff and added monthly reminders for the Cost Allocation and Grants Management Unit. In addition, the Department has confirmed that all cost base 100 workbooks have been properly completed for the state fiscal year 2024.</p> <p>The conditions noted in this finding were previously reported in finding 2022-047. The auditors considered finding 2022-047 resolved in fiscal year 2024.</p> <p>Completion Date: In progress</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 Status									
2023	066	<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> <table> <tr> <td>Questioned Costs:</td><td>Assistance Listing #</td><td>Amount</td></tr> <tr> <td></td><td>93.658</td><td>\$0</td></tr> <tr> <td></td><td>93.658 COVID-19</td><td></td></tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department is committed to strengthening internal controls and complying with grant requirements. As stated in the finding's <i>Cause of Condition</i>, the Department was unable to fully implement the prior corrective action plan during the audit period.</p> <p>In April 2023, the Fiscal Integrity Unit collaborated with other divisions to implement the following internal controls:</p> <ul style="list-style-type: none"> Utilized algorithms in the Sprout system to identify reimbursement requests outside of a reasonable amount. Required providers to submit additional documentation or explanation for those identified amounts. Implemented a re-run process for prior billing periods to eliminate potential double billings by providers. Trained headquarters and field office accounting staff to utilize the new algorithms and review additional documentation prior to processing payments. Required program staff review and approval of all vendor invoices prior to release of payment for the Eastern Washington regions. <p>In January 2024, the Fiscal Integrity Unit identified and implemented regional program approvals for Western Washington providers.</p> <p>The Contracts office has also taken the following actions:</p> <ul style="list-style-type: none"> In August 2023, filled one vacant staff position dedicated to reviewing child welfare contracts to include family time visit payments. In November 2023, developed compliance audit plans for child welfare contracts and began fiscal monitoring of family time visit payments. In December 2023, filled an additional vacant staff position dedicated to reviewing child welfare contracts. <p>The conditions noted in this finding were previously reported in findings 2022-048 and 2021-040.</p> <p>Completion Date: In progress</p>	Questioned Costs:	Assistance Listing #	Amount		93.658	\$0		93.658 COVID-19	
Questioned Costs:	Assistance Listing #	Amount									
	93.658	\$0									
	93.658 COVID-19										

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Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	066 (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 Status							
2023	067	Finding:	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.						
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><tr><td>93.658</td><td>\$0</td></tr><tr><td>93.658 COVID-19</td><td></td></tr></table>	<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							
		Status:	Corrective action in progress						
Corrective Action:	<p>The Department is committed to strengthening internal controls and complying with grant requirements. As stated in the finding’s <i>Cause of Condition</i>, the Department utilizes FamLink as the case management system for the Foster Care program which, due to system limitations, did not have the reporting capabilities to track rate setting reviews during the audit period.</p> <p>To assist with tracking rate setting requirements, the Department:</p> <ul style="list-style-type: none">Created new reports in FamLink to assist rate assessors in identifying:<ul style="list-style-type: none">Six-month reviews that have not been performed timely.Cases with upcoming rate assessments and due dates for reviews.Implemented monthly tracking by supervisors to assist with internal controls and compliance.								
Completion Date:	In progress								
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 Status
2023	068	<p>Finding: The Department of Children, Youth, and Families did not have adequate internal controls to ensure group care facility employees and adults residing in prospective caregivers' households 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 in progress</p> <p>Corrective Action: The Department partially concurs with the finding.</p> <p>The auditors identified two exceptions where fingerprint checks for two family foster home adults were completed two days later than the required timeline of 15 calendar days. The delay was due to the misspelling of one applicant's last name in the system. Upon correction, the applicants subsequently completed the fingerprint checks and were determined eligible.</p> <p>As stated in the finding's <i>Cause of Condition</i>, the Department developed a corrective action plan to address the internal control deficiencies in response to the prior year's finding which had not been fully implemented within the current audit period. The Department is confident that all staff who work with children and youth have cleared background checks.</p> <p>As of 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>The conditions noted in this finding were previously reported in finding 2022-050.</p>

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Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	068 (cont'd)	Completion Date: In progress 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 Status
2023	069	<p>Finding: The Department of Children, Youth, and Families did not have adequate internal controls over reporting requirements for the Foster Care program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.658 \$0 93.658 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with the finding. The Department acknowledges that errors were made in the crosswalks and quarterly reports submitted during the audit period. To address the auditor's specific finding, the Department has:</p> <ul style="list-style-type: none"> Reviewed and updated all electronic versions of the quarterly crosswalks for accuracy. Submitted corrections for the federal fiscal year 2023 Quarter 3 report. <p>The conditions noted in this finding were previously reported in finding 2022-051.</p> <p>Completion Date: In progress</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 Status	
2023	070	<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 providers were allowable and properly supported for the Social Services Block Grant.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.667 <u>Amount</u> \$8,518,020</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department maintains that funds were not improperly charged to the Social Services Block Grant (SSBG) program. The Department utilizes grant-level management for all federal funds, including the SSBG program. This process consists of making grant-level adjustments between allowable grant sources to properly spend grant funds within the allowable period of performance and ensure level of effort and matching requirements are met. The Department allocated the SSBG funds to eligible clients and allowable activities in compliance with 45 CFR 98.67 but did not include the level of data recommended by the State Auditor's Office (SAO) for some transfers.</p> <p>Cost objectives within the accounting system are used to track SSBG funding. Expenditures eligible for the SSBG program are transferred at the cost objective level and not the transaction level. The SAO tested a sample of 16,006 payments which totaled 94% of total provider payments charged to the grant. SAO found that all payments were for activities that were supported, allowable, authorized, and accurate.</p> <p>SAO is questioning the costs of the remaining payments because the transfer of expenditures was not completed at the transaction level. Those remaining payments were transferred from eligible and allowable expenditures for the SSBG program. The Department is committed to collaborating with SAO to determine an appropriate methodology which identifies a sampling unit that can be used to accurately test compliance.</p> <p>In response to the auditor's recommendations, the Department will develop and maintain a business process that would allow adjustments to include transaction level data.</p> <p>Completion Date: Estimated December 2025</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 Status	
2023	071	<p>Finding: The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure cash draws for the Social Services Block Grant were properly supported.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.667 <u>Amount</u> \$1,504,566</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department maintains that funds were not improperly charged to the Social Service Block Grant (SSBG) program. This is a two-year grant that the Department spends down in one fiscal year. The expenditures drawn were allowable and within the period of performance and the one exception identified was due to the timing of expenditure transfers.</p> <p>The Department utilizes grant-level management for all federal funds, including the SSBG program. 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 are met. The Department allocated the SSBG funds to eligible clients and allowable activities in compliance with 45 CFR 98.67 but did not include the level of data recommended by the State Auditor's Office (SAO) for some transfers. The Department is committed to collaborating with SAO to determine an appropriate methodology which identifies a sampling unit that can be used to accurately test compliance.</p> <p>In response to the auditor's recommendations, the Department will develop and maintain a business process that would allow adjustments to include transaction level data.</p> <p>Completion Date: June 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 Status	
2023	072	<p>Finding: 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.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.667 <u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department maintains that funds were not improperly charged or reported for the Social Services Block Grant (SSBG) program. The Department provided the State Auditor's Office (SAO) with detailed expenditure data reports, email documentation showing management's review of the expenditures being charged to the SSBG program, and changes being requested prior to federal submission. In addition, the federal reporting system creates an email after certification, which the Department shared with the SAO.</p> <p>The Department utilizes grant-level management for all federal funds, including the SSBG program. This process consists of making grant-level adjustments between allowable grant sources to properly spend grant funds within the allowable period of performance and ensure level of effort and matching requirements are met. The Department allocated the SSBG funds to eligible clients and allowable activities in compliance with 45 CFR 98.67 but did not include the level of data recommended by the SAO for some transfers. The Department is committed to collaborating with SAO to determine an appropriate methodology which identifies a sampling unit that can be used to accurately test compliance.</p> <p>In response to the auditor's recommendations, the Department will:</p> <ul style="list-style-type: none"> • Review internal controls and federal requirements related to SSBG reporting. • Develop and maintain a business process that would allow adjustments to include transaction level data. <p>Completion Date: Estimated December 2025</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 Status	
2023	073	<p>Finding: The Health Care Authority did not have adequate internal controls over and did not comply with managed care financial audit requirements.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u></p> <p>93.767 \$0</p> <p>93.767 COVID-19</p> <p>93.775</p> <p>93.777</p> <p>93.777 COVID-19</p> <p>93.778</p> <p>93.778 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority partially concurs with the finding.</p> <p>Audited financial reports:</p> <p>The Authority agrees it allowed Managed Care Organizations (MCO) to submit annual audited financial reports in accordance with Statutory Accounting Principles to be consistent with the standards used by the Washington State Office of the Insurance Commissioner. The Authority will amend contract language to require MCOs to submit audited financial reports prepared in accordance with Generally Accepted Accounting Principles and Generally Accepted Auditing Standards, in order to comply with federal requirements.</p> <p>The Managed Care Oversight Audit Plan details the scheduled audits and prioritizes the various required audits. Going forward, the audit plan will list more specific information regarding the requirements and these changes will be added to the strategic plan.</p> <p>Periodic audits:</p> <p>The Authority does not concur with the auditor's opinion that periodic audits must be "conducted and fully complete" at least once every three years. The federal regulations found in 42 CFR §438.602 specifically states:</p> <p><i>"The State must periodically, but no less frequently than once every 3 years, conduct, or contract for the conduct of, an independent audit..."</i></p> <p>The term "complete" is not included in the federal regulations. The Authority will reach out to the Centers for Medicare & Medicaid Services to confirm its interpretation of the regulation.</p> <p>The conditions noted in this finding were previously reported in findings 2022-054 and 2021-048.</p> <p>Completion Date: Estimated July 2024</p>	

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

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Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	073 (cont'd)	Agency Contact: Kari Summerour, CPA External Audit Compliance Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 Kari.Summerour@hca.wa.gov

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	074	<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: <u>Assistance Listing #</u> <u>Amount</u> 93.767 \$0 93.767 COVID 93.775 93.777 93.777 COVID 93.778 93.778 COVID</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority partially concurs with the finding.</p> <p>The Authority does not concur that four providers did not receive a proper license check, nor that the backdated provider was noncompliant with regulations prior to receiving a National Provider Identifier (NPI). When a provider's license expires, the Authority enters an end date for the provider taxonomy to prevent future payments. The Authority does not pay claims without an NPI and this is compliant with federal requirements.</p> <p>Corrective action has been in process to address revalidation issues. As of January 1, 2024, the Authority implemented a system change moving the revalidation date to 90 days before the end of the five-year period.</p> <p>The Authority is developing additional procedures to strengthen internal controls over provider enrollment.</p> <p>The conditions noted in this finding were previously reported in findings 2022-055, 2021-047, 2020-046, 2019-048, 2018-042 and 2017-033. 2016-035 was considered resolved by the auditors in fiscal year 2017.</p> <p>Completion Date: Estimated December 2024</p> <p>Agency Contact: William Sogge, CPA, CIA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
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Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	075	<p>Finding: The Health Care Authority improperly charged \$3,491 to the Medicaid program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.778 93.778 COVID-19</p> <p><u>Amount</u> \$3,491</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Authority partially concurs with the finding. The condition identified by the auditors was the result of federal requirements in place during the COVID-19 public health emergency. The condition will be addressed by existing procedures during the unwinding process.</p> <p>No corrective action is necessary.</p> <p>In accordance with 42 U.S.C. § 1396b(u), questioned costs will not be repaid as they do not exceed the allowable error rate of three percent of total expenditures verified by the Center for Medicare and Medicaid Services Payment Error Rate Measurement process.</p> <p>The auditors determined this finding was resolved in the fiscal year 2024 audit.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: William Sogge, CPA, CIA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	076	<p>Finding: The Department of Health did not have adequate internal controls over and did not comply with requirements to ensure timely review of hospital complaints.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department has a process to screen complaints for possible imminent danger and will evaluate current procedures to identify necessary changes to ensure initial screening dates are properly reflected for subsequent assessment and review.</p> <p>The Department will also strengthen internal controls to ensure our licensing and regulatory systems are sufficient in managing the process of handling all facilities complaints to capture the screening for imminent danger within two working days. Once that process is complete, the Department will perform quarterly audits to confirm and document that timely screening of complaints is taking place as required.</p> <p>The Department will also identify strategies to improve staffing challenges and stability.</p> <p>Completion Date: Estimated December 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 Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status													
2023	077	Finding:	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.												
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><tr><td>93.775</td><td>\$576,072</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>	<u>Assistance Listing #</u>	<u>Amount</u>	93.775	\$576,072	93.777		93.777 COVID-19		93.778		93.778 COVID-19	
		<u>Assistance Listing #</u>	<u>Amount</u>												
		93.775	\$576,072												
		93.777													
		93.777 COVID-19													
		93.778													
		93.778 COVID-19													
		Status:	Corrective action in progress												
		Corrective Action:	<p>The Department partially agrees with the finding.</p> <p>The Department agrees that the Medicaid Provider Disclosure Statement (MPDS) forms for the identified exceptions were not obtained within the five-year revalidation timeline due to the increased workload during the public health emergency. The Department does not agree all the exceptions should result in questioned costs.</p> <p>The Department is disputing the questioned costs related to one nursing home, totaling \$231,810. Although the MPDS was not submitted within the five-year revalidation timeline, the Department determined there were no changes to ownership or managing employees since the previous MPDS form was received.</p> <p>As of March 2023, automated provider screenings are completed monthly for all providers as required.</p> <p>As of March 2024, the Department’s nursing home revalidation process was modified to provide guidance to staff when a nursing home does not provide the required MPDS during the 5-year revalidation period. The process includes procedures prior to termination of the contract to ensure resident safety and choice, as well as when to stop payment.</p> <p>By December 2024, the Department will consult with the U.S. Department of Health and Human Services (HHS) regarding the disagreement with the \$231,810 of questioned costs. The Department will work with HHS regarding the remaining \$344,262 of questioned costs and take additional action as appropriate.</p> <p>The conditions noted in this finding were previously reported in finding 2022-059. The auditors determined finding 2022-059 was resolved in fiscal year 2024, but still considered 2023-077 unresolved due to outstanding questioned costs.</p>												
Completion Date:	Estimated December 2024														

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Summary Schedule of Prior Audit Findings

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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	077 (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 Status
2023	078	<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 survey requirements for Medicaid intermediate care facilities.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID 93.778 93.778 COVID</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially agrees with the finding. The Department agrees that it did not meet the Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF-IID) Survey requirements, due to the backlog created by the public health emergency and a 20 percent staff vacancy rate. The Department does not agree that it was due to lack of internal controls. It was through applied internal controls that we identified concerns and were able to allocate resources to meet the most serious concerns. As of March 2024, the Department: <ul style="list-style-type: none"> Met the 15.9-month recertification timeline. Created a statement of deficiency and plan of correction tracking tool in Smartsheet for each team in Residential Care Services to track deadlines. This system generates automatic email alerts to key staff on approaching deadlines and when recertification deadlines have arrived. The 12.9-month statewide average is based on the overall average of months for all ICF-IID surveys, which included some of those surveys that were in a significant backlog due to the pandemic. Statistically, even when the state is meeting the 15.9-month timeframe for each home and lowering the number of months between surveys, it is expected that the bell curve average will take time to shift toward 12.9 months. The Department believes this will be achieved by January 2026. The conditions noted in this finding were previously reported in findings 2020-053, 2019-061, 2018-052, 2017-042, 2016-037, 2015-045, 2014-046.</p> <p>Completion Date: Estimated January 2026</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	
2023	079	<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 survey requirements for Medicaid nursing homes.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially agrees with the finding.</p> <p>The Department agrees that it did not meet the Nursing Home Recertification Survey requirements, due to the backlog created by the public health emergency and a 20 percent staff vacancy rate. The Department does not agree that it was due to lack of internal controls. It was through applied internal controls that we identified the need to hire a contractor to assist with the recertification backlog to meet compliance requirements.</p> <p>As of March 2024, the Department met the 15.9-month recertification timeline.</p> <p>The 12.9-month statewide average is based on the overall average of months for all nursing home surveys, which included some of those surveys that were in a significant backlog due to the pandemic. Statistically, even when the state is meeting the 15.9-month timeframe for each home and lowering the number of months between surveys, it is expected that the bell curve average will take time to shift toward 12.9 months. The Department believes this will be achieved by January 2026.</p> <p>The conditions noted in this finding were previously reported in finding 2020-054.</p> <p>Completion Date: Estimated January 2026</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													
2023	080	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.												
		Questioned Costs:	<table><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>	<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												
		93.777													
		93.777 COVID-19													
		93.778													
		93.778 COVID-19													
		Status:	Corrective action complete												
		Corrective Action:	<p>The Department partially agrees with the finding.</p> <p>The Department agrees that it did not meet the Immediate Jeopardy and Non-Immediate Jeopardy complaint timelines due to the backlog created by the public health emergency and a 20 percent staff vacancy rate. The Department does not agree that it was due to lack of internal controls.</p> <p>Over the past two years, the Department had 30 new staff who were not certified to complete investigations independently; there were only three available trainers who spent the majority of their time in 2022 and early 2023 addressing training needs. Once staff completed the training and applied for certification, they had difficulty finding testing slots because there was a shortage of testing sites. In late 2022, this process transitioned from in-person to virtual which provided greater opportunity for timelier certification.</p> <p>As of March 31, 2023, all staff have the required certification, and the training backlog has been resolved.</p> <p>As of February 2024, Immediate Jeopardy (2 days) complaints were completed on time. The Department implemented a procedure to review the status of intakes at the regional level monthly to ensure timelines continue to remain compliant for Immediate Jeopardy complaints.</p> <p>As of June 2024, the Department ensured Non-Immediate Jeopardy intakes are completed in a timely manner. Monthly review procedures have been implemented.</p> <p>The conditions noted in this finding were previously reported in findings 2022-057 and 2021-054.</p>												
Completion Date:	June 2024														

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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	080 (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

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	081	<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: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Health Care Authority partially concurs with the audit finding.</p> <p>The Authority does not audit inpatient hospital cost reports because it is not a federal requirement. The Authority has updated the Washington Administrative Code and its State Plan to align with federal regulations.</p> <p>The Authority partially concurs with the auditor's assertion that it does not audit hospital and financial and statistical records. The Authority contracts for audits of Disproportionate Share Hospitals which includes roughly half of the hospitals in Washington. These audits include other financial and statistical records and meet this requirement. The auditor was provided information regarding these audits. The Authority will develop a desk audit process to review the financial statements of Washington hospitals, as necessary, and will create policies and procedures related to this process.</p> <p>The Authority does not concur with the auditor's conclusion that it does not audit hospital billings or have methodology, policies, or procedures related to these audits. The Authority conducts utilization review and payment integrity audits of inpatient hospitals on an ongoing basis, which includes verification of billed charges. This information is well-documented and was provided to the auditor during the audit.</p> <p>The Authority will continue to formally document its internal controls over this compliance area.</p> <p>The conditions noted in this finding were previously reported in findings 2022-060, 2021-051, and 2020-049.</p> <p>Completion Date: Estimated October 2024</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>

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	082	<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> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority does not concur with the auditor's conclusion that it needs to update the state plan to include all methods and procedures used to safeguard against unnecessary utilization of care and services. The Authority has received written guidance from the Centers for Medicare & Medicaid Services (CMS) that it does not need to individually list the methods and procedures but rather complete the template document in the state plan and select from a list of applicable methods. CMS approved this portion of the state plan effective July 1, 2023.</p> <p>The Authority has adequate internal controls to ensure compliance with utilization control requirements and partially concurs with the auditor's recommendation related to implementing and monitoring a statewide surveillance and utilization control program. The Authority recently updated the Fraud and Detection System (FADS) and is in the process of updating policies and procedures related to FADS operation and the statewide surveillance and utilization control program. The FADS system triggers alerts and judgmental sampling is used by staff to assess risk and determine follow-up procedures. The system is in its early implementation phase and the Authority is still in the process of establishing written criteria.</p> <p>The conditions noted in this finding were previously reported in findings 2022-061, 2021-050, 2020-047, 2020-048, 2019-052, 2019-053 and 2018-047. The auditors considered findings 2020-047, 2020-048, 2019-052, 2019-053 and 2018-047 to be resolved in fiscal year 2024.</p> <p>Completion Date: Estimated December 2024</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 Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	083	<p>Finding: The Department of Social and Health Services did not have adequate internal controls to ensure individuals are eligible to receive benefits for the Money Follows the Person program.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.791 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department partially agrees with the finding.</p> <p>The Department agrees that the Financial and Social Services Communication (14-443) forms were not provided to terminate the enrollment of the four exceptions identified in the finding. However, in those exceptions, the Roads to Community Living (RCL) disenrollment communication was made in accordance with the existing Nursing Facility Case Management policy as defined in Chapter 10 of the <i>Long-Term Care (LTC) Manual</i>. In addition, all clients met eligibility criteria for RCL services or were converted to another Home and Community Based program within the 365-day RCL demonstration year limitation.</p> <p>In these cases, the client was converted to a state plan or waiver with the new program start date noted on the 14-443 forms. The 14-443 form is a communication tool used by the Department's public benefit specialists. For Modified Adjusted Gross Income (MAGI) enrolled Medicaid participants, benefits are managed by the Washington State Health Care Authority and the 14-443 form is not required or used by the Department's public benefit specialists. This MAGI beneficiary communication detail was not articulated in the RCL chapter of the LTC Manual.</p> <p>As of May 2024, the Department updated Chapter 29 of the LTC Manual to clarify instructions related to when the 14-443 form must be completed for MAGI participants and what needs to be included on the form when it is required.</p> <p>Completion Date: May 2024</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>	

State of Washington - Office of Financial Management
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Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	084	<p>Finding: The Health Care Authority did not have adequate internal controls 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: <u>Assistance Listing #</u> 93.959 93.959 COVID-19</p> <p><u>Amount</u> \$3,447,346</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Authority does not concur with the finding. The Authority maintains that its internal controls are effective, and procedures are compliant with grant requirements. No corrective action will be implemented. The costs questioned by the auditor do not reflect funds that have been paid or drawn from the grantor. As a result, there are no funds to return to the grantor. The conditions noted in this finding were previously reported in findings 2022-067, 2021-057, and 2020-059. The auditors considered findings 2021-057 and 2020-059 resolved in fiscal year 2024.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: William Sogge, CPA, CIA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	085	<p>Finding: The Health Care Authority did not have adequate internal controls over earmarking requirements for the Block Grants for Prevention and Treatment of Substance Abuse.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.959 93.959 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: Monthly tracking workbooks are being completed and reviewed throughout the fiscal year. To address the audit recommendation, the Authority implemented formal communication for review of the monthly tracking workbooks and began maintaining documentation of the review in December 2022.</p> <p>The Authority is in compliance with the earmarking requirements of the program. No further procedural changes are needed.</p> <p>The conditions noted in this finding were previously reported in findings 2022-068 and 2021-056.</p> <p>Completion Date: December 2022</p> <p>Agency Contact: William Sogge, CPA, CIA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status
2023	086	<p>Finding: 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 Federal Funding Accountability and Transparency Act for the Block Grants for Prevention and Treatment of Substance Abuse.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.959 \$0 93.959 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority concurs with the finding. The Authority implemented the following to comply with the reporting requirements:</p> <ul style="list-style-type: none"> Office of Contracts and Procurement includes a Federal Funding Accountability and Transparency Act (FFATA) form as the last attachment in all subawards and ensures it is complete prior to forwarding it to Grants Accounting. Grants Accounting staff were trained on an interim process 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 Authority will establish a validation process to ensure executed subawards are identified for reporting and completed reports are reviewed. The Authority will also formalize internal processes into procedures and continue to provide training to staff involved in the process.</p> <p>The conditions noted in this finding were previously reported in findings 2022-069 and 2021-058.</p> <p>Completion Date: Estimated July 2024</p> <p>Agency Contact: William Sogge, CPA, CIA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2023	087	<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 single audits, and that it appropriately followed up on findings and issued management decisions.</p> <p>Questioned Costs: <u>Assistance Listing #</u> 93.959 93.959 COVID-19</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority partially concurs with the finding. Effective July 2023, the Authority transitioned the subrecipient monitoring single audit tracking process to a new unit. The Authority will:</p> <ul style="list-style-type: none"> • Implement and formalize new procedures to ensure subrecipients receive required single audits. • Follow up on findings and issue timely management decisions. <p>The conditions noted in this finding were previously reported in finding 2022-066.</p> <p>Completion Date: In progress</p> <p>Agency Contact: William Sogge, CPA, CIA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
June 30, 2024

University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2022	002	<p>Finding: The University of Washington did not have adequate internal controls to ensure key personnel commitments specified in grant proposals or awards were met.</p> <p>Questioned Costs: <u>Assistance Listing #</u> Various</p> <p><u>Amount</u> \$0</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 implemented the following improvements:</p> <ul style="list-style-type: none"> Updated training materials and provided 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. Updated 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. Developed exception reports to provide additional oversight to monitor deviations from committed time and effort for PIs and key personnel. <p>Completion Date: In progress</p> <p>Agency Contact: Erick Winger Controller 4300 Roosevelt Way NE Seattle, WA 98195 (206) 543-5322 erickw@uw.edu</p>	

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2022	003	<p>Finding: The Office of Superintendent of Public Instruction did not have adequate internal controls over accountability for USDA-donated foods.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u></p> <p>10.553 \$0</p> <p>10.555</p> <p>10.555 COVID-19</p> <p>10.556</p> <p>10.559</p> <p>10.582</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>The Office is planning to implement a new Food Distribution Management System and is actively pursuing a project. In the interim, the Office continues to use the inventory process outlined above.</p> <p>The conditions noted in this finding were previously reported in findings 2021-003, 2020-004 and 2019-005.</p> <p>Completion Date: Estimated September 2025</p> <p>Agency Contact: Leanne Eko Chief Nutrition Officer PO Box 47200 Olympia, WA 98504-7200 (360) 725-0410 leanne.eko@k12.wa.us</p>	

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status	
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> 10.557 10.557 COVID-19</p> <p><u>Amount</u> \$0</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 Status									
2022	007	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.								
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><tr><td>17.258</td><td>\$0</td></tr><tr><td>17.259</td><td></td></tr><tr><td>17.278</td><td></td></tr></table>	<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									
		Status:	Corrective action in progress								
		Corrective Action:	<p>In response to the finding, the Department is in the process of developing a comprehensive system and set of protocols to strengthen internal controls over the completion and submission of quarterly performance reports for the Workforce Innovation and Opportunity Act (WIOA) grant.</p> <p>The Department:</p> <ul style="list-style-type: none">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>								
		Completion Date:	Estimated December 2024								
		Agency Contact:	Jay Summers External Audit Manager PO Box 9046 Olympia, WA 98507-9046 (360) 529-6718 Joshua.Summers@esd.wa.gov								

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
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> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$237,404,150 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <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.

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
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 12-39. The auditors determined findings 2016-041, 2015-052, 2014-041 and 2013-038 were resolved in fiscal year 2018.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: 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	
2022	058	<p>Finding: The Department of Social and Health Services did not have adequate internal controls over False Claims Act requirements.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 COVID-19 93.778 93.778 COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department concurs with the finding. 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. Ensured all outstanding FCA attestations and documents were returned to ensure compliance with the FCA requirement. <p>As of June 2024, the Department updated the process to include follow up with providers monthly until the FCA attestations and other documents are received.</p> <p>Completion Date: June 2024</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	
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> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$977,612 93.777 93.777 COVID-19 93.778 93.778</p> <p>Status: Corrective action complete</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 reported in findings 2021-052 and 2020-050, which were resolved. The auditors considered this finding unresolved in fiscal year 2024 due to outstanding questioned costs.</p> <p>Completion Date: March 2024</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>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2022	063	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.958 \$8,668,982 93.958 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>Completion Date: In progress</p> <p>Agency Contact: William Sogge, CPA, CIA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2022	065	<p>Finding: 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> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.958 \$0 93.958 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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>Completion Date: Estimated July 2024</p> <p>Agency Contact: William Sogge, CPA, CIA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-5110 william.sogge@hca.wa.gov</p>	

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> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.778</p> <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. The finding was resolved through the enactment of this law, which was effective June 11, 2020.</p> <p>The Authority continues to update state laws and regulations as needed when updates to federal compliance rules are received. Bringing carriers onboard is a continuous process, and the Authority will continue to engage and work with carriers to offer additional formats to submit data.</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>	

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: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$4 93.777 93.778</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 in prior audits and 2019-049, 2018-048, 2016-034 and 2015-039 as resolved in fiscal year 2024. The auditors considered finding 2017-038 unresolved in fiscal year 2024 due to outstanding questioned costs.</p> <p>Completion Date: Not Applicable</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 Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2019	057	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.								
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><tr><td>93.775</td><td>\$2,191,213</td></tr><tr><td>93.777</td><td></td></tr><tr><td>93.778</td><td></td></tr></table>	<u>Assistance Listing #</u>	<u>Amount</u>	93.775	\$2,191,213	93.777		93.778	
		<u>Assistance Listing #</u>	<u>Amount</u>								
		93.775	\$2,191,213								
		93.777									
93.778											
Status:	Corrective action in progress										
Corrective Action:	<p>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 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>										

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>In September 2020, the Department and the Health Care Authority (HCA) sent a letter to CMS to request an opinion as to whether the questioned costs need to be repaid. As of August 2024, neither the Department nor HCA has received any correspondence regarding its opinion or determination.</p> <p>The conditions noted in this finding were reported in findings 2018-059 and 2017-045. The auditors considered finding 2017-045 to be resolved in fiscal year 2023. The auditors considered this finding unresolved in fiscal year 2024 due to outstanding questioned costs.</p> <p>Completion Date: In progress</p>

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
June 30, 2024

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	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.								
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><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></table>	<u>Assistance Listing #</u>	<u>Amount</u>	93.775	\$2,169,725	93.777		93.778	
		<u>Assistance Listing #</u>	<u>Amount</u>								
		93.775	\$2,169,725								
		93.777									
93.778											
Status:	Corrective action in progress										
Corrective Action:	<p>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>										

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 Health Care Authority (HCA) sent a letter to CMS to request an opinion as to whether the questioned costs need to be repaid. As of August 2024, neither the Department nor HCA have received any correspondence from CMS regarding its opinion or determination.</p> <p>The conditions noted in this finding were previously reported in findings 2018-060, 2017-046, and 2016-043. The auditors considered findings 2017-046 and 2016-043 to be resolved in fiscal year 2023. The auditors considered this finding unresolved in fiscal year 2024 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>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2019	060	<p>Finding: The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls to ensure Medicaid payments to home care agencies were allowable.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.778</p> <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>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2019	062	<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 providers of the Medicaid program were properly screened, licensed, and enrolled.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$0 93.777 93.777 - COVID-19 93.778 93.778 - COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department partially concurs with the finding.</p> <p>In response to prior years' audit findings, the Department developed a process to screen and track each nursing facility contract to ensure validation and revalidation occurs within the five-year requirement, and had subsequently completed all nursing facility screenings. However, the Department was not aware that federal database checks include the National Plan and Provider Enumeration System for those nursing facilities contracted on or before March 25, 2001, which were required to be conducted at least every five years by September 2016. The Department became aware of this requirement in 2018 and had completed the required nursing facility validations by October 2018. The Department is aware that this subset of revalidations was not completed timely.</p> <p>The Department also implemented additional internal controls to ensure Medicaid providers are properly screened, licensed, and enrolled. The Department will continue to maintain the controls currently in place for the provider revalidation process and will codify them into formal policies and procedures to ensure continued federal compliance, including:</p> <ul style="list-style-type: none"> The monthly database check with the System for Awards Management and the appropriate actions taken when necessary. This process has been ongoing since 2014. The entire process for the termination of provider applications or revalidations that are found to be ineligible. <p>As of November 2020, the Department developed a high-risk provider tracking process. As of September 2021, a workgroup was established to develop policies and procedures for completing fingerprint-based criminal background checks for the high-risk providers.</p> <p>As of November 2020, the Department convened a fingerprint-based criminal background check stakeholder workgroup to provide an overview of rules and requirements, and formally adopted policies and procedures.</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2019	062 (cont'd)	<p>As of December 2020, a training plan for the fingerprint-based criminal background checks was established for providers and staff.</p> <p>The conditions noted in this finding were previously reported in finding 2018-057, and both were determined by the auditors to be resolved in fiscal year 2021. Upon auditors' request, these findings were reinstated in the fiscal year 2023 Summary Schedule of Prior Audit Findings.</p> <p>Completion Date: December 2020</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									
2017	032	Finding:	The Health Care Authority overpaid a tribe for Medicaid chemical dependency treatments.								
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><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></table>	<u>Assistance Listing #</u>	<u>Amount</u>	93.775	\$3,909,517	93.777		93.778	
		<u>Assistance Listing #</u>	<u>Amount</u>								
		93.775	\$3,909,517								
		93.777									
		93.778									
		Status:	Corrective action in progress								
		Corrective Action:	<p>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><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> <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>								

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status
2017	032 (cont'd)	<p>The auditors considered this finding unresolved in fiscal year 2024 due to outstanding questioned costs.</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>

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2017	036	<p>Finding: The Health Care Authority overpaid Medicaid hospitals for outpatient services.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$118,679 93.777 93.778</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 in fiscal year 2024 due to outstanding questioned costs.</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>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2017	039	<p>Finding: The Health Care Authority made improper payments to Medicaid managed care recipients with Medicare insurance coverage.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$4,268,059 93.777 93.778</p> <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 auditors considered this finding unresolved in fiscal year 2024 due to outstanding questioned costs.</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>	

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2017	040	Finding:	The Health Care Authority made improper Medicaid pharmacy fee-for-service payments for clients enrolled in managed care.								
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><tr><td>93.775</td><td>\$111,756</td></tr><tr><td>93.777</td><td></td></tr><tr><td>93.778</td><td></td></tr></table>	<u>Assistance Listing #</u>	<u>Amount</u>	93.775	\$111,756	93.777		93.778	
		<u>Assistance Listing #</u>	<u>Amount</u>								
		93.775	\$111,756								
		93.777									
		93.778									
		Status:	Corrective action not taken								
		Corrective Action:	<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>In September 2023, the Authority received correspondence from CMS confirming that the finding is resolved and closed. No questioned costs were required to be repaid.</p>								
		Completion Date:	Not applicable								
		Agency Contact:	Kari Summerour, CPA External Audit Compliance Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 kari.summerour@hca.wa.gov								

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status											
2017	048	Finding:	The Department of Social and Health Services, Aging and Long-Term Support Administration, did not adequately monitor Adult Family Home providers to ensure Medicaid providers and their employees had proper background checks.										
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><tr><td>93.775</td><td>\$153,536</td></tr><tr><td>93.777</td><td></td></tr><tr><td>93.778</td><td></td></tr><tr><td>93.778 ARRA</td><td></td></tr></table>	<u>Assistance Listing #</u>	<u>Amount</u>	93.775	\$153,536	93.777		93.778		93.778 ARRA	
		<u>Assistance Listing #</u>	<u>Amount</u>										
		93.775	\$153,536										
		93.777											
		93.778											
		93.778 ARRA											
		Status:	Corrective action in progress										
		Corrective Action:	<p>The Department partially concurs with this finding.</p> <p>The Department agrees that one background check was not renewed timely. As of November 2017, the Department implemented an internal reporting tool which alerts staff to send a reminder notice to a provider when the current background check of an employee is expiring in 60 days. If the provider does not complete the background check by the required due date, a complaint investigation will be initiated.</p> <p>The Department does not concur with the two exceptions regarding the missing national fingerprint background check for the two providers. The providers in question had both applied in 2011, which was prior to WAC 388-76-10165 becoming effective and requiring a fingerprint check.</p> <p>The Department also does not agree the findings should be tied to questioned costs. The auditors did not identify any providers who had a disqualifying crime or negative action. While the one Adult Family Home in question was out of compliance with the licensing requirements of WAC 388-76 by not having current background check results on file, and is therefore subject to corrective action and sanctions by the Department, the provider was not unqualified to provide Medicaid paid services. Thus, the payments to the provider were proper.</p> <p>Additionally, the Department is unable to comment on or validate the auditor’s statement of noncompliance with background check issues related to the Adult Family Home employees because the auditor had failed to provide any data to substantiate this part of the finding.</p> <p>In July 2018, the Department sent a letter to the Centers for Medicare and Medicaid Services (CMS) to request an opinion as to whether the questioned costs need to be repaid. In October 2018, the Department held a telephone conference with CMS, the auditors, and the State Health Care Authority (HCA) to discuss the questioned costs.</p> <p>As of August 2024, neither the Department nor HCA has received any correspondence from CMS regarding its opinion or determination.</p>										

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2017	048 (cont'd)	<p>The conditions noted in this finding were previously reported in findings 2016-044, 2015-051, 2014-048, and 2013-037. The auditors considered finding 2013-037 resolved.</p> <p>The auditors considered findings 2017-048, 2016-044 and 2014-048 to be resolved in fiscal year 2022. Upon auditors' request, these findings were reinstated in the fiscal year 2023 Summary Schedule of Prior Audit Findings 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>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2017	050	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.
		Questioned	<u>Assistance Listing #</u> <u>Amount</u>
		Costs:	93.775 \$9,778
			93.777
			93.778
		Status:	Corrective action in progress
		Corrective Action:	The Department does not concur with the finding.
			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.
			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.
			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.
	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.		
	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.		

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 Health Care Authority (HCA) to discuss the questioned costs. In March 2019, the Department followed up with CMS requesting a decision. As of August 2024, neither the Department nor HCA has received any correspondence from CMS regarding its opinion or decision.</p> <p>The auditors considered this finding unresolved in fiscal year 2024 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	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.								
		Questioned Costs:	<table><tr><td><u>Assistance Listing #</u></td><td><u>Amount</u></td></tr><tr><td>93.775</td><td>\$273,598</td></tr><tr><td>93.777</td><td></td></tr><tr><td>93.778</td><td></td></tr></table>	<u>Assistance Listing #</u>	<u>Amount</u>	93.775	\$273,598	93.777		93.778	
		<u>Assistance Listing #</u>	<u>Amount</u>								
		93.775	\$273,598								
		93.777									
		93.778									
		Status:	Corrective action in progress								
		Corrective Action:	<p>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 in fiscal year 2024 due to outstanding questioned costs.</p>								
		Completion Date:	In progress								
		Agency Contact:	Kari Summerour, CPA External Audit Compliance Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 kari.summerour@hca.wa.gov								

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2016	047	<p>Finding: Medicaid funds were overpaid to a supported living agency that contracted with the Department of Social and Health Services, Developmental Disabilities Administration.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$1,258,250 93.777 93.778</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with the 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, disclosing the provider was bankrupt, to the U.S. Department of Health and Human Services (HHS).</p> <p>In May 2024, the Department received communication from HHS that confirmed the status of the questioned costs and that the finding was considered closed.</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>

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
June 30, 2024

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2015	037	<p>Finding: The Health Care Authority overpaid Medicaid providers for dental services.</p> <p>Questioned Costs: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$25,945 93.777 93.778 ARRA and non-ARRA</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: 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 findings 2014-033, 2013-027 and 12-53, which the auditors considered resolved.</p> <p>The auditors considered finding 2015-037 as resolved in fiscal year 2022. Upon auditors' request, the finding was reinstated in the fiscal year 2023 Summary Schedule of Prior Audit Findings due to outstanding questioned costs.</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 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: <u>Assistance Listing #</u> <u>Amount</u> 93.775 \$26,138 93.777 93.778 ARRA and non-ARRA</p> <p>Status: Corrective action in progress</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>

State of Washington - Office of Financial Management
Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended
June 30, 2024

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2015	040 (cont'd)	<p>The auditors considered finding 2015-040 as resolved in fiscal year 2022. Upon auditors' request, the finding was reinstated in the fiscal year 2023 Summary Schedule of Prior Audit Findings 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>

State of Washington
Single Audit Report
For Fiscal Year Ended
June 30, 2024

Appendices

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Washington State Agency Codes (By Agency Alphabetically)
For the Fiscal Year Ended June 30, 2024

Agency No.	Agency	Agency No.	Agency
165	Accountancy, State Board of (ACB)	461	Ecology, Department of (ECY)
035	Actuary, Office of the State (OSA)	104	Economic and Revenue Forecast Council (ERFC)
110	Administrative Hearings, Office of (OAH)	106	Economic Development Finance Authority, Washington (EDA)
055	Administrative Office of the Courts (AOC)	610	Edmonds Community College (EDC)
119	African-American Affairs, Washington State Commission on (CAA)	540	Employment Security, Department of (ES)
495	Agriculture, Department of (AGR)	463	Energy Facility Site Evaluation Council (EFSEC)
355	Archaeology and Historic Preservation, Department of (DAHP)	179	Enterprise Services, Department of (DES)
387	Arts Commission, Washington State (ART)	468	Environmental and Land Use Hearings Office (ELUHO)
087	Asian Pacific American Affairs, Washington State Commission on (APA)	605	Everett Community College (EVC)
100	Attorney General, Office of the (ATG)	005	Federal Revenue for Distribution (FRD)
095	Auditor, Office of the State (SAO)	102	Financial Institutions, Department of (DFI)
695	Bates Technical College (BATES)	105	Financial Management, Office of (OFM)
627	Bellevue College (BC)	477	Fish and Wildlife, Department of (DFW)
694	Bellingham Technical College (BTC)	167	Forensic Investigations Council (FIC)
629	Big Bend Community College (BBC)	411	Freight Mobility Strategic Investment Board (FMSIB)
315	Blind, Department of Services for the (DSB)	117	Gambling Commission, Washington State (GMB)
351	Blind, State School for the (SFB)	075	Governor, Office of the (GOV)
010	Bond Retirement and Interest (BRI)	648	Grays Harbor College (GHC)
634	Cascadia College (CC)	649	Green River College (GRC)
101	Caseload Forecast Council (CFC)	521	Hardwoods Commission (HRWD)
375	Central Washington University (CWU)	303	Health, Department of (DOH)
632	Centralia College (CEC)	107	Health Care Authority, Washington State (HCA)
359	Charter School Commission, Washington (WCSC)	599	Health Care Facilities Authority, Washington (WHCFA)
307	Children, Youth, and Families, Department of (DCYF)	346	Higher Education Facilities Authority, Washington (WHEFA)
057	Civil Legal Aid, Office of (OCLA)	652	Highline College (HC)
635	Clark College (CLC)	118	Hispanic Affairs, Washington State Commission on (CHA)
696	Clover Park Technical College (CPTC)	395	Historical Society, Eastern Washington State (EWH)
639	Columbia Basin College (CBC)	390	Historical Society, Washington State (WHS)
460	Columbia River Gorge Commission (CRG)	185	Horse Racing Commission, Washington (HRC)
103	Commerce, Department of (COM)	011	House of Representatives (REP)
699	Community and Technical College System (CTCS)	148	Housing Finance Commission, Washington State (HFC)
352	Community and Technical Colleges, State Board for (SBCTC)	120	Human Rights Commission (HUM)
471	Conservation Commission, State (SCC)	229	Independent Investigations, Office of (OII)
310	Corrections, Department of (DOC)	086	Indian Affairs, Governor's Office of (INA)
406	County Road Administration Board (CRAB)	190	Industrial Insurance Appeals, Board of (IND)
048	Court of Appeals (COA)	160	Insurance Commissioner, Office of the (INS)
227	Criminal Justice Training Commission, Washington State (CJT)	014	Joint Legislative Audit and Review Committee (JLARC)
353	Deaf and Hard of Hearing Youth, Washington Center for (CDHY)		
370	Eastern Washington University (EWU)		

Washington State Agency Codes (By Agency Alphabetically)
For the Fiscal Year Ended June 30, 2024

Agency No.	Agency	Agency No.	Agency
038	Joint Legislative Systems Committee (JLS)	099	Salaries for Elected Officials, Washington Citizens' Commission on (COS)
013	Joint Transportation Committee (JTC)	670	Seattle Community Colleges - District 6 (SCCD-6)
050	Judicial Conduct, Commission on (CJC)	085	Secretary of State, Office of the (SEC)
235	Labor and Industries, Department of (LNI)	012	Senate (SEN)
692	Lake Washington Institute of Technology (LWIT)	672	Shoreline Community College (SHC)
341	Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board (LEOFF)	674	Skagit Valley College (SVC)
083	Leadership Board, Washington State (WSLB)	300	Social and Health Services, Department of (DSHS)
020	Legislative Evaluation and Accountability Program Committee (LEAP)	675	South Puget Sound Community College (SPS)
036	Legislative Labor Relations, Office of State (LLR)	076	Special Appropriations to the Governor (SAG)
037	Legislative Support Services, Office of (LSS)	676	Spokane Community Colleges - District 17 (SCCD-17)
240	Licensing, Department of (DOL)	126	State Investment Board (SIB)
080	Lieutenant Governor, Office of the (LTG)	001	State Revenue for Distribution (SRD)
195	Liquor and Cannabis Board (LCB)	040	Statute Law Committee (SLC)
116	Lottery Commission, State (LOT)	340	Student Achievement Council (SAC)
657	Lower Columbia College (LCC)	045	Supreme Court (SUP)
412	Materials Management and Financing Authority, Washington (WMMFA)	678	Tacoma Community College (TCC)
245	Military Department (MIL)	142	Tax Appeals, Board of (BTA)
147	Minority and Women's Business Enterprises, Office of (OMWBE)	163	Technology Solutions, Washington (WTS)
490	Natural Resources, Department of (DNR)	376	The Evergreen State College (TESC)
662	Olympic College (OLC)	304	Tobacco Settlement Authority (TOB)
465	Parks and Recreation Commission, State (PARKS)	228	Traffic Safety Commission, Washington (STS)
225	Patrol, Washington State (WSP)	405	Transportation, Department of (DOT)
665	Peninsula College (PEC)	410	Transportation Commission (TRC)
637	Pierce College (PIE)	407	Transportation Improvement Board (TIB)
205	Pilotage Commissioners, Board of (BPC)	090	Treasurer, Office of the State (OST)
462	Pollution Liability Insurance Program, Washington (PLI)	360	University of Washington (UW)
056	Public Defense, Office of (OPD)	215	Utilities and Transportation Commission (UTC)
082	Public Disclosure Commission (PDC)	305	Veterans' Affairs, Department of (DVA)
275	Public Employment Relations Commission (PERC)	220	Volunteer Firefighters and Reserve Officers, Board for (BVFFRO)
350	Public Instruction, Superintendent of (SPI)	683	Walla Walla Community College (WLC)
478	Puget Sound Partnership (PSP)	365	Washington State University (WSU)
467	Recreation and Conservation Funding Board (RCFB)	686	Wenatchee Valley College (WVC)
091	Redistricting Commission (RDC)	380	Western Washington University (WWU)
166	Registration for Professional Engineers and Land Surveyors, Board of (BRPELS)	621	Whatcom Community College (WHC)
693	Renton Technical College (RTC)	354	Workforce Training and Education Coordinating Board (WFTECB)
124	Retirement Systems, Department of (DRS)	691	Yakima Valley College (YVC)
140	Revenue, Department of (DOR)		

Washington State Agency Codes (By Agency Assigned Number)
For the Fiscal Year Ended June 30, 2024

Agency No.	Agency	Agency No.	Agency
005	Federal Revenue for Distribution (FRD)	118	Hispanic Affairs, Washington State Commission on (CHA)
010	Bond Retirement and Interest (BRI)	119	African-American Affairs, Washington State Commission on (CAA)
011	House of Representatives (REP)	120	Human Rights Commission (HUM)
012	Senate (SEN)	124	Retirement Systems, Department of (DRS)
013	Joint Transportation Committee (JTC)	126	Investment Board, State (SIB)
014	Joint Legislative Audit and Review Committee (JLARC)	140	Revenue, Department of (DOR)
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055	Administrative Office of the Courts (AOC)	185	Horse Racing Commission, Washington (HRC)
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346	Higher Education Facilities Authority, Washington (WHEFA)	521	Hardwoods Commission (HRWD)
350	Public Instruction, Superintendent of (SPI)	540	Employment Security, Department of (ES)
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352	Community and Technical Colleges, State Board for (SBCTC)	605	Everett Community College (EVC)
353	Deaf and Hard of Hearing Youth, Washington Center for (CDHY)	610	Edmonds Community College (EDC)
354	Workforce Training and Education Coordinating Board (WFTECB)	621	Whatcom Community College (WHC)
355	Archaeology and Historic Preservation, Department of (DAHP)	627	Bellevue College (BC)
359	Washington Charter School Commission (WCSC)	629	Big Bend Community College (BBC)
360	University of Washington (UW)	632	Centralia College (CEC)
365	Washington State University (WSU)	634	Cascadia College (CC)
370	Eastern Washington University (EWU)	635	Clark College (CLC)
375	Central Washington University (CWU)	637	Pierce College (PIE)
376	The Evergreen State College (TESC)	639	Columbia Basin College (CBC)
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395	Historical Society, Eastern Washington State (EWH)	657	Lower Columbia College (LCC)
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471	Conservation Commission, State (SCC)	694	Bellingham Technical College (BTC)
477	Fish and Wildlife, Department of (DFW)	695	Bates Technical College (BATES)
478	Puget Sound Partnership (PSP)	696	Clover Park Technical College (CPTC)
490	Natural Resources, Department of (DNR)	699	Community and Technical College System (CTCS)

Community and Technical College Reporting

For the Fiscal Year Ended June 30, 2024

Agency 699 – Community and Technical College System is the administrative reporting agency for the following 30 community and technical colleges and the State Board for Community and Technical Colleges:

Bates Technical College
Bellevue College
Bellingham Technical College
Big Bend Community College
Cascadia College
Centralia College
Clark College
Clover Park Technical College
Columbia Basin College
Edmonds College
Everett Community College
Grays Harbor College
Green River College
Highline College
Lake Washington Institute of Technology
Lower Columbia College
Olympic College
Peninsula College
Pierce College
Renton Technical College
Seattle Community Colleges - District 6
Shoreline Community College
Skagit Valley College
South Puget Sound Community College
Spokane Community Colleges - District 17
Tacoma Community College
Walla Walla Community College
Wenatchee Valley College
Whatcom Community College
Yakima Valley College

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