

**State of Washington
 Status of Audit Resolution
 December 2017**

State of Washington

Audit Report	Finding Number	Finding and Corrective Action Plan
2016 F	001	<p>Finding: The State should improve internal controls over the processing and recording of Unemployment Insurance premium payment and wage information and accounting for program activities in the Guaranteed Education Tuition program's (GET) to ensure accurate reporting.</p> <p>Corrective Action: The Office of Financial Management (OFM) has been working with the Employment Security Department (ESD) to improve internal controls over processing and recording of Unemployment Insurance premium payments.</p> <p>In response to the finding, ESD has established a Next Generation Tax System (NGTS) Interfaces and Data Quality Assurance project team comprising of representatives from the business and technology sectors to address concerns regarding the NGTS. The project team is working on improving the system's internal controls related to processing transactions, reporting, and reconciliations between systems. In addition, ESD has contracted with Microsoft to remediate technical issues with the NGTS system and work on eliminating any identified deficiencies.</p> <p>To address the recommendations related to the reporting of accounting activities of the Guaranteed Education Tuition program, the Student Achievement Council (SAC) provided training to agency accounting staff to ensure a better understanding of the year-end closing process with the state's Accounting and Financial Reporting System. The SAC Accounting Manager has also updated year-end accounting procedures to ensure they are complete and adequate.</p> <p>OFM will continue to provide year-end training classes to all state agencies on various topics related to the processing and reporting of financial activities.</p> <p>OFM has also improved the process for reviewing unusual events or unique program activities that are material to the state's financial reporting. Monitoring activities include performing analytical reviews and evaluating significant items to assess the overall statewide impact. For all special and unique transactions, OFM will work with responsible agencies to ensure the transactions are properly accounted for and correctly reported on the financial statements.</p> <p>Completion Date: December 2016, subject to audit follow-up</p> <p>Agency Contact: Brian Tinney Statewide Accounting Assistant Director PO Box 43127 Olympia, WA 98504-3127 (360) 725-0171 brian.tinney@ofm.wa.gov</p>