

Department of Social and Health Services

Agency 300

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	006	<p>Finding: The Department of Social and Health Services did not have adequate internal controls over and did not comply with some Public Assistance Cost Allocation Plan requirements.</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>Due to the timing and frequency of audits, the Department is not made aware of a finding until six months after the state fiscal year concludes. It is not always feasible to correct audit issues within the next six months before a new audit cycle begins. This also means the previous year's audit issues will still be outstanding during at least the first six months of the current audit period. For this reason, we acknowledged in the prior year's finding response that it is unlikely the audit issues would be completely resolved in the fiscal year 2020 audit or beyond.</p> <p>As part of the Department's corrective action plan for the prior year finding, the Department:</p> <ul style="list-style-type: none"> • Implemented processes to ensure monthly staff reconciliations are performed. • Developed standard guidelines and procedures for updating the eligible staff list in Barcode. <p>In December 2020, upon discovery of the errors related to incorrect entry of Random Moments Time Samples (RMTS) results into the base edit workbooks, the Department immediately updated the process for completing the workbooks to ensure RMTS results are uploaded correctly into the Cost Allocation System.</p> <p>As of January 2021, the Department supervisor for the RMTS auditors reviewed the Public Assistance Cost Allocation Plan with the team to ensure understanding of the criteria for modifying an RMTS sample during an audit.</p> <p>As of June 2021, the Department:</p> <ul style="list-style-type: none"> • Developed and implemented a process to conduct a monthly review on a subset of the staff on the reconciliation report to ensure the RMTS coordinators are properly updating the eligible staff list in Barcode. • Updated current guidance to provide additional examples to staff on types of activities that are appropriate for each selection. • Completed a one-time review of a subset of RMTS samples to conduct root cause analysis and determine whether additional training, procedure changes, or system changes are needed. <p>The conditions noted in this finding were previously reported in finding 2019-008.</p>

**State of Washington - Office of Financial Management
 Status of Audit Resolution
 December 2021**

Department of Social and Health Services

Agency 300

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	006 (cont'd)	Completion Date: June 2021, subject to audit follow-up 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

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	008	<p>Finding: The Department of Social and Health Services did not have adequate internal controls over and did not comply with subrecipient monitoring requirements for the Crime Victims Assistance program.</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>Due to the timing and frequency of audits, the Department was not made aware of a finding until six months after the state fiscal year concluded. It should be noted that it is not always feasible to correct audit issues within the next six months before a new audit cycle begins. As a result, the Department anticipates that the audit issues identified in the current audit will still be outstanding at least in the first part of the subsequent audit period.</p> <p>As of June 2020, the Department completed the following corrective actions in response to the prior year's finding:</p> <ul style="list-style-type: none"> • Implemented a secondary review process for issuing sub-awards. • Modified the funding application form to require subrecipients to indicate whether they have ever negotiated an indirect rate with the federal government. • Modified the federal contract templates for the Crime Victim Assistance program to include the indirect cost rate. <p>These process changes and additional requirements for subrecipients will be effective for contracts awarded beginning in state fiscal year 2021. Therefore, full resolution of the audit issues will not be evident until the fiscal year 2021 audit.</p> <p>It is worth noting that the Office of Management and Budget amended 2 CFR 200.414(f) on August 13, 2020, which no longer requires subrecipients to submit documentation to justify the 10 percent de minimis indirect cost rate. The Department's updated funding application form, effective in fiscal year 2021, would be sufficient to justify allowing a subrecipient to request reimbursements using the 10 percent de minimis rate.</p> <p>The conditions noted in this finding were previously reported in finding 2019-009.</p> <p>Completion Date: June 2020, subject to audit follow-up</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

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	020	<p>Finding: The Department of Social and Health Services did not have adequate internal controls to ensure payments from the Coronavirus Relief Fund occurred during the allowable period of performance.</p> <p>Corrective Action: The Department does not concur with the finding.</p> <p>During the pandemic, limited guidance was provided by the federal government regarding the CARES Act stimulus funding, which was also changing as new information became available.</p> <p>On April 22, 2020, the US Department of Treasury (Treasury) issued the Coronavirus Relief Fund (CRF) program guidance for state, territorial, local and tribal governments. The overarching guidance on the CRF stated that expenditures may only be used to cover costs that were:</p> <ul style="list-style-type: none"> • Necessary expenditures incurred due to COVID-19; • Not accounted for in the budget most recently approved as of March 27, 2020; and • Incurred during the period between March 1, 2020, and December 30, 2020. <p>The Treasury defined a cost to be incurred “when the responsible unit of government had expended the funds to cover the cost.” Further, it was assumed that similar to other areas of the CARES Act, the term “incurred” is measuring costs that were reasonably obligated and satisfied during the covered period to avoid instances where an entity is pre-paying expenses in an effort to maximize the use of the funding, but for which the entity does not have a legal obligation to pay such costs (e.g., pre-paying rent, utility or other contractual obligations).</p> <p>The CRF was allocated to the Department after the end of fiscal year 2020. The Department used journal vouchers to transfer expenditures that occurred during fiscal year 2020 to the CRF. All costs that were moved were for expenditures made on or after March 1, 2020. Based on the April 2020 guidance provided by Treasury, the Department does not believe it was out of compliance during the time period under review.</p> <p>The Department maintains that the questioned costs identified in the finding were unsubstantiated, and will continue to work with the Office of Financial Management in ensuring all federal funding is used for allowable purposes.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 4804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>

Department of Social and Health Services

Agency 300

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	032	<p>Finding: The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal requirements to ensure payments paid on behalf of clients for the Vocational Rehabilitation grant were allowable.</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the finding. As of September 2021, the Department’s Division of Vocational Rehabilitation developed a process to monitor the approval of client services.</p> <p>By January 2022, the Department will:</p> <ul style="list-style-type: none"> • Develop training for staff to reinforce understanding of existing federal requirements for the authorizations of client service purchases. • Implement a process improvement regarding the timing and types of approval required for vocational rehabilitation services. • Review existing policies and procedures with a focus on changes to clients’ plans for employment. • Implement improvements to existing supervisory review protocols. • Contact the Department of Education, Rehabilitation Services Administration, regarding the questioned costs identified in this audit <p>The Department is currently in the process of procuring a new case management system. By January 2023, the Department will incorporate automated controls to validate authorizations for purchases into the design for the new system.</p> <p>The conditions noted in this finding were previously reported in findings 2019-023, 2018-023, 2017-014, and 2016-013.</p> <p>Completion Date: Corrective action is expected to be complete by January 2023</p> <p>Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>

Department of Social and Health Services

Agency 300

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	035	<p>Finding: The Department of Social and Health Services did not have adequate internal controls to ensure it submitted accurate quarterly reports for the Temporary Assistance for Needy Families grant.</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>As of July 2020, the Department implemented the following independent review process for the Temporary Assistance for Needy Families (TANF) grant quarterly reports:</p> <ul style="list-style-type: none"> • Research & Data Analysis (RDA) Division staff generate TANF and Separate State Assistance Maintenance of Effort quarterly samples for data validation. • RDA staff review the samples against source data systems with the assistance from TANF policy representatives, and document the review and any discrepancies. • The manager of the federal reporting team independently reviews the quality assurance results and ensures corrections are made as needed. <p>In January 2021, the Department transitioned the primary responsibility for TANF federal reporting from RDA to the Economic Services Administration (ESA). ESA continues to follow the quality assurance process for each report and also performs quarterly internal control/quality assurance reviews through random sampling of the ACF-199 and ACF-209 reported cases.</p> <p>As of June 2021, ESA established an independent review process for all code changes.</p> <p>Due to the timing and frequency of audits, the Department is not usually made aware of a finding until six months after the state fiscal year concludes. It is not always feasible to correct audit issues within the next six months before a new audit cycle begins. For this reason, the Department anticipates that the audit issues identified in the current audit will still be outstanding at least in the first part of the subsequent audit period.</p> <p>The Department will continue to ensure:</p> <ul style="list-style-type: none"> • Independent review and documentation of all code changes. • Use of Microsoft Team Foundation Server for code repository. • Ongoing updates to documentation throughout the production of the TANF federal reports using the current TANF reporting system. • The use of the formal change control procedures and change control logs in the replacement of the current reporting system. <p>The conditions noted in this finding were previously reported in findings 2019-030, 2018-028, 2017-020, and 2016-016.</p>

**State of Washington - Office of Financial Management
 Status of Audit Resolution
 December 2021**

Department of Social and Health Services

Agency 300

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	035 (cont'd)	Completion Date: June 2021, subject to audit follow-up Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 4804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov

Department of Social and Health Services

Agency 300

Audit Report	Finding Number	Finding and Corrective Action Status	
2020 F	043	<p>Finding:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Social and Health Services did not have adequate internal controls over assessing the level of potential fraud risk for the Child Care and Development Fund program.</p> <p>The Department partially concurs with the finding.</p> <p>All fraud referrals, with the exception of vendor referrals, are processed through the Barcode system. In July 2019, the Department discovered an anomaly in the intake process for phone calls to the fraud hotline, specifically:</p> <ul style="list-style-type: none"> • Each phone call to the fraud hotline was entered into the Fraud Case Management System (FCMS) first and was given a prioritization number by the intake worker who received the call. • The referral was then sent through the Barcode scoring algorithm which assigned a second prioritization number. However, this second number did not overwrite the existing FCMS score. • This resulted in two different priority numbers for hotline calls between FCMS and Barcode, but the Barcode prioritization number was not accessible to all Department staff. <p>Upon discovery of the technical issue, the Department researched and monitored the process, and subsequently instituted corrective measures in October 2019. Since then,</p> <ul style="list-style-type: none"> • All fraud referrals by phones are entered into Barcode first to ensure proper prioritization. These prioritizations are then interfaced into FCMS. • No high-priority referrals were aged out. <p>The Department’s Office of Fraud and Accountability is building a new case management system, which will address and correct the system anomaly concerning the fraud case intake process by phone. The Department anticipates the new system will be completed by July 2022.</p> <p>Corrective action is expected to be complete by July 2022</p> <p>Rick Meyer External Audit Compliance Manager PO Box 4804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>

Department of Social and Health Services

Agency 300

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	051	<p>Finding: The Department of Social and Health Services, Developmental Disabilities Administration, did not have adequate internal controls over and did not comply with requirements to ensure Medicaid payments to supported living providers were allowable and adequately supported.</p> <p>Corrective Action: The Department does not concur with the finding.</p> <p>The Department does not agree with the finding conditions as described and maintains that there are adequate internal controls in place to ensure Medicaid payments to supported living providers were allowable and adequately supported. The State Auditor’s Office has questioned virtually all of the Department’s reimbursements for instruction and support services to supported living clients. This conclusion would suggest the auditors did not believe that any of the services occurred, which is implausible and completely inaccurate.</p> <p>Supported living provider services are reimbursed using a per diem rate. Clients’ needs vary by day, and this payment methodology allows providers to meet these changing needs by not carrying the expectation that a set number of hours will be provided to clients each day. The purpose of this reimbursement methodology is to allow service providers flexibility in the provision of services that best meets the clients’ complex needs. This methodology was approved by the Center for Medicare and Medicaid Services (CMS).</p> <p>The auditors’ requirement of hourly documentation of services for each client to justify services provided is not appropriate. It appears the auditors’ evaluation of the Department’s oversight and monitoring of supported living services was not reasonable nor aligned to the business model, and led to the determination that most of the fiscal year 2020 supported services reimbursements were not justified.</p> <p>The Department has a number of significant oversight and monitoring strategies that have been detailed and outlined in the response to the finding. It is particularly worth noting that:</p> <ul style="list-style-type: none"> • In July 2019, a formalized and more holistic quality assurance (QA) oversight process was developed and implemented. This new QA oversight approach was adopted with the transition from the legacy service-hour-driven rate system to the person-centered-assessment-driven tiered rate system, and includes routine reviews to ensure supports listed in clients’ person-centered service plans align with the supports provided. • Additional contract monitoring efforts were implemented to evaluate providers’ performance to ensure compliance with contract terms and conditions. Resource managers’ contract monitoring activities are documented in the Residential Agency Tracking Database.

Department of Social and Health Services

Agency 300

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	051 (cont'd)	<p>It should be noted that in the latter part of fiscal year 2020 (January to June 2020), the Department allowed providers various flexibilities due to the declared emergency in response to the COVID-19 pandemic. The auditors did not take into consideration the flexibilities that the Department approved under its authority. For instance, the auditors stated that cost reports were not submitted or reviewed in a timely manner when, in fact, the Department had allowed additional time for cost report submission and review.</p> <p>The Department acknowledges that there are areas where the oversight and monitoring strategies could be bolstered and improved. By December 2021, the Department will:</p> <ul style="list-style-type: none"> • Continue to utilize numerous oversight and monitoring strategies consistent with the assurances in the waiver application. • Resume its pre-pandemic cost report oversight and monitoring processes, unless otherwise directed by CMS. • Review and amend its cost report instructions. • Update policy to clarify that bonuses and overtime are a part of wages. • Consider whether available resources are sufficient to increase the number of providers included in the cost report audit. • Determine whether to increase the percentage of clients included in the quality assurance reviews. • Strengthen the quality assurance process to ensure necessary follow-up activities occur, including the referral of overpayment concerns to the appropriate team for further actions. • Communicate with the grantor and convey the Department’s position that the per diem reimbursements made during the audit period were justified. <p>The conditions noted in this finding were previously reported in findings 2019-054, 2018-058, 2017-044, 2016-041, 2016-045, 2015-049, 2015-052, 2014-041, 2014-042, 2013-036, 2013-038, and 12-39. The auditors determined findings 2016-041, 2015-052, 2014-041, and 2013-038 were resolved in fiscal year 2018.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 Richard.Meyer@dshs.wa.gov</p>

Department of Social and Health Services

Agency 300

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	052	<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>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 and that the finding will likely remain unresolved through September 2021 or until these facilities are revalidated at the end of the subsequent five-year period.</p> <p>The Department also implemented additional internal controls to ensure Medicaid providers are properly screened, licensed, and enrolled. The Department will continue to maintain the controls currently in place for the provider revalidation process and will codify them into formal policies and procedures to ensure continued federal compliance, including:</p> <ul style="list-style-type: none"> • 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>By January 2022, the Department will convene a fingerprint-based criminal background check stakeholder workgroup to provide an overview of rules and requirements, with a goal to formally adopt policies and procedures by April 2022.</p> <p>By July 2022, a training plan for the fingerprint-based criminal background checks will be established for providers and staff.</p> <p>The conditions noted in this finding were previously reported in findings 2019-062 and 2018-057.</p>

**State of Washington - Office of Financial Management
 Status of Audit Resolution
 December 2021**

Department of Social and Health Services

Agency 300

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	052 (cont'd)	Completion Date: Corrective action is expected to be complete by July 2022 Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 <u>Richard.Meyer@dshs.wa.gov</u>

Department of Social and Health Services

Agency 300

Audit Report	Finding Number	Finding and Corrective Action Status
2020 F	053	<p>Finding: The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls over and did not comply with federal requirements for completing recertification surveys in a timely manner.</p> <p>Corrective Action: The Department concurs with the audit finding and has taken corrective actions to strengthen internal controls over the completion of recertification surveys.</p> <p>As of April 2021, the Department modified the process used in calculating survey intervals to ensure it accurately calculates the statewide average survey frequency based on the federal fiscal year end.</p> <p>As of July 2021, the field manager and administrative staff began conducting quarterly meetings to review the survey interval tracking spreadsheet to ensure information entered is accurate and the Plan of Correction timelines are met.</p> <p>The conditions noted in this finding were previously reported in findings 2019-061, 2018-052, 2017-042, 2016-037, 2015-045, and 2014-046.</p> <p>Completion Date: July 2021, subject to audit follow-up</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

Audit Report	Finding Number	Finding and Corrective Action Status	
2020 F	054	<p>Finding:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls to ensure it complied with federal requirements for completing nursing home recertification surveys in a timely manner.</p> <p>The Department concurs with the finding.</p> <p>The Department has established internal controls and monitoring practices in place for completing nursing home recertification surveys, which resulted in compliance with federal survey interval requirements for years. This audit has helped to bring to the attention that these processes have not been adequately documented.</p> <p>As of November 2021, each region and field office unit established master survey schedules. The Regional Administrators and Office Chief monitor these scheduled surveys on a monthly basis to meet the statewide federally required averages by the end of the federal fiscal year.</p> <p>By May 2022, the Department will develop policies and procedures documenting the survey monitoring and oversight responsibilities.</p> <p>Corrective action is expected to be complete by May 2022</p> <p>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

Audit Report	Finding Number	Finding and Corrective Action Status	
1027249	2019-001	<p>Finding:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Social and Health Services Consolidated Business Services (CBS) did not have adequate internal controls over and did not comply with state and Department policies related to travel purchase cards.</p> <p>The Department concurs with the finding.</p> <p>Since June 2019, the Department has made multiple process changes to strengthen controls over the use of travel purchase cards, which include:</p> <ul style="list-style-type: none"> • Requesting all required documentation prior to making travel arrangements. • Communicating expectations to travelers and supervisors to submit appropriately signed documentation promptly. • Requiring prior approvals for travel expenditures that exceed the prevailing per diem rates. • Verifying required authorizations before payments. • Securing adequate documentation to support charges • Ensuring timely payments of travel card transactions. • Performing timely reconciliations of monthly purchase card statements. <p>The Department’s regional Consolidated Business Centers will continue to work with the individual administrations to ensure travel expenses are properly authorized and documented.</p> <p>June 2020, subject to audit follow-up</p> <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

Audit Report	Finding Number	Finding and Corrective Action Status	
1027249	2019-002	<p>Finding:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Social and Health Services did not have adequate internal controls and did not comply with state rules that would ensure federal funding was optimized for the Aged, Blind or Disabled (ABD) program.</p> <p>The Department partially concurs with the finding.</p> <p>The Department concurs that the current practice to obtain a signed Interim Assistance Reimbursement Authorization (IARA) form at the time of SSI application, rather than during the ABD program application, does not meet the requirements as outlined in the current state law. Since tracking the forms can create unnecessary workload when client application status can change for various reasons, there was a verbal agreement with the Social Security Administration (SSA) that the Department submits the form only at the time when a client files an SSI application. However, the Department did not have formal written documentation to support this agreement.</p> <p>To address the audit finding, the Department will take the following actions:</p> <ul style="list-style-type: none"> • By February 2021, meet with regional Social Services Coordinators at least quarterly to review results of the Social Service SSI Facilitation internal audits, discuss trends, identify potential training needs, and provide clarifications to policies and procedures. • By September 2021, consult with SSA to determine an agreed upon process for submitting the IARA forms. The Department will then revise the SSA contract and current state law, as needed, to align with the updated process. <p>The Department does not concur that a process needs to be developed to ensure ABD payment reimbursement amounts are correct. Since program rules vary between the federal SSI program and the state ABD program, the Department relies on SSA to accurately determine eligibility for the SSI program. The Department has a process in place to ensure that SSA reimbursement is correct by comparing the months eligible for reimbursement as determined by SSA with the period clients receive program payments. This process ensures that a client does not receive duplicate payments from both programs for the same month.</p> <p>June 2020, subject to audit follow-up</p> <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 Health

Agency 303

Audit Report	Finding Number	Finding and Corrective Action Status	
2020 F	005	<p>Finding:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Health did not have adequate internal controls over and did not comply with cash management requirements for the Special Supplemental Nutrition Program for Women, Infants, and Children grant.</p> <p>The Department partially concurs with the finding.</p> <p>The purpose of the Cash Management Improvement Act (CMIA) is to ensure the timely transfer of funds between the federal government and states.</p> <p>The Department has processes in place to ensure that draws are made in a timely manner to ensure that no interest liabilities are incurred by either the Department or the federal grantor.</p> <p>The Department processes all cash draws for expenses paid out in advance are based on actual costs and in line with the approved funding techniques outlined in the Treasury State Agreement (TSA). The Department does not agree that it is out of compliance with the intent of the CMIA and the approved TSA.</p> <p>To improve internal controls over monitoring cash management requirements, the Department:</p> <ul style="list-style-type: none"> • Began tracking draws on an excel spreadsheet in March 2020. • Worked with the Office of Financial Management to clarify language in the 2022 TSA related to the process and timing of draw requests. <p>The conditions noted in this finding were previously reported in findings 2019-006 and 2018-006.</p> <p>June 2021, subject to audit follow-up</p> <p>Jeremy Stephen Enterprise Risk Officer PO Box 47890 Olympia, WA 98504-7890 (360) 789-4618 jeramy.stephen@doh.wa.gov</p>