

Audit Report	Finding Number	Finding and Corrective Action Status	
2017 F	003	<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 could not demonstrate it complied with requirements to perform risk assessments for all subrecipients of the Special Supplemental Nutrition Program for Woman, Infants and Children program.</p> <p>The Department partially concurs with the finding.</p> <p>The Department strives to ensure compliance with federal regulations and has the following procedures in place to evaluate the risk of subrecipients as part of the monitoring protocol:</p> <ul style="list-style-type: none"> • An initial written risk assessment is required for new subrecipients of a federal award. • For each subsequent subaward, an informal risk assessment is performed to determine if the subrecipient’s risk level has changed and thus requires a new written risk assessment. Otherwise, the Department relies on the initial risk assessment. <p>Informal risk assessments are performed by staff, and Department procedure does not require documentation be maintained for those activities. The auditors determined that lack of documentation of the informal risk assessments did not meet federal requirements. The auditors also determined that the Department does not have adequate internal controls to ensure required assessments are performed.</p> <p>As of June 2018, the Department has:</p> <ul style="list-style-type: none"> • Updated the internal procedures for the program to require all risk assessments be documented in accordance with guidance from the federal grantor. • Incorporated the review of risk assessments into the contracting processes. • Communicated changes of the risk assessment process to staff. • Provided staff training through regular work group meetings and advisements from the Fiscal Monitoring Unit. <p>By March 2019, the Department will:</p> <ul style="list-style-type: none"> • Update agency-wide policies and procedures for risk assessments. • Develop and provide formal staff training on the risk assessment process. <p>Corrective action is expected to be complete by March 2019</p> <p>Brandy Brush Internal Auditor PO Box 47890 Olympia, WA 98504-7890 (360) 236-4547 brandy.brush@doh.wa.gov</p>