



STATE OF WASHINGTON  
OFFICE OF FINANCIAL MANAGEMENT

*Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555*

July 21, 2006

Mr. John Fisher, Director  
National External Audit Review Center  
U.S. Department of Health and Human Services  
323 West 8<sup>th</sup> Street, Room 514  
Kansas City, MO 64105

Dear Mr. Fisher:

We are pleased to submit the state of Washington's nineteenth *Single Audit Report* and related reporting package for the fiscal year ended June 30, 2005.

This audit report complies with state and federal audit requirements, including the Revised Code of Washington (RCW) 43.09.310 and Title 31, Chapter 75, United States Code, as amended by the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget's (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

This document contains the following reports and schedules:

- Independent Auditor's Report on Basic Financial Statements
- Basic Financial Statements with Related Notes
- Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
- Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133
- Schedule of Findings and Questioned Costs
- Schedule of Expenditures of Federal Awards with Related Notes (includes Supplemental Information)
- 2005 Corrective Action Plan
- Summary Schedule of Prior Audit Findings for Years Prior to Fiscal Year 2005

Submission of this single audit was initially delayed due to late identification of a type A program, and an increase in the number of findings from the previous year. A sixty-day extension was requested and granted by your office for the federal filing of this audit. A second sixty-day extension was requested by the Washington State Auditor's Office to provide time for a quality control review of the results of this single audit. This request also was granted by your office. Copies of both extension approval letters are included in the Appendices.

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The state's Basic Financial Statements are reproduced in this report, but the complete *Comprehensive Annual Financial Report* (CAFR) is available online at: <http://www.ofm.wa.gov/cafr/default.asp>.

We greatly appreciate the assistance we received from the State Auditor's Office, the U.S. Department of Health and Human Services, and other state and federal agencies in resolving single audit issues.

Respectfully submitted,



Victor A. Moore  
Director

cc: The Honorable Christine O. Gregoire  
Honorable Members, Washington State Legislature