

# Schedule of Findings and Questioned Costs

## Summary of Auditor's Results

### Financial Statements

An unqualified opinion was issued on the financial statements of the governmental activities, business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of the state of Washington.

Internal Control over financial reporting:

- *Significant Deficiencies* - We identified one deficiency in the design or operation of internal control over financial reporting that we consider to be a significant deficiency.
- *Material Weaknesses* - We identified no deficiencies that we consider to be material weaknesses.

We noted no 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 unqualified opinion on the State's compliance with requirements applicable to its major federal programs, with the exception of the National Bioterrorism Hospital Preparedness, Public Health Emergency Preparedness and the State Energy Programs on which we issued qualified opinions on compliance with applicable requirements.

We reported findings that are required to be reported under Section 510(a) of OMB Circular A-133.

**Identification of major programs:**

The following were major programs during the period under audit:

<b>CFDA</b>	<b>PROGRAM</b>
Various	Research and Development Cluster
10.551 10.561 10.561-ARRA	<u>SNAP Cluster</u> Supplemental Nutrition Assistance Program (SNAP) State Administrative Matching Grants for Supplemental Nutrition Assistance Program State Administrative Matching Grants for Supplemental Nutrition Assistance Program ARRA
10.553 10.555 10.556 10.559	<u>Child Nutrition Cluster</u> School Breakfast Program National School Lunch Program Special Milk Program for Children Summer Food Service Program for Children
14.228 14.255	<u>CDBG – State Administered Small Cities Program Cluster</u> Community Development Block Grants Community Development Block Grants ARRA
16.738 16.803-ARRA	Edward Byrne Memorial Justice Assistance Grant Edward Byrne Memorial Justice Assistance Grant ARRA
17.207 17.207-ARRA 17.801 17.804	<u>Employment Services Cluster</u> Employment Service/Wagner-Peyser Funded Activities Employment Service/Wagner-Peyser Funded Activities ARRA Disabled Veterans’ Outreach Program Local Veterans’ Employment Representative Program
17.225 17.225-ARRA	Unemployment Insurance Unemployment Insurance ARRA
17.258 17.258-ARRA 17.259 17.259-ARRA 17.260 17.260-ARRA	<u>Workforce Investment Act (WIA) Cluster</u> WIA Adult Program WIA Adult Program ARRA WIA Youth Activities WIA Youth Activities ARRA WIA Dislocated Workers WIA Dislocated Workers ARRA

20.205 20.205- ARRA 20.219 23.003 23.003-ARRA	<u>Highway Planning and Construction Cluster</u> Highway Planning and Construction Highway Planning and Construction ARRA Recreational Trails Program Appalachian Development Highway System Appalachian Development Highway System ARRA
66.458 66.458- ARRA	Capitalization Grants for Clean Water State Revolving Funds Capitalization Grants for Clean Water State Revolving Funds ARRA
66.468 66.468-ARRA	Capitalization Grants for Drinking Water State Revolving Funds Capitalization Grants for Drinking Water State Revolving Funds ARRA
81.041 81.041-ARRA	State Energy Program State Energy Program ARRA
81.042 81.042-ARRA	Weatherization Assistance for Low-Income Persons Weatherization Assistance for Low-Income Persons ARRA
84.010 84.389-ARRA	<u>Title I, Part A Cluster</u> Title I Grants to Local Educational Agencies Cluster Title I Grants to Local Educational Agencies Cluster ARRA
84.027 84.391-ARRA 84.173 84.392-ARRA	<u>Special Education Cluster</u> Special Education – Grants to States (IDEA, Part B) Special Education – Grants to States (IDEA, Part B) ARRA Special Education – Preschool Grants (IDEA Preschool) Special Education – Preschool Grants (IDEA Preschool) ARRA
84.126 84.390-ARRA	<u>Vocational Rehabilitation Cluster</u> Rehabilitation Services – Vocational Rehabilitation Grants to States Rehabilitation Services – Vocational Rehabilitation Grants to States ARRA
84.367	Title II Improving Teacher Quality
84.394-ARRA 84.397-ARRA	<u>State Fiscal Stabilization Fund Cluster</u> State Fiscal Stabilization Fund (SFSF) - Education State Grants State Fiscal Stabilization Fund (SFSF) – Government Services, Recovery Act
93.069	Public Health Emergency Preparedness

93.268 93.712-ARRA	<u>Immunization Cluster</u> Immunization Grants Immunization Grants ARR
93.558 93.714-ARRA 93.716-ARRA	<u>TANF Cluster</u> Temporary Assistance for Needy Families (TANF) State Programs Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Programs - ARRA Temporary Assistance for Needy Families (TANF) Supplemental Grants - ARRA
93.563 93.563-ARRA	Child Support Enforcement Child Support Enforcement ARRA
93.569 93.710-ARRA	<u>Community Services Block Grant Cluster</u> Community Services Block Grants Community Services Block Grants ARRA
93.575 93.713-ARRA 93.596	<u>CCDF Cluster</u> Child Care and Development Block Grant Child Care and Development Block Grant ARRA Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.658 93.658-ARRA	Foster Care – Title IV-E Foster Care – Title IV-E ARRA
93.659 93.659-ARRA	Adoption Assistance Adoption Assistance ARRA
93.667	Social Services Block Grant
93.767	State Children’s Health Insurance Program
93.775 93.776 93.777 93.778 93.778-ARRA	<u>Medicaid Cluster</u> State Medicaid Fraud Control Units Hurricane Katrina Relief Program State Survey and Certification of Health Care Providers and Suppliers Medical Assistance Program (Medicaid) Medical Assistance Program (Medicaid) ARRA
93.889	National Bioterrorism Hospital Preparedness

93.959	Block Grant Substance Abuse
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The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by OMB Circular A-133, was \$30,000,000.

The State did not qualify as a low-risk auditee under OMB Circular A-133.

### **Direct Reporting of Questioned Costs Affecting Federal Programs**

During the audit period, a number of issues impacting federal awards came to our attention that were outside of the scope of the Single Audit. We reported these issues directly to the federal granting agencies in accordance with Government Auditing Standards and OMB Circular A-133:

- Whistleblower Report No. 1004032  
An employee with the Developmental Disability Division of the Department of Social and Health Services is working simultaneously for a counseling agency.
- Accountability Audit Report No. 1003598  
The Puget Sound Partnership circumvented state contracting laws, exceeded its purchasing authority and made unallowable purchases with public funds.
- Special Report No. 1004595  
Report on the Department of Commerce's investigation on alleged misuse of public funds by a non-profit organization.