

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 no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *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 and the Public Health Emergency Preparedness 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:

CFDA	PROGRAM
84.007 84.032 84.033 84.037 84.038 84.063 84.063 ARRA 84.268 84.375 84.376 84.379 84.408 93.264 93.342 93.364 93.407 ARRA 93.408 ARRA 93.925	<u>Student Financial Assistance Cluster</u> Federal Supplemental Educational Opportunity Grants (FSEOG) Federal Family Education Loans (FFEL) Federal Work-Study Program (FWS) Perkins Loan Cancellations Federal Perkins Loan (FPL) – Federal Capital Contributions Federal Pell Grant Program (PELL) Federal Pell Grant Program (PELL) Recovery Act Federal Direct Student Loans (Direct Loan) Academic Competitiveness Grants (ACG) National Science and Mathematics Access to Retain Talent (SMART) Grants Teacher Education Assistance for College and Higher Education Grants (TEACH) Postsecondary Education Scholarships for Veteran’s Dependents (IASG) Nurse Faculty Loan Program (NFLP) Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students (HPSL/PCL/LDS) Nursing Student Loans (NSL) Scholarships for Disadvantaged Students (ARRA – SDS) Recovery Act Nurse Faculty Loan Program (ARRA-NFLP) Recovery Act Scholarships for Disadvantaged Students (SDS)
10.551 10.561	<u>SNAP Cluster</u> Supplemental Nutrition Assistance Program (SNAP) State Administrative Matching Grants for Supplemental Nutrition Assistance Program
11.438	Pacific Coast Salmon Recovery
12.401 12.401 ARRA	National Guard Military Operations and Maintenance Projects National Guard Military Operations and Maintenance Projects ARRA
14.258 ARRA	Tax Credit Assistance Program ARRA
16.738 16.803-ARRA 16.804	<u>JAG Program Cluster</u> Edward Byrne Memorial Justice Assistance Grant Edward Byrne Memorial Justice Assistance Grant Grants to States and Territories ARRA Edward Byrne Memorial Justice Assistance Grant Grants to Units of Local Government ARRA
17.225 17.225-ARRA	Unemployment Insurance Unemployment Insurance ARRA

CFDA	PROGRAM
20.205 20.205- ARRA 20.219 20.933 23.003 23.003-ARRA	<u>Highway Planning and Construction Cluster</u> Highway Planning and Construction Highway Planning and Construction ARRA Recreational Trails Program Surface Transportation Infrastructure – Discretionary Grants 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
81.127 – ARRA	Energy Appliance Rebate Program 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 84.173 84.391-ARRA 84.392-ARRA	<u>Special Education Cluster</u> Special Education – Grants to States (IDEA, Part B) Special Education – Preschool Grants (IDEA Preschool) Special Education – Grants to States (IDEA, Part B) ARRA 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
84.181 84.393	<u>Early Intervention Services (IDEA) Cluster</u> Special Education – Grants for Infants and Families Special Education – Grants for Infants and Families ARRA

CFDA	PROGRAM
84.394-ARRA 84.397-ARRA	<u>State Fiscal Stabilization Fund Cluster</u> State Fiscal Stabilization Fund (SFSF) - Education State Grants ARRA State Fiscal Stabilization Fund (SFSF) – Government Services, ARRA
84.410	<u>Education Jobs Fund</u>
93.069	Public Health Emergency Preparedness
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 93.596 93.713-ARRA	<u>CCDF Cluster</u> Child Care and Development Block Grant Child Care Mandatory and Matching Funds of the Child Care and Development Fund Child Care and Development Block Grant ARRA
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
93.720 93.775 93.776 93.777 93.778 93.778-ARRA	<u>Medicaid Cluster</u> State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection Prevention Initiative 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

CFDA	PROGRAM
93.767	State Children's Health Insurance Program
93.889	National Bioterrorism Hospital Preparedness Program
93.959	Block Grants for Prevention and Treatment of Substance Abuse
94.006 94.006-ARRA	AmeriCorps AmeriCorps ARRA
96.001 96.006	<u>Disability Insurance / SSI Cluster</u> Social Security Disability Insurance (DI) Supplemental Security Income (SSI)

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, one issue impacting federal awards came to our attention that was 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:

- Fraud Investigation Report No. 1006149
An employee with the Tacoma-Pierce County Employment and Training Consortium misappropriated WIA funds.