State of Washington
Office of Financial Management

Single Audit Report

For the Fiscal Year Ended June 30, 2011

March 2012

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Single Audit Report
For the Fiscal Year Ended June 30, 2011

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Washington State Auditor
Brian Sonntag

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

November 22, 2011

The Honorable Christine Gregoire
Governor, State of Washington

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of the State of Washington, as of and for the year ended June 30, 2011, which collectively comprise the State's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the State's management. Our responsibility is to express opinions on these financial statements based on our audits. We did not audit the financial statements of the Department of Retirement Systems, Washington's Lottery, Local Government Investment Pool, University of Washington, and the funds managed by the State Investment Board. Those financial statements represent part or all of the total assets, net assets, and revenues or additions of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information as follows:

Opinion Unit	Percent of Total Assets	Percent of Net Assets	Percent of Total Revenues/ Additions
Governmental Activities	12.1%	21.3%	8.8%
Business-Type Activities	79.2%	100%	29.2%
Higher Education Special Revenue Fund	47.9%	48.5%	47.6%
Higher Education Endowment Fund	90.7%	95.9%	90.7%
Higher Education Student Services Fund	68.8%	73.3%	82.5%
Workers' Compensation Fund	86.4%	100%	32.4%
Other Activities Fund	56.1%	100%	74.0%
Aggregate Discretely Presented Component Units and Remaining Fund Information	91.4%	94.5%	78.7%

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the above mentioned entities and funds are based solely on the reports of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Department of Retirement Systems, Washington's Lottery, Local Government Investment Pool, University of Washington, and the funds managed by the State Investment Board were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall

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financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of the State of Washington, as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As explained in Note 1.D.1, the financial statements include pension trust fund investments valued at $24.9 billion which comprise 26.7% of total assets and 30.3% of net assets of the aggregate discretely presented component units and remaining fund information. The fair values of these investments have been estimated by management in the absence of readily determinable fair values. Management's estimates are based on information provided by the fund managers or, in the case of investments in partnerships, the general partners.

As described in Note 2, during the year ended June 30, 2011, the State implemented Governmental Accounting Standards Board *Statement No. 54 - Fund Balance Reporting and Governmental Fund Type Definitions* and *Statement No. 59 – Financial Instruments Omnibus*.

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the required supplementary information are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

BRIAN SONNTAG, CGFM
STATE AUDITOR

MD&A

Management's Discussion and Analysis

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MD&A

Management's Discussion & Analysis

As managers of the state of Washington, we offer this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2011. We present this information in conjunction with the information included in our letter of transmittal, which can be found preceding this narrative, and with the state's financial statements, which follow. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- Total assets of the state of Washington exceeded its liabilities by $19.0 billion (reported as net assets). Of this amount, $(8.5) billion was reported as "unrestricted (deficit) net assets." A negative balance indicates that no funds were available for discretionary purposes.

- The state of Washington's governmental funds reported a combined ending fund balance of $10.6 billion, an increase of 0.1 percent compared with the prior year.

- The General Fund reported unassigned fund balance (deficit) of $(107.8) million, at the end of fiscal year 2011, or 0.4 percent of total General Fund expenditures.

- The state's capital assets increased by $1.4 billion while total bond debt increased by $488 million during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the state of Washington's basic financial statements, which include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The focus is on both the state as a whole (government-wide) and the major individual funds. The dual perspectives allow the reader to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government), and enhance the state's accountability.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the state of Washington's finances, in a manner similar to a private sector business.

Statement of Net Assets. The *Statement of Net Assets* presents information on all of the state of Washington's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the state of Washington is improving or deteriorating.

Statement of Activities. The *Statement of Activities* presents information showing how the state's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The Statement of Activities is focused on both the gross and net cost of various activities (including governmental, business-type, and component unit). This is intended to summarize and simplify the reader's analysis of the revenues and costs of various state activities and the degree to which activities are subsidized by general revenues.

Both of these government-wide financial statements distinguish functions of the state of Washington that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the state of Washington include education, human services, transportation, natural resources, adult corrections, and general government.

The business-type activities of the state of Washington include the workers' compensation and unemployment compensation programs, as well as Washington's lottery, liquor control, and various higher education student services such as housing and dining.

The government-wide financial statements can be found on pages B15 - B19 of this report.

FUND FINANCIAL STATEMENTS

A fund is a group of related accounts used to maintain control over resources that are segregated for specific activities or objectives. The state of Washington, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the state can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on fund balances at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for four major funds and an aggregate total for all nonmajor funds. The state's major governmental funds are the General Fund, Higher Education Special Revenue Fund, and the Higher Education Endowment Fund. Individual fund data for the state's nonmajor governmental funds are provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages B21 - B25 of this report.

Proprietary Funds. The state of Washington maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds represent an accounting device used to accumulate and allocate costs internally among the state of Washington's various functions. The state of Washington uses internal service funds to account for general services such as motor pool, central stores, data processing services, risk management, employee health insurance, and printing services. Because internal service funds predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary fund financial statements provide separate information for the Workers' Compensation Fund, Unemployment Compensation Fund, the Higher Education Student Services Fund, and the Other Activities Fund, which are considered to be major funds, as well as an aggregated total for all nonmajor enterprise funds.

The internal service funds are combined for presentation purposes. Individual fund data for the state's nonmajor proprietary funds are provided in the form of combining statements elsewhere in this report. The proprietary fund financial statements can be found on pages B26 - B33 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the state of Washington's own programs. Washington's fiduciary funds include state administered pension plans. The accounting used for fiduciary funds is much like that used for proprietary funds. Individual fund data for the state's fiduciary funds are provided in the form of combining statements elsewhere in this report. The fiduciary fund financial statements can be found on pages B34 and B35 of this report.

Component Units. Component units that are legally separate from the state and primarily serve or benefit those outside the state are discretely presented. They are either financially accountable to the state, or have relationships with the state such that exclusion would cause the state's financial statements to be misleading or incomplete. The state discretely reports one major component unit, the Washington State Public Stadium Authority, and four nonmajor component units.

Refer to Note 1 on pages B41 - B51 for more detailed information. Individual fund data for the state's nonmajor component units are provided in the form of combining statements elsewhere in this report. The component unit financial statements can be found on pages B36 and B37 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages B39 - B134 of this report.

OTHER REQUIRED INFORMATION

In addition to this discussion and analysis, this report also presents required supplementary information on budgetary comparisons, pension plans and other post-employment benefits, funding progress, and infrastructure assets reported using the modified approach.

Required supplementary information can be found on pages B137 - B161 of this report.

The combining statements referred to earlier are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 181-241 of Comprehensive Annual Financial Report.

STATE OF WASHINGTON
Statement of Net Assets
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
ASSETS						
Current and other assets	$ 17,210	$ 16,915	$ 23,249	$ 22,080	$ 40,459	$ 38,995
Capital assets	32,960	31,247	1,947	2,254	34,907	33,501
Total assets	50,170	48,162	25,196	24,334	75,366	72,496
LIABILITIES						
Current and other liabilities	3,900	3,730	3,109	3,421	7,009	7,151
Long-term liabilities outstanding	21,540	21,234	27,832	27,934	49,372	49,168
Total liabilities	25,440	24,964	30,941	31,355	56,381	56,319
NET ASSETS						
Invested in capital assets, net of related debt	18,723	18,201	718	913	19,441	19,114
Restricted	4,847	5,214	3,199	2,930	8,046	8,144
Unrestricted (deficit)	1,160	(217)	(9,662)	(10,864)	(8,502)	(11,081)
Total net assets	$ 24,730	$ 23,198	$ (5,745)	$ (7,021)	$ 18,985	$ 16,177

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. For the state of Washington, total assets exceed liabilities by $19.0 billion at June 30, 2011 as compared to $16.2 billion as reported at June 30, 2010.

The largest portion of the state's net assets (102.4 percent for fiscal year 2011 as compared to 118.2 percent for fiscal year 2010) reflects its investment in capital assets (e.g., land, buildings, equipment and intangible assets), less any related debt used to acquire those assets that is still outstanding. The state of Washington uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the state of Washington's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the state of Washington's net assets (42.4 percent for fiscal year 2011 as compared to 50.3 percent for fiscal year 2010) represents resources that are subject to external restrictions on how they may be used. The remaining balance of $(8.5) billion represents unrestricted (deficit) net assets. The state's overall negative balance is caused by deficits in both governmental and business-type activities.

In governmental activities, unrestricted net assets improved from $(217) million deficit in fiscal year 2010 to $1.2 billion in fiscal year 2011. The improvement was a

combination a modest increase in revenues, and the state's ability to curtail spending in response to revenue shortfalls.

In business-type activities, the majority of the deficit is caused by the workers' compensation program that provides time-loss, medical, disability and pension payments to qualifying individuals who sustain work-related injuries or develop occupational diseases as a result of their required work activities.

The main benefit plans of the workers' compensation program are funded on rates that will keep the plans solvent in accordance with recognized actuarial principles.

The supplemental pension cost-of-living adjustments (COLAs) granted for time-loss and disability payments, however, are funded on a pay-as-you-go basis. By statute, the state is only allowed to collect enough revenue to fund the current COLA payments.

As previously mentioned, the state's activities are divided between governmental and business-type. The majority of support for governmental activities comes from taxes and intergovernmental grants, while business-type activities are supported primarily through user charges.

STATE OF WASHINGTON

Changes in Net Assets

(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
REVENUES						
Program revenues:						
Charges for services	$ 4,902	$ 4,584	$ 6,466	$ 5,987	$ 11,368	$ 10,571
Operating grants and contributions	12,609	12,193	2,305	2,468	14,914	14,661
Capital grants and contributions	833	939	13	-	846	939
General revenues:						
Taxes	16,166	14,982	174	160	16,340	15,142
Interest and investment earnings (loss)	474	449	1,611	1,743	2,085	2,192
Total Revenues	34,984	33,147	10,569	10,358	45,553	43,505
EXPENSES						
General government	(1,674)	(1,738)	-	-	(1,674)	(1,738)
Education - K-12	(8,055)	(8,468)	-	-	(8,055)	(8,468)
Education - Higher education	(6,257)	(6,051)	-	-	(6,257)	(6,051)
Human services	(13,364)	(12,946)	-	-	(13,364)	(12,946)
Adult corrections	(935)	(938)	-	-	(935)	(938)
Natural resources and recreation	(996)	(1,084)	-	-	(996)	(1,084)
Transportation	(1,981)	(2,073)	-	-	(1,981)	(2,073)
Interest on long-term debt	(882)	(810)	-	-	(882)	(810)
Workers' compensation		-	(1,219)	(4,268)	(1,219)	(4,268)
Unemployment compensation		-	(3,690)	(4,729)	(3,690)	(4,729)
Higher education student services		-	(1,820)	(1,628)	(1,820)	(1,628)
Liquor control		-	(556)	(552)	(556)	(552)
Washington's lottery		-	(393)	(389)	(393)	(389)
Other business-type activities		-	(784)	(345)	(784)	(345)
Total Expenses	(34,144)	(34,108)	(8,462)	(11,911)	(42,606)	(46,019)
Excess (deficiency) of revenues over expenses before contributions to endowments and transfers	840	(961)	2,107	(1,553)	2,947	(2,514)
Contributions to endowments	69	52	-	-	69	52
Transfers	231	252	(231)	(252)	-	-
Special item	-	-	(223)	-	(223)	-
Increase (decrease) in net assets	1,140	(657)	1,653	(1,805)	2,793	(2,462)
Net assets - July 1, as restated	23,590	23,855	(7,398)	(5,216)	16,192	18,639
Net assets - June 30	$ 24,730	$ 23,198	$ (5,745)	$ (7,021)	$ 18,985	$ 16,177

Governmental Activities. Governmental activities resulted in an increase in the state of Washington's net assets of $1.1 billion. A number of factors contributed to the increase:

- Tax revenues increased by $1.2 billion in fiscal year 2011 as compared to fiscal year 2010 reflecting sluggish positive growth in the economy. Sales and use taxes reported an increase of $478 million. Sales and use taxes are the main tax revenue for governmental activities. The increase in sales tax is attributable to both a slight increase in taxable sales in fiscal year 2011 and a tax penalty amnesty program in the spring of 2011. Business and occupation tax, the second largest source of tax revenue in governmental activities, increased by $480 million in fiscal year 2011 over 2010. It is a tax on the gross receipts of all businesses operating in Washington. Growth in business and occupation tax revenue in fiscal year 2011 was mainly due to an increase in the tax rate on services which increased from 1.5 percent to 1.8 percent. Business and occupation tax collections were also aided by the tax penalty amnesty program and other legislative changes.

- Operating and capital grants and contributions increased $310 million in fiscal year 2011 as compared to fiscal year 2010. While American Recovery and Reinvestment Act (ARRA) grants contributed $1.6 billion in fiscal year 2011, it was a decrease of $615 million from the level contributed in fiscal year 2010. Offsetting the decrease in ARRA grants were increases in non-ARRA student financial assistance and supplemental nutrition assistance grants.

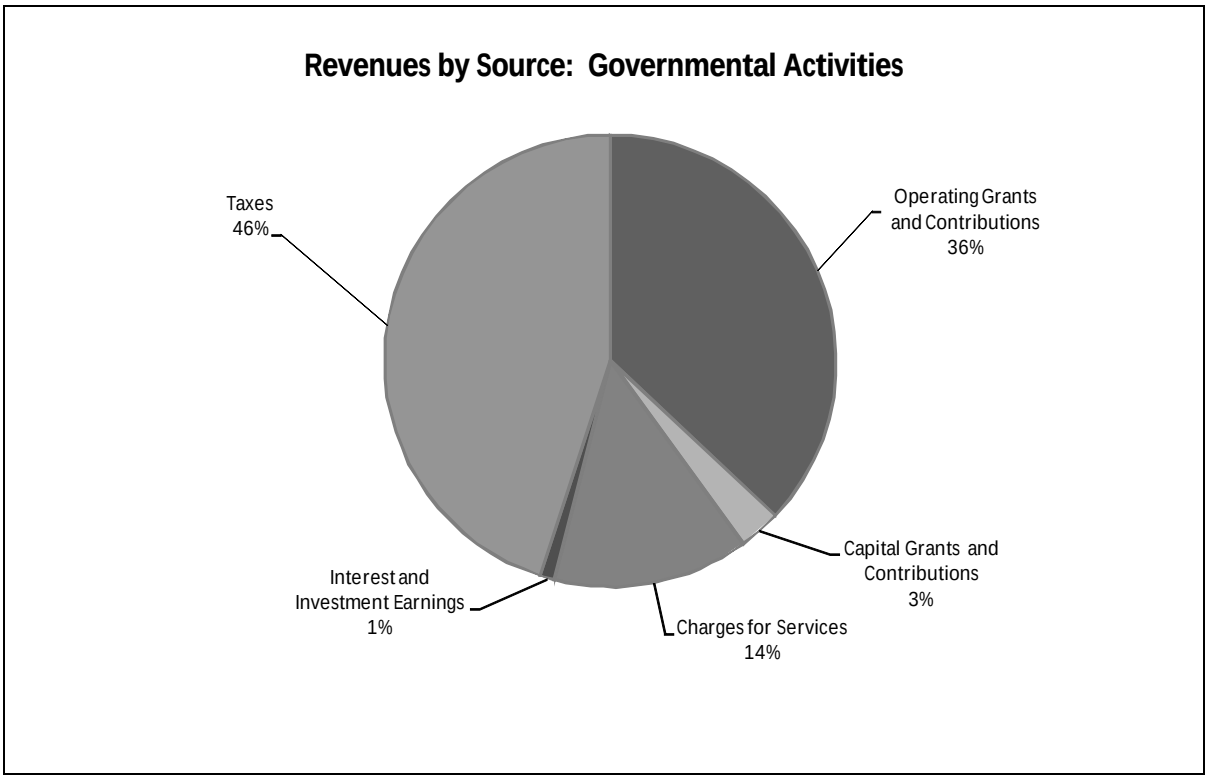
- Expenses grew slightly in fiscal year 2011 as compared to fiscal year 2010. The expenses for human services and education comprised 81.1 percent of the total expenses for governmental activities which is fairly consistent with the 80.5 percent in fiscal year 2010. Human services accounted for the majority of the growth in expenses increasing by $418 million or 3.2 percent in fiscal year 2011 over fiscal year 2010 reflecting the increased number of citizens seeking assistance from state programs and services due to the economic recession.

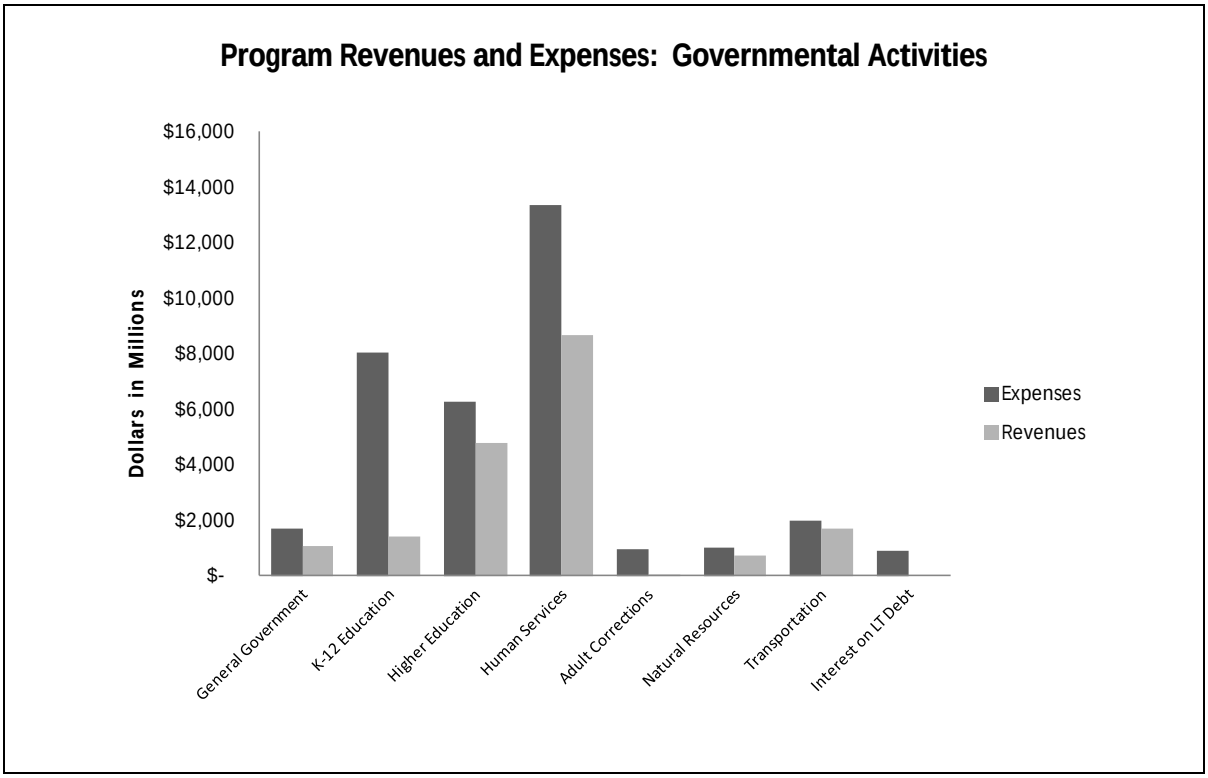
Business-Type Activities. Business-type activities increased the state of Washington's net assets by $1.7 billion which included increases in both the workers' compensation and unemployment compensation activities. Key factors contributing to the operating results of business-type activities are:

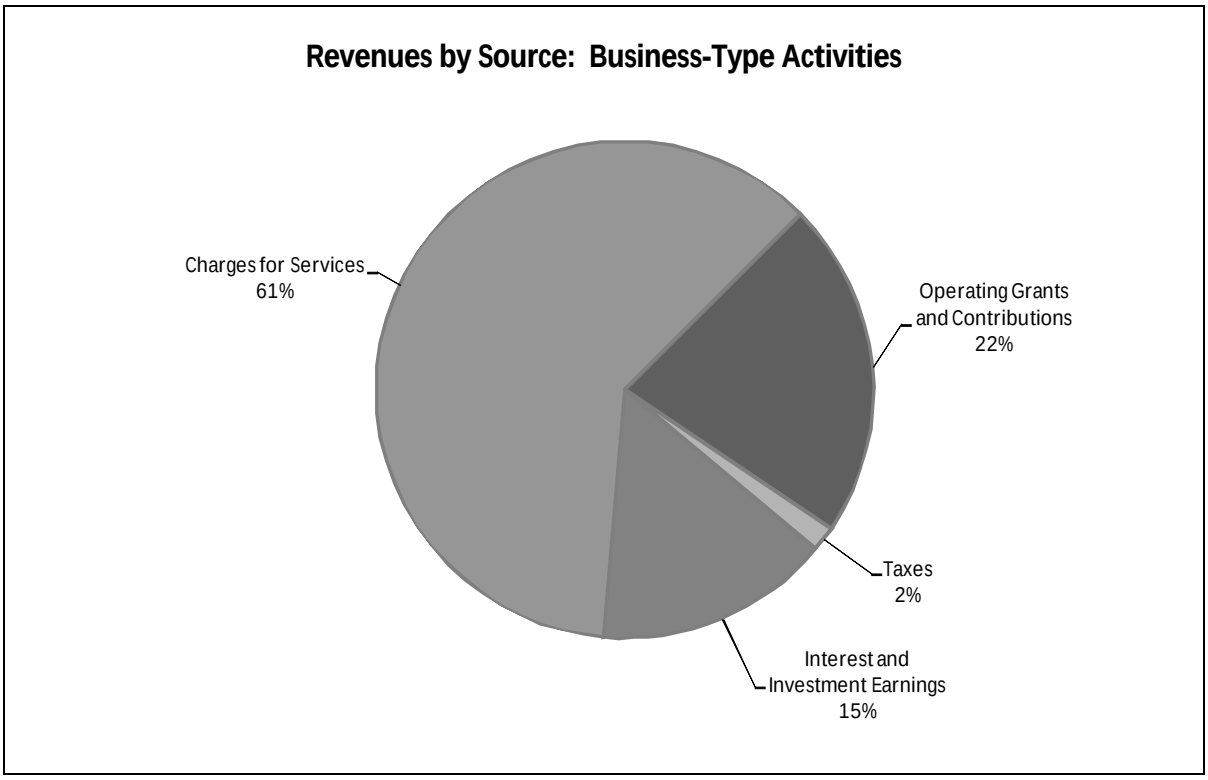
- The increase in net assets in the workers' compensation activity in fiscal year 2011 was $1.8 billion after a decrease of $1.0 billion in fiscal year 2010. A number of factors contributed to the turn around. Premium revenue increased by $256 million as a result of a January 2011 premium rate increase that averaged 12 percent and a slight increase in reported hours worked. Claims costs decreased by $3.1 billion in fiscal year 2011 compared with fiscal year 2010 in large part due to workers' compensation reform legislation. Substitute Senate Bill 5801 and Engrossed House Bill 2123 provided for: (1) the implementation of a single statewide network of health care providers to treat injured workers and expansion of the Centers of Occupational Health and Education, which increases the use of occupational health best practices in treating injured workers; (2) a structured settlement option for injured workers who are age 55 by January 1, 2012; and (3) a one year cost of living adjustment freeze and a one year delay for first-time COLA during fiscal year 2012. Other factors contributing to the decline in claims costs included the use of generic drugs and the low wage rate growth. Nonoperating investment income decreased by $457 million due to lower returns on fixed income securities.

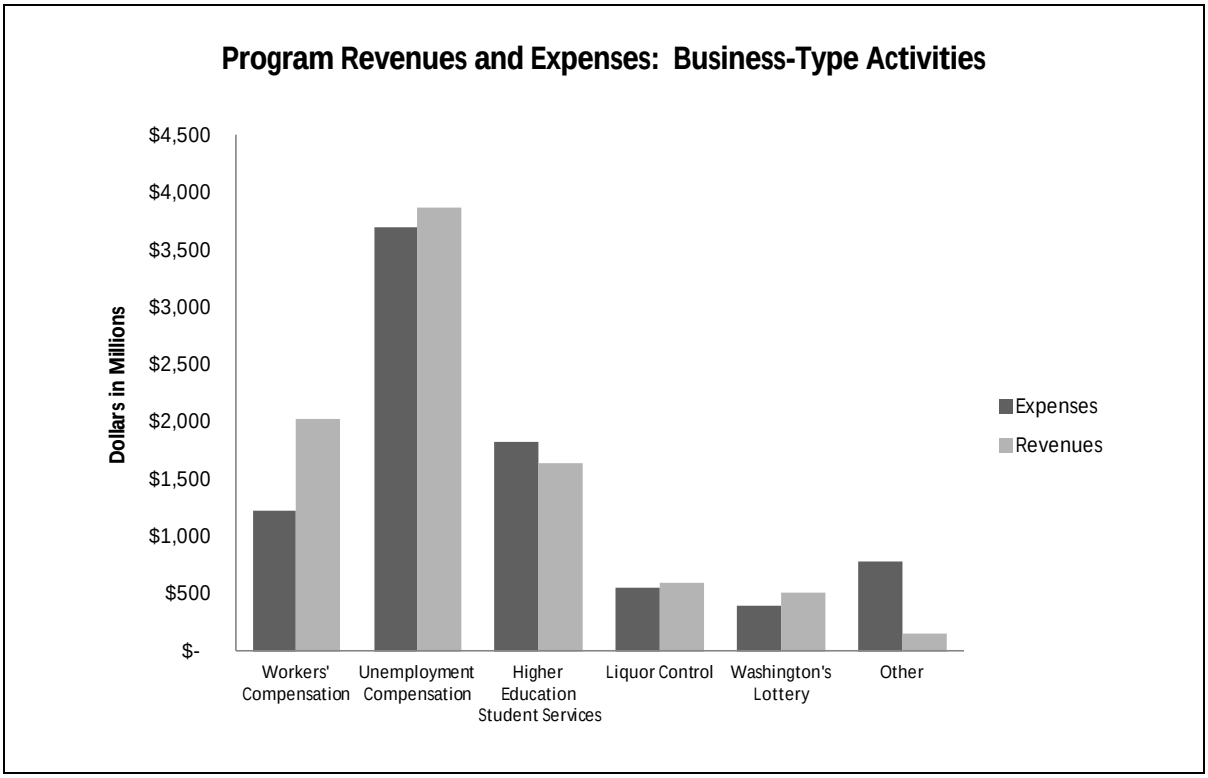
- The unemployment compensation activity reported operating income in fiscal year 2011 of $171 million, compared to a $985 million operating loss in fiscal year 2010. Washington's unemployment insurance program is an experience-based system. Due to the recession, Washington has seen a rise in the number of unemployed starting in 2009. The rise in unemployment has resulted in increased premium charges to employers. Additionally, the taxable wage base increased to $37,300 in 2011 from $36,800 in 2010. Unemployment insurance benefits declined by $1.0 billion in fiscal year 2011 over fiscal year 2010. The decrease in benefit costs was the result of a decline in the number of claims and the duration of claims. While the annualized unemployment rate for the state was 9.3 percent in fiscal year 2011, up from 8.7 percent in fiscal year 2010, the insured rate declined to 3 percent in fiscal year 2011 from 3.75 percent in fiscal year 2010.

- The higher education student services activity reported relatively proportional increases in both expenses and charges for services when compared to the prior year. Additionally, both liquor control and Washington's lottery activities reported operating revenues and expenses consistent with the prior year.


Revenues by Source: Governmental Activities
Taxes 46%
Operating Grants and Contributions 36%
Capital Grants and Contributions 3%
Charges for Services 14%
Interest and Investment Earnings 1%


Program Revenues and Expenses: Governmental Activities
Dollars in Millions
$16,000
$14,000
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
$-
General Government
K-12 Education
Higher Education
Human Services
Adult Corrections
Natural Resources
Transportation
Interest on LT Debt
Expenses
Revenues


Revenues by Source: Business-Type Activities
Charges for Services
61%
Operating Grants
and Contributions
22%
Taxes
2%
Interest and
Investment Earnings
15%


Program Revenues and Expenses: Business-Type Activities
Dollars in Millions
$4,500
$4,000
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$-
Workers' Compensation
Unemployment Compensation
Higher Education Student Services
Liquor Control
Washington's Lottery
Other
Expenses
Revenues

Financial Analysis of the Government's Funds

As noted earlier, the state of Washington uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. As previously discussed, the focus of the state of Washington's governmental funds is to provide information on near-term inflows, outflows, and fund balances. Such information is useful in assessing the state of Washington's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Adjustments to Beginning Fund Balances. As described in Note 2 to the financial statements on pages B51 and B52, beginning fund balances of governmental funds were adjusted. To enhance comparability, all amounts presented for fiscal year 2010 in this discussion and analysis were revised, where applicable, to reflect these changes as if the changes had been made in the prior year.

- Net reclassification of $253.9 million from the Nonmajor Governmental Funds to the General Fund related to the implementation of Governmental Accounting Standards Board Statement Number 54.

- Reclassification of the Motor Vehicle Fund from a major fund to a nonmajor governmental fund because it fell below the major fund threshold.

Fund Balances. At June 30, 2011, the state's governmental funds reported combined ending fund balances of $10.6 billion. Of this amount, $3.75 billion or 35.6 percent is nonspendable, either due to its form or legal constraints, and $3.81 billion or 36.1 percent is restricted for specific programs by external constraints, constitutional provisions or contractual obligations. An additional $2.15 billion or 20.4 percent of total fund balance has been committed to specific purposes. Committed amounts cannot be used for any other purpose unless approved by the Legislature. An additional $1.11 billion or 10.6 percent of total fund balance has been assigned to specific purposes by management. The remaining $(282) million or (2.7) percent of fund balance is unassigned.

The General Fund is the chief operating fund of the state of Washington. At the end of fiscal year 2011, total fund balance for the General Fund equaled $1.2 billion, an increase of $585.6 million over fiscal year 2010. Assigned fund balance included $1.1 billion in fiscal year 2011 which is assigned for working capital purposes. This amount relates to certain accrued revenues which are not considered by management to be available for budgetary purposes.

The unassigned fund balance deficit of $(107.8) million in the General Fund indicates that the state has overspent funds available for discretionary purposes. The deficit fund balance in fiscal year 2011 reflects improvement over the $(561) million deficit in fiscal year 2010. The back to back deficits are due to the recessionary economic conditions which have adversely impacted state revenues.

STATE OF WASHINGTON
General Fund
(in millions of dollars)

	Fiscal Year 2011	Fiscal Year 2010	Difference Increase (Decrease)
REVENUES			
Taxes	$ 14,423	$ 13,169	$ 1,254
Federal grants	9,597	9,648	(51)
Investment revenue (loss)	(15)	(7)	(8)
Other	645	563	82
Total	24,650	23,373	1,277
EXPENDITURES			
Human services	13,473	13,238	235
Education	9,211	9,491	(280)
Other	1,519	1,632	(113)
Total	24,203	24,361	(158)
Net transfers in (out)	(215)	(7)	(208)
Other financing sources	354	137	217
Net increase (decrease) in fund balance	$ 586	$ (858)	$ 1,444

Expenditures continue to be concentrated in services and programs most vital to citizens – primarily human services and public education. In fiscal year 2011, the General Fund received $1.2 billion in American Recovery and Reinvestment Act down from $1.7 billion in fiscal year 2010. The majority of the ARRA funding in the General Fund was for human services programs.

In addition to the General Fund, the state reports the Higher Education Special Revenue, and the Higher Education Endowment Funds as major governmental funds.

The fund balance of the Higher Education Special Revenue Fund increased by $107 million in fiscal year 2011. Increases in tuition and federal grant revenues offset the increased costs of higher education activities.

The fund balance for the Higher Education Endowment Fund increased by $364 million. Support from donors increased by $17 million over the prior year and investment earnings increased by $89 million over the same period. The increase in donor support comes after four straight years of decreases and reflects slowly improving economic conditions.

Proprietary Funds. The state of Washington's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

- The Workers' Compensation Fund reported an increase in net assets of $1.8 billion in fiscal year 2011. Operating revenues increased by $264 million and operating expenses decreased by $3.0 billion as compared to fiscal year 2010. As noted previously, operating revenues increased due to an increase in premium rates and claims expense decreased in large part due to workers' compensation reform legislation. Investment income decreased as compared to fiscal year 2010 due to lower returns on fixed income securities.

- Washington's Unemployment Compensation Fund reported operating income of $171 million. The increase in premium revenue of $304 million in fiscal year 2011 over 2010 was partially offset by a decrease in federal aid of $167 million over the same period. Unemployment benefit claims decreased by $1.0 billion in fiscal year 2011 as compared to 2010. As reported previously, while the unemployment rate in Washington remains high, the insured rate declined in fiscal year 2011.

- The Other Activities Fund was presented as a major proprietary fund for the first time in fiscal year 2011. The major activity in the Other Activities Fund is the state's guaranteed education tuition (GET) program. The GET program reported a net loss of $311 million in fiscal year 2011. While the program continues to attract new enrollments and investment returns are up, tuition rates have been escalating much higher than assumed in prior valuations. Tuition rates for the 2011-2012 school year increased by 19.0 percent exceeding the 7.5 percent assumed in the prior valuation. Tuition growth assumptions have been increased for future years.

- The state's Convention and Trade Center (CTC) which was reported as a nonmajor enterprise fund in prior years, was transferred to a public facilities district (PFD) in fiscal year 2011. The transfer agreement with the PFD required the PFD to provide the state with funds to retire the state's existing debt on the CTC. The transfer resulted in a net loss to the state of $223 million which is reported as a special item.

- The Higher Education Student Services and other nonmajor enterprise funds reported activity generally consistent with prior years.

General Fund Budgetary Highlights

Differences between the original budget of the General Fund and the final amended budget reflect adjustments related to changes in the state's economy during the biennium ended June 30, 2011. While there were no significant increases or decreases, changes to estimates are summarized as follows:

- Estimated resources increased by $1.1 billion over the course of the biennium. A decrease of $1.9 billion was reported for taxes reflecting the continued sluggish economy. The decrease in estimated tax revenue was offset by increases to federal grants-in-aid of $1.8 billion and transfers from other funds of $940 million.

- Appropriated expenditure authority increased by $1.8 billion over the course of the biennium ended June 30, 2011. Increases were recorded in human services, education and transfers to other funds of $856 million, $204 million, and $523 million, respectively. The largest decrease was in transportation of $5 million.

The state did not overspend its legal spending authority for the 2009-2011 Biennium. Actual General Fund revenues and expenditures were 96.9 and 96.8 percent of final budgeted revenues and appropriations, respectively, for the 2009-2011 biennium.

Capital Assets, Infrastructure, Bond Debt Administration, and Economic Factors

Capital Assets. The state of Washington's investment in capital assets for its governmental and business-type activities as of June 30, 2011, totaled $34.9 billion (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, museum and historical collections, buildings and other improvements, furnishings, equipment, and intangibles, as well as construction in progress.

Washington's fiscal year 2011 investment in capital assets, net of current year depreciation, was $1.4 billion, including increases to the state's transportation infrastructure of $1.3 billion. The state's construction in progress includes both new construction and major improvements to state capital facilities and infrastructure. Remaining commitments on these construction projects total $9.1 billion.

The land, buildings, furnishings and equipment (net of accumulated depreciation) of the Convention and Trade Center (CTC) which totaled $410 million were removed from the state records when the CTC was transferred to a public facilities district.

Additional information on the state of Washington's capital assets can be found in Note 6 beginning on page B78 of this report.

Infrastructure. The state of Washington first reported infrastructure under the requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34 in fiscal year 2002. Transportation infrastructure reported includes the state highway system, state managed airports, and two short rail lines. While the rail lines are reported net of depreciation, the state highway system and state managed airports are reported using the modified approach. Under the modified approach, rather than recording depreciation, asset condition is reported.

STATE OF WASHINGTON
Capital Assets - Net of Depreciation
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	$ 1,331	$ 1,179	$ 65	$ 143	$ 1,396	$ 1,322
Transportation infrastructure and other assets not depreciated	21,092	19,758	-	-	21,092	19,758
Buildings	7,080	6,926	1,363	1,671	8,443	8,597
Furnishings, equipment and intangible assets	1,368	1,362	144	142	1,512	1,504
Other improvements and infrastructure	1,119	1,157	82	87	1,201	1,244
Construction in progress	970	865	293	211	1,263	1,076
Total	$ 32,960	$ 31,247	$ 1,947	$ 2,254	$ 34,907	$ 33,501

The condition of these assets, along with the rating scales for pavement, bridges, rest areas, and airports, and additional detail comparing planned-to-actual preservation and maintenance spending are available in the required supplementary information beginning on page B137.

The state highway system capital investment in fiscal year 2011 was a net of $1.3 billion to add additional lane miles, replace and build new bridges and highway structures, improve highway safety, increase mobility and extend the life of existing infrastructure. As part of this highway improvement investment, the Washington State Department of Transportation (WSDOT) accomplished a net addition of 89 lane miles and 21 bridges and other highway structures in fiscal year 2011. Amounts spent during fiscal year 2011 to maintain and preserve these infrastructure assets were not significantly different from estimated spending plans according to the biennial budget.

The state highway system, bridges, and state managed airports continue to meet established condition levels. No significant changes in condition levels were noted for pavements or airports. Bridge assessments in fiscal year 2011 included a third condition measurement related to deck surface and resulted in an additional 2.5 percent of bridges in poor condition. Detailed information about targeted and actual condition levels for roads, bridges, rest areas, and airports can be found in the required supplementary information section of this report.

The safety of bridge structures is ensured through meticulous inspections and rating of the primary components of bridges by the WSDOT Bridge

Preservation Office or local agency staff. The condition of all bridge decks, superstructures and substructures are rated based on these inspections.

The WSDOT's planned highway infrastructure projects for the next four years, fiscal years 2012 through 2015, would commit approximately $6.8 billion for 387 projects. These projects are either already in progress or are expected to commence within the next four years.

Bond Debt. At the end of fiscal year 2011, the state of Washington had general obligation bond debt outstanding of $16.8 billion, relatively unchanged from fiscal year 2010. This debt is secured by a pledge of the full faith and credit of the state. Additionally, the state had authorized $9.6 billion general obligation debt that remains unissued.

During fiscal year 2011, the state issued general obligation debt, totaling $2.1 billion, for various capital and transportation projects as well as to refund outstanding bones. Bonds totaling $1.9 billion were retired during the year which included $34.0 million in Convention and Trade Center (CTC) bonds that were refunded when the assets and activities of the CTC were transferred by the state to a public facilities district. Washington's refunding activity produced a savings of $155.9 million in future debt service costs.

General obligation debt is subject to the constitutional limitation as prescribed by the State Constitution. The aggregate debt contracted by the state as of June 30, 2011, does not exceed that amount for which payments of principal and interest in any fiscal year would require the state to expend more than 9 percent of the arithmetic mean of its general state revenues for the three immediately preceding fiscal years. The arithmetic mean of its general state revenues for fiscal years 2008, 2009, and 2010 is $12.2 billion. The debt service limitation, 9 percent of this mean, is $1.1 billion. The state's maximum annual debt service as of June 30, 2011, subject to the constitutional debt limitation is $995 million, or $101 million less than the debt service limitation.

For further information on the debt limit, refer to the Certification of the Debt Limitation of the State of Washington, available from the Office of the State Treasurer or at: http://www.tre.wa.gov/documents/debt_cdl2011.pdf.

By statutory provision, the State Finance Committee (SFC) is authorized to supervise and control the issuance of all state bonds, notes, or other evidences of indebtedness.

The SFC is composed of the Governor, Lieutenant Governor, and State Treasurer, the latter serving as chairman.

As of June 30, 2011, the state of Washington's general obligation debt was rated Aa1 by Moody's Investor Service, AA+ by Standard & Poor's Rating Group (S & P), and AA+ by Fitch Ratings.

STATE OF WASHINGTON
Bond Debt
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
General obligation (GO) bonds	$ 16,750	$ 16,540	$ 18	$ 60	$ 16,768	$ 16,600
Accreted interest on zero interest rate GO bonds	393	367	-	42	393	409
Revenue bonds	740	743	1,423	1,084	2,163	1,827
Total	$ 17,883	$ 17,650	$ 1,441	$ 1,186	$ 19,324	$ 18,836

The state had revenue debt outstanding at June 30, 2011, of $2.2 billion, an increase of $336 million over fiscal year 2010. This increase is related to revenue bonds issued by state colleges and universities. This debt is not supported or intended to be supported by the full faith and credit of the state. Revenue bond debt is generally secured by specific sources of revenue. The exception is the University of Washington who issues general revenue bonds that are payable from general revenues of the university.

Additional information on the state's bond debt obligations is presented in Note 7 beginning on page B82 of this report.

Additional information on the state's legal debt limit is presented in the statistical section on page 266 of the Comprehensive Annual Financial Report.

Conditions with Expected Future Impact

Economic Outlook. The forecast for Washington for fiscal year 2012 is for continued slow recovery from the recession. That said, in the coming year, legislative leaders and management will be facing a number of challenges.

- Consumer confidence remains low.
- The state's economy will continue to be adversely impacted by the uncertainty plaguing the global economy.
- The November 2011 state's revenue forecast of General Fund state revenue increased the projected revenue shortfall for the 2011 – 2013 biennium to $1.6 billion.

In light of negative revenue projections in both the June and September forecasts, Governor Gregoire announced that she will call legislators in for a special session beginning November 28, 2011, to address the state's budget. On October 27, 2011, Governor Gregoire presented a list of budget reduction alternatives as a starting point to the conversation lawmakers must engage in to resolve the state's budget deficit.

Rainy Day Account. In November 2007, Washington State voters ratified Engrossed Substitute Senate Joint Resolution 8206, amending the state's Constitution and establishing the Budget Stabilization Account (BSA). The Constitution details a limited number of circumstances under which funds can be appropriated from the BSA, one of which is a favorable vote of at least three-fifths of the members of each house of the Legislature.

On June 30, 2011, $129 million was transferred to the BSA from the General Fund in accordance with the provisions of the Constitution. Also during fiscal year 2011, Engrossed Substitute House Bill 1086 authorized the transfer of $223 million from the BSA to the General Fund.

The BSA has a fund balance of $564 thousand as of June 30, 2011.

General Election. There were measures on the state's November 8, 2011, general election ballot that addressed state laws related to state expenditures on transportation, requirements for long-term care workers and providers, and the distribution and sale of wine and spirits. These measures, if passed, could impact the state fiscally. Election results are not final or official until certified. By law December 8, 2011, is the last day for the Office of the Secretary of State to certify General Election returns. Information is posted as available on the Secretary of State's website at: http://www.sos.wa.gov.

Requests for Information

This financial report is designed to provide a general overview of the state of Washington's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of Financial Management, Statewide Accounting, P.O. Box 43113, Olympia, WA 98504-3113.

Basic Financial Statements

Government-wide Financial Statements

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Statement of Net Assets

June 30, 2011

(expressed in thousands)

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS				
Cash and pooled investments	$ 4,192,162	$ 6,062,493	$ 10,254,655	$ 78,720
Taxes receivable (net of allowance)	3,043,494	10,514	3,054,008	-
Other receivables (net of allowance)	1,222,946	1,492,462	2,715,408	2,062
Internal balances (net)	159,895	(159,895)	-	-
Due from other governments	3,841,826	183,094	4,024,920	-
Inventories	89,938	98,122	188,060	-
Investments, noncurrent	4,277,739	14,910,710	19,188,449	16,138
Other assets	97,741	366,838	464,579	87,560
Restricted assets:				
Cash and pooled investments	243,934	284,630	528,564	-
Receivables	40,446		40,446	-
Capital assets (Note 6):				
Non-depreciable assets	23,392,880	358,129	23,751,009	34,677
Depreciable assets, net of depreciation	9,567,210	1,589,116	11,156,326	322,866
Total capital assets, net of depreciation	32,960,090	1,947,245	34,907,335	357,543
Total Assets	$ 50,170,211	$ 25,196,213	$ 75,366,424	$ 542,023
LIABILITIES				
Accounts payable	$ 1,559,577	$ 113,036	$ 1,672,613	$ 54,936
Contracts and retainage payable	198,422	17,177	215,599	3,141
Accrued liabilities	658,472	234,262	892,734	3,895
Obligations under security lending agreements	223,779	2,579,797	2,803,576	-
Due to other governments	960,692	122,868	1,083,560	-
Unearned revenue	299,337	41,733	341,070	5,189
Long-term liabilities (Note 7):				
Due within one year	1,311,879	2,163,282	3,475,161	-
Due in more than one year	20,228,250	25,669,118	45,897,368	20,750
Total Liabilities	25,440,408	30,941,273	56,381,681	87,911
NET ASSETS				
Invested in capital assets, net of related debt	18,723,038	717,778	19,440,816	331,840
Restricted for:				
Unemployment compensation	-	3,199,137	3,199,137	-
Higher education	1,020,304	-	1,020,304	-
Expendable endowment funds	1,553,252	-	1,553,252	-
Nonexpendable permanent endowments	1,700,603	-	1,700,603	-
Transportation	315,447	-	315,447	-
Loan programs	242,751		242,751	-
Other purposes	14,067	-	14,067	20,108
Unrestricted (deficit)	1,160,341	(9,661,975)	(8,501,634)	102,164
Total Net Assets (Deficit)	$ 24,729,803	$ (5,745,060)	$ 18,984,743	$ 454,112

The notes to the financial statements are an integral part of this statement.

Statement of Activities

For the Fiscal Year Ended June 30, 2011

(expressed in thousands)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities:				
General government	$ 1,674,061	$ 645,269	$ 403,541	$ 344
Education - elementary and secondary (K-12)	8,054,781	16,493	1,386,388	-
Education - higher education	6,257,439	2,379,335	2,349,362	48,596
Human services	13,363,482	461,623	8,216,895	1,710
Adult corrections	935,264	7,270	2,264	-
Natural resources and recreation	996,349	478,059	171,079	51,270
Transportation	1,980,584	914,343	79,372	730,939
Interest on long-term debt	881,961	-	-	-
Total Governmental Activities	34,143,921	4,902,392	12,608,901	832,859
Business-Type Activities:				
Workers' compensation	1,219,310	2,018,981	9,165	-
Unemployment compensation	3,690,343	1,573,368	2,288,291	-
Higher education student services	1,819,520	1,614,592	7,367	13,227
Liquor control	556,212	595,690	41	-
Washington's lottery	393,227	510,619	-	-
Other	784,306	152,061	-	-
Total Business-Type Activities	8,462,918	6,465,311	2,304,864	13,227
Total Primary Government	$ 42,606,839	$ 11,367,703	$ 14,913,765	$ 846,086
COMPONENT UNITS	$ 130,380	$ 16,739	$ 105,081	$ 1,023
Total Component Units	$ 130,380	$ 16,739	$ 105,081	$ 1,023

General Revenues:

Taxes, net of related credits:

Sales and use

Business and occupation

Property

Motor vehicle and fuel

Excise

Cigarette and tobacco

Public utilities

Insurance premium

Other

Interest and investment earnings

Total general revenues

Excess (deficiency) of revenues over expenses before contributions to endowments, transfers and special item

Contributions to endowments

Transfers

Special item - Transfer of Convention and Trade Center to another government

Change in Net Assets

Net Assets (Deficit) - Beginning, as restated

Net Assets (Deficit) - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
$ (624,907)	$ -	$ (624,907)	
(6,651,900)	-	(6,651,900)	
(1,480,146)	-	(1,480,146)	
(4,683,254)	-	(4,683,254)	
(925,730)	-	(925,730)	
(295,941)	-	(295,941)	
(255,930)	-	(255,930)	
(881,961)	-	(881,961)	
(15,799,769)	-	(15,799,769)	
-	808,836	808,836	
-	171,316	171,316	
-	(184,334)	(184,334)	
-	39,519	39,519	
-	117,392	117,392	
-	(632,245)	(632,245)	
-	320,484	320,484	
(15,799,769)	320,484	(15,479,285)	
			$ (7,537)
			(7,537)
7,349,216	-	7,349,216	-
3,076,917	-	3,076,917	-
1,857,837	-	1,857,837	-
1,205,859	-	1,205,859	-
442,015	35,310	477,325	-
493,755	-	493,755	-
445,985	-	445,985	-
413,097	-	413,097	-
880,236	139,029	1,019,265	-
474,223	1,611,271	2,085,494	1,552
16,639,140	1,785,610	18,424,750	1,552
839,371	2,106,094	2,945,465	(5,985)
69,436	-	69,436	-
230,732	(230,732)	-	-
-	(222,794)	(222,794)	-
1,139,539	1,652,568	2,792,107	(5,985)
23,590,264	(7,397,628)	16,192,636	460,097
$ 24,729,803	$ (5,745,060)	$ 18,984,743	$ 454,112

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Basic Financial Statements

Fund Financial Statements

Balance Sheet
GOVERNMENTAL FUNDS
June 30, 2011
(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
ASSETS					
Cash and pooled investments	$ 30,417	$ 370,496	$ 316,809	$ 2,572,010	$ 3,289,732
Investments	-	1,150,922	3,043,187	240,061	4,434,170
Taxes receivable (net of allowance)	2,909,152	21,795	-	112,547	3,043,494
Other receivables (net of allowance)	159,463	384,430	27,075	713,649	1,284,617
Due from other funds	175,013	319,730	122	581,747	1,076,612
Due from other governments	1,160,118	155,035	42	2,282,541	3,597,736
Inventories and prepaids	13,981	14,066	-	47,323	75,370
Restricted assets:					
Cash and pooled investments	28,302	-	-	215,632	243,934
Receivables	3,212	27,796	-	-	31,008
Total Assets	$ 4,479,658	$ 2,444,270	$ 3,387,235	$ 6,765,510	$ 17,076,673
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 939,027	$ 70,206	$ 28,528	$ 414,956	$ 1,452,717
Contracts and retainages payable	34,039	3,313	2,078	117,276	156,706
Accrued liabilities	160,621	249,340	9,926	59,561	479,448
Obligations under security lending agreements	-	-	176,616	47,163	223,779
Due to other funds	183,362	92,291	3,506	611,802	890,961
Due to other governments	565,615	18,367	-	166,579	750,561
Deferred revenue	1,369,593	190,551	8,304	985,757	2,554,205
Claims and judgments payable	9,200	-	-	8,028	17,228
Total Liabilities	3,261,457	624,068	228,958	2,411,122	6,525,605
Fund Balances:					
Nonspendable fund balance	89,916	157,849	1,577,691	1,928,654	3,754,110
Restricted fund balance	23,273	744,826	1,580,586	1,465,165	3,813,850
Committed fund balance	98,077	917,527	-	1,134,996	2,150,600
Assigned fund balance	1,114,699	-	-	45	1,114,744
Unassigned fund balance	(107,764)	-	-	(174,472)	(282,236)
Total Fund Balances	1,218,201	1,820,202	3,158,277	4,354,388	10,551,068
Total Liabilities and Fund Balances	$ 4,479,658	$ 2,444,270	$ 3,387,235	$ 6,765,510	$ 17,076,673

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Balance Sheet to the Statement of Net Assets
GOVERNMENTAL FUNDS

June 30, 2011

(expressed in thousands)

Total Fund Balances for Governmental Funds		$ 10,551,068
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Non-depreciable assets	$ 23,355,789	
Depreciable assets	15,928,569	
Less: Accumulated depreciation	(6,781,461)	
Total capital assets		32,502,897
Some of the state's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.		2,256,097
Certain pension trust funds have been funded in excess of the annual required contributions, creating a year-end asset. This asset is not a financial resource and therefore is not reported in the funds.		10,700
Unmatured interest on general obligation bonds is not recognized in the funds until due.		(363,498)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.		(39,519)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Bonds and other financing contracts payable	$ (17,748,170)	
Accreted interest on bonds	(393,181)	
Compensated absences	(502,199)	
Other postemployment benefits obligations	(921,841)	
Unfunded pension obligations	(234,320)	
Claims and judgments	(36,303)	
Pollution remediation obligations	(168,219)	
Other obligations	(183,709)	
Total long-term liabilities		(20,187,942)
Net Assets of Governmental Activities		$ 24,729,803

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes in Fund Balances
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
REVENUES					
Retail sales and use taxes	$ 7,274,926	$ -	$ -	$ 74,290	$ 7,349,216
Business and occupation taxes	3,072,245	-	-	4,672	3,076,917
Property taxes	1,857,837	-	-	-	1,857,837
Excise taxes	414,362	-	-	32,707	447,069
Motor vehicle and fuel taxes	-	-	-	1,205,859	1,205,859
Other taxes	1,804,138	117,373	-	225,088	2,146,599
Licenses, permits, and fees	88,464	629	-	982,663	1,071,756
Timber sales	4,037	-	22,224	179,863	206,124
Other contracts and grants	199,408	797,112	-	40,428	1,036,948
Federal grants-in-aid	9,597,099	1,757,935	271	1,243,400	12,598,705
Charges for services	59,882	2,010,187	145	620,259	2,690,473
Investment income (loss)	(15,055)	45,857	368,404	75,017	474,223
Miscellaneous revenue	229,905	83,389	1,841	341,321	656,456
Unclaimed property	62,987	-	-	-	62,987
Contributions and donations	-	-	69,436	-	69,436
Total Revenues	24,650,235	4,812,482	462,321	5,025,567	34,950,605
EXPENDITURES					
Current:					
General government	923,216	-	131	451,864	1,375,211
Human services	13,472,743	363	-	660,529	14,133,635
Natural resources and recreation	387,553	-	-	578,370	965,923
Transportation	41,234	-	-	1,767,266	1,808,500
Education	9,211,186	4,461,526	3,710	409,136	14,085,558
Intergovernmental	102,335	-	-	290,221	392,556
Capital outlays	48,504	218,129	2,441	2,134,383	2,403,457
Debt service:					
Principal	16,104	29,018	-	651,991	697,113
Interest	502	13,171	-	816,032	829,705
Total Expenditures	24,203,377	4,722,207	6,282	7,759,792	36,691,658
Excess of Revenues Over (Under) Expenditures	446,858	90,275	456,039	(2,734,225)	(1,741,053)
OTHER FINANCING SOURCES (USES)					
Bonds issued	336,009	26,359	-	581,826	944,194
Refunding bonds issued	-	-	-	1,160,990	1,160,990
Payments to escrow agents for refunded bond debt	-	-	-	(1,339,372)	(1,339,372)
Bond issue premiums	3,678	657	-	219,195	223,530
Other debt issued	14,700	21,523	-	118,601	154,824
Refunding COPs issued	-	-	-	9,310	9,310
Payments to escrow agents for refunded COP debt	-	-	-	(11,054)	(11,054)
Transfers in	938,822	140,148	2,876	2,778,501	3,860,347
Transfers out	(1,154,483)	(171,790)	(94,954)	(2,214,952)	(3,636,179)
Total Other Financing Sources (Uses)	138,726	16,897	(92,078)	1,303,045	1,366,590
Net Change in Fund Balances	585,584	107,172	363,961	(1,431,180)	(374,463)
Fund Balances - Beginning, as restated	632,617	1,713,030	2,794,316	5,785,568	10,925,531
Fund Balances - Ending	$ 1,218,201	$ 1,820,202	$ 3,158,277	$ 4,354,388	$ 10,551,068

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

Net Change in Fund Balances - Total Governmental Funds		$ (374,463)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlays	$ 2,240,190	
Less: Depreciation expense	(539,915)	1,700,275
Some revenues in the Statement of Activities do not provide current financial resources, and therefore, are deferred in governmental funds. Also, revenues related to prior periods that became available during the current period are reported in governmental funds but are eliminated in the Statement of Activities. This amount is the net adjustment.		113,945
Pension trust funding in excess of annual required contributions uses current financial resources, but does not qualify as an expense.		(1,800)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net assets of the internal service funds is reported with governmental activities.		210,805
Bond proceeds and other financing contracts provide current financial resources to governmental funds, while the repayment of the related debt principal consumes those financial resources. These transactions, however, have no effect on net assets. In the current period, these amounts consist of:		
Bonds and other financing contracts issued	$ (2,824,069)	
Principal payments on bonds and other financing contracts	2,629,497	
Accreted interest on bonds	(26,666)	(221,238)
Some expenses/revenue reductions reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not recognized in governmental funds. Also payments of certain obligations related to prior periods are recognized in governmental funds but are eliminated in the Statement of Activities. In the current period, the net adjustments consist of:		
Compensated absences	$ 10,356	
Other postemployment benefits obligations	(224,628)	
Unfunded pension obligations	(42,931)	
Pollution remediation obligations	6,134	
Claims and judgments	(2,640)	
Accrued interest	(25,711)	
Unclaimed property	(6,973)	
Other obligations	(1,592)	(287,985)
Change in Net Assets of Governmental Activities		$ 1,139,539

The notes to the financial statements are an integral part of this statement.

Statement of Fund Net Assets
PROPRIETARY FUNDS
June 30, 2011
(expressed in thousands)

	Business-Type Activities Enterprise Funds			
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services	Other Activities
ASSETS				
Current Assets:				
Cash and pooled investments	$ 43,372	$ 2,554,055	$ 684,156	$ 96,345
Investments	2,217,078	-	3,594	362,719
Taxes receivable (net of allowance)	-	-	-	-
Other receivables (net of allowance)	673,619	605,698	182,819	4,405
Due from other funds	55	6,771	320,306	791
Due from other governments	1,127	91,850	41,957	3,428
Inventories	94	-	41,976	84
Prepaid expenses	-	-	19,087	12
Restricted assets:				
Cash and pooled investments	-	-	284,630	-
Receivables	-	-	-	-
Total Current Assets	2,935,345	3,258,374	1,578,525	467,784
Noncurrent Assets:				
Investments, noncurrent	12,512,691	-	278,183	1,897,675
Other noncurrent assets	-	-	84,577	262,346
Capital assets:				
Land and other non-depreciable assets	3,240	-	60,344	-
Buildings	65,134	-	1,933,708	-
Other improvements	1,662	-	79,107	110
Furnishings and equipment	68,809	-	410,284	9,351
Infrastructure	-	-	41,273	-
Intangible assets	4,338	-	19,358	-
Accumulated depreciation	(87,042)	-	(997,418)	(7,417)
Construction in progress	13,041	-	279,789	-
Total Noncurrent Assets	12,581,873	-	2,189,205	2,162,065
Total Assets	15,517,218	3,258,374	3,767,730	2,629,849
LIABILITIES				
Current Liabilities:				
Accounts payable	8,820	-	68,686	1,940
Contracts and retainages payable	6,959	-	10,223	129,500
Accrued liabilities	135,119	8,591	205,459	8,866
Obligations under security lending agreements	2,217,078	-	-	362,719
Bonds and notes payable	3,206	-	59,212	-
Due to other funds	6,114	1,182	480,735	565
Due to other governments	14	49,464	160	4,392
Unearned revenue	7,676	-	34,045	-
Claims and judgments payable	1,741,968	-	-	2,038
Total Current Liabilities	4,126,954	59,237	858,520	510,020
Noncurrent Liabilities:				
Claims and judgments payable	21,201,343	-	-	9,977
Bonds and notes payable	14,876	-	1,421,341	-
Other long-term liabilities	34,556	-	154,165	2,606,489
Total Noncurrent Liabilities	21,250,775	-	1,575,506	2,616,466
Total Liabilities	25,377,729	59,237	2,434,026	3,126,486
NET ASSETS				
Invested in capital assets, net of related debt	51,100	-	630,521	2,043
Restricted for:				
Unemployment compensation	-	3,199,137	-	-
Unrestricted	(9,911,611)	-	703,183	(498,680)
Total Net Assets (Deficit)	$ (9,860,511)	$ 3,199,137	$ 1,333,704	$ (496,637)

The notes to the financial statements are an integral part of this statement.

Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
$ 55,735	$ 3,433,663	$ 681,644
45,439	2,628,830	14,108
10,514	10,514	-
25,921	1,492,462	17,020
8,345	336,268	141,915
460	138,822	10,442
55,968	98,122	17,209
809	19,908	4,469
-	284,630	-
-	-	9,438
203,191	8,443,219	896,245
222,161	14,910,710	50,251
3	346,926	-
1,715	65,299	3,836
41,605	2,040,447	168,467
2,426	83,305	15,514
50,916	539,360	787,437
-	41,273	1,818
1,029	24,725	4,901
(48,117)	(1,139,994)	(558,033)
-	292,830	33,254
271,738	17,204,881	507,445
474,929	25,648,100	1,403,690
33,590	113,036	106,883
-	146,682	41,713
100,451	458,486	50,335
-	2,579,797	-
3,135	65,553	55,785
32,123	520,719	104,184
-	54,030	40,475
12	41,733	1,227
-	1,744,006	244,675
169,311	5,724,042	645,277
-	21,211,320	593,040
12,329	1,448,546	180,964
214,042	3,009,252	23,928
226,371	25,669,118	797,932
395,682	31,393,160	1,443,209
34,114	717,778	262,607
-	3,199,137	-
45,133	(9,661,975)	(302,126)
$ 79,247	$ (5,745,060)	$ (39,519)

Statement of Revenues, Expenses, and Changes in Fund Net Assets
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

	Business-Type Activities Enterprise Funds			
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services	Other Activities
OPERATING REVENUES				
Sales	$ -	$ -	$ 123,257	$ 153
Less: Cost of goods sold	-	-	87,957	83
Gross profit	-	-	35,300	70
Charges for services	-	-	1,275,485	74,997
Premiums and assessments	1,983,348	1,545,016	-	-
Federal aid for unemployment insurance benefits	-	2,288,291	-	-
Lottery ticket proceeds	-	-	-	-
Miscellaneous revenue	35,634	28,352	211,123	3,217
Total Operating Revenues	2,018,982	3,861,659	1,521,908	78,284
OPERATING EXPENSES				
Salaries and wages	135,979	-	635,834	23,628
Employee benefits	51,397	-	174,338	8,099
Personal services	6,366	-	16,119	3,278
Goods and services	72,443	-	713,179	20,232
Travel	3,401	-	20,225	622
Premiums and claims	888,160	3,690,343	-	-
Lottery prize payments	-	-	-	-
Depreciation and amortization	8,037	-	94,293	1,552
Guaranteed education tuition expense	-	-	-	639,365
Miscellaneous expenses	52,463	-	15,541	1,100
Total Operating Expenses	1,218,246	3,690,343	1,669,529	697,876
Operating Income (Loss)	800,736	171,316	(147,621)	(619,592)
NONOPERATING REVENUES (EXPENSES)				
Earnings (loss) on investments	997,577	97,979	225,438	283,923
Interest expense	(1,064)	-	(62,034)	(13)
Distributions to other governments	-	-	-	-
Tax and license revenue	130	-	-	21,557
Other revenues (expenses)	9,164	-	12,094	29
Total Nonoperating Revenues (Expenses)	1,005,807	97,979	175,498	305,496
Income (Loss) Before Contributions, Transfers and Special Item	1,806,543	269,295	27,877	(314,096)
Capital contributions	-	-	13,227	-
Transfers in	-	-	128,476	-
Transfers out	-	-	(58,525)	(3,250)
Net Contributions and Transfers	-	-	83,178	(3,250)
SPECIAL ITEM				
Transfer of Convention and Trade Center to another government (Note 2)	-	-	-	-
Change in Net Assets	1,806,543	269,295	111,055	(317,346)
Net Assets (Deficit) - Beginning, as restated	(11,667,054)	2,929,842	1,222,649	(179,291)
Net Assets (Deficit) - Ending	$ (9,860,511)	$ 3,199,137	$ 1,333,704	$ (496,637)

The notes to the financial statements are an integral part of this statement.

Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
$ 660,197	$ 783,607	$ 99,781
429,167	517,207	91,918
231,030	266,400	7,863
8,385	1,358,867	590,630
-	3,528,364	1,449,731
-	2,288,291	-
510,457	510,457	-
1,700	280,026	121,292
751,572	8,232,405	2,169,516
71,105	866,546	271,021
34,365	268,199	83,035
15,516	41,279	15,647
114,447	920,301	246,399
1,592	25,840	3,307
-	4,578,503	1,267,281
295,155	295,155	-
8,529	112,411	70,751
-	639,365	-
226	69,330	2,157
540,935	7,816,929	1,959,598
210,637	415,476	209,918
6,354	1,611,271	4,826
(18,545)	(81,656)	(8,961)
(47,128)	(47,128)	-
152,652	174,339	23
(724)	20,563	(3,293)
92,609	1,677,389	(7,405)
303,246	2,092,865	202,513
-	13,227	1,771
29,890	158,366	23,920
(327,321)	(389,096)	(17,397)
(297,431)	(217,503)	8,294
(222,794)	(222,794)	-
(216,979)	1,652,568	210,807
296,226	(7,397,628)	(250,326)
$ 79,247	$ (5,745,060)	$ (39,519)

Statement of Cash Flows
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

	Business-Type Activities Enterprise Funds		
	Workers' Compensation	**Unemployment Compensation**	**Higher Education Student Services**
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 1,824,052	$ 1,464,198	$ 1,115,737
Payments to suppliers	(2,038,603)	(3,654,975)	(539,004)
Payments to employees	(181,791)	-	(778,198)
Other receipts (payments)	35,634	2,325,435	211,121
Net Cash Provided (Used) by Operating Activities	(360,708)	134,658	9,656
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	-	-	128,476
Transfers out	-	-	(58,525)
Operating grants and donations received	9,250	-	9,701
Taxes and license fees collected	130	-	-
Distributions to other governments	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	9,380	-	79,652
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest paid	(1,143)	-	(58,557)
Principal payments on long-term capital financing	(4,030)	-	(32,800)
Proceeds from long-term capital financing	-	-	400,371
Proceeds from sale of capital assets	95	-	25,997
Acquisitions of capital assets	(13,954)	-	(206,773)
Net Cash Provided (Used) by Capital and Related Financing Activities	(19,032)	-	128,238
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipt of interest	569,678	97,979	212,976
Proceeds from sale of investment securities	4,419,372	-	14,212
Purchases of investment securities	(4,622,325)	-	(55,980)
Net Cash Provided (Used) by Investing Activities	366,725	97,979	171,208
Net Increase (Decrease) in Cash and Pooled Investments	(3,635)	232,637	388,754
Cash and Pooled Investments, July 1, as restated	47,007	2,321,418	580,031
Cash and Pooled Investments, June 30	$ 43,372	$ 2,554,055	$ 968,785
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Income (Loss)	$ 800,736	$ 171,316	$ (147,621)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operations:			
Depreciation	8,037	-	94,293
Change in Assets: Decrease (Increase)			
Receivables (net of allowance)	(108,684)	(72,027)	(282,503)
Inventories	25	-	126
Prepaid expenses	-	-	311
Change in Liabilities: Increase (Decrease)			
Payables	(1,060,822)	35,369	345,050
Net Cash or Cash Equivalents Provided by (Used in) Operating Activities	$ (360,708)	$ 134,658	$ 9,656

The notes to the financial statements are an integral part of this statement.

Continued

Other Activities	Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
$ 914,488	$ 1,171,064	$ 6,489,539	$ 2,171,437
(665,784)	(894,428)	(7,792,794)	(1,663,935)
(30,789)	(102,034)	(1,092,812)	(351,477)
3,191	1,674	2,577,055	92,487
221,106	176,276	180,988	248,512
-	29,890	158,366	23,920
(3,250)	(327,321)	(389,096)	(17,397)
-	25	18,976	532
21,557	151,926	173,613	23
-	(100,550)	(100,550)	-
18,307	(246,030)	(138,691)	7,078
(13)	(3,563)	(63,276)	(8,961)
(297)	(273,991)	(311,118)	(25,590)
-	-	400,371	32,032
-	271,841	297,933	6,965
(283)	(4,848)	(225,858)	(92,011)
(593)	(10,561)	98,052	(87,565)
31,323	88	912,044	5,212
405,929	101,070	4,940,583	69,550
(679,888)	(50,535)	(5,408,728)	(59,867)
(242,636)	50,623	443,899	14,895
(3,816)	(29,692)	584,248	182,920
100,161	85,427	3,134,044	498,724
$ 96,345	$ 55,735	$ 3,718,292	$ 681,644
$ (619,592)	$ 210,637	$ 415,476	$ 209,918
1,552	8,529	112,411	70,751
(37,958)	(7,796)	(508,968)	18,541
(11)	(131)	9	755
3	65	379	631
877,112	(35,028)	161,681	(52,084)
$ 221,106	$ 176,276	$ 180,988	$ 248,512

Statement of Cash Flows
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

	Business-Type Activities Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Contributions of capital assets	$ -	$ -	$ 13,227
Acquisition of capital assets through capital leases	-	-	2,714
Amortization of annuity prize liability	-	-	-
Increase (decrease) in fair value of investments	421,195	-	281
Refunding bonds issued	-	-	10,400
Refunding bonds redeemed	-	-	10,890
Amortization of debt premium (issue costs/discount)	-	-	448
Increase in ownership of joint venture	-	-	12,169

The notes to the financial statements are an integral part of this statement.

Concluded

Other Avtivities	Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
$ -	$ -	$ 13,227	$ 1,771
-	-	2,714	586
-	14,982	14,982	-
253,048	6,266	427,742	(338)
-	-	10,400	-
-	-	10,890	-
-	-	448	-
-	-	12,169	-

Statement of Fiduciary Net Assets
FIDUCIARY FUNDS
June 30, 2011
(expressed in thousands)

	Private-Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans	Agency Funds
ASSETS				
Current Assets:				
Cash and pooled investments	$ 9,234	$ 2,509,133	$ 385,135	$ 294,185
Investments	-	5,646,806	-	-
Receivables, pension and other employee benefit plans:				
Employers	-	-	117,834	-
Members (net of allowance)	-	-	2,684	-
Interest and dividends	-	-	184,280	-
Investment trades pending	-	-	3,133,472	-
Due from other pension and other employee benefit funds	-	-	968	-
Other receivables, all other funds	-	1,988	-	7,570
Due from other funds	-	-	1,454	479
Due from other governments	-	-	-	19,184
Total Current Assets	9,234	8,157,927	3,825,827	321,418
Noncurrent Assets:				
Investments, noncurrent, pension and other employee benefit plans:				
Public equity	-	-	29,858,894	-
Fixed income	-	-	11,765,036	-
Private equity	-	-	15,613,270	-
Real estate	-	-	8,598,192	-
Security lending	-	-	2,718,939	-
Liquidity	-	-	1,949,411	-
Tangible assets	-	-	718,740	-
Investments, noncurrent, all other funds	24,174	708,861	-	28,343
Other noncurrent assets	-	-	-	40,842
Capital assets:				
Furnishings and equipment	32	-	-	-
Accumulated depreciation	(19)	-	-	-
Total Noncurrent Assets	24,187	708,861	71,222,482	69,185
Total Assets	33,421	8,866,788	75,048,309	$ 390,603
LIABILITIES				
Accounts payable	328	-	-	$ 5,444
Contracts and retainages payable	-	-	-	60,345
Accrued liabilities	148	108	3,857,768	6,910
Obligations under security lending agreements	-	-	2,718,938	-
Due to other funds	-	-	2,527	38,337
Due to other pension and other employee benefit funds	-	-	968	-
Due to other governments	-	3,552	-	238,724
Unearned revenue	-	-	893	-
Other long-term liabilities	-	-	-	40,843
Total Liabilities	476	3,660	6,581,094	$ 390,603
NET ASSETS				
Net assets held in trust for:				
Pension benefits	-	-	65,528,135	
Deferred compensation participants	-	-	2,939,080	
Local government pool participants	-	8,863,128	-	
Individuals, organizations & other governments	32,945	-	-	
Total Net Assets	$ 32,945	$ 8,863,128	$ 68,467,215	

The notes to the financial statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Assets
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

	Private-Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans
ADDITIONS			
Contributions:			
Employers	$ -	$ -	$ 902,855
Members	-	-	959,141
State	-	-	68,699
Participants	-	16,566,893	186,734
Total Contributions	-	16,566,893	2,117,429
Investment Income:			
Net appreciation (depreciation) in fair value	-	-	10,557,243
Interest and dividends	-	22,019	1,614,756
Less: Investment expenses	-	-	(216,935)
Net Investment Income (Loss)	-	22,019	11,955,064
Other Additions:			
Unclaimed property	42,191	-	-
Transfers from other pension plans	-	-	11,441
Other contracts, grants and miscellaneous	31	-	1,462
Total Other Additions	42,222	-	12,903
Total Additions	42,222	16,588,912	14,085,396
DEDUCTIONS			
Pension benefits	-	-	2,937,334
Pension refunds	-	-	282,064
Transfers to other pension plans	-	-	11,441
Administrative expenses	3,353	724	2,649
Distributions to participants	-	16,054,499	149,010
Payments to or on behalf of individuals, organizations and other governments in accordance with state unclaimed property laws	31,827	-	-
Total Deductions	35,180	16,055,223	3,382,498
Net Increase (Decrease)	7,042	533,689	10,702,898
Net Assets - Beginning	25,903	8,329,439	57,764,317
Net Assets - Ending	$ 32,945	$ 8,863,128	$ 68,467,215

The notes to the financial statements are an integral part of this statement.

Statement of Fund Net Assets
COMPONENT UNITS
June 30, 2011
(expressed in thousands)

	Public Stadium	Nonmajor Component Units	Total
ASSETS			
Current Assets:			
Cash and pooled investments	$ 7,235	$ 25,746	$ 32,981
Investments	-	42,038	42,038
Investments - restricted	3,701	-	3,701
Other receivables (net of allowance)	834	1,228	2,062
Prepaid expenses	21	109	130
Total Current Assets	11,791	69,121	80,912
Noncurrent Assets:			
Investments, noncurrent - restricted	16,138	-	16,138
Other noncurrent assets	-	87,430	87,430
Capital assets:			
Land	34,677	-	34,677
Buildings	460,610	-	460,610
Furnishings, equipment and intangible assets	20,979	1,596	22,575
Accumulated depreciation	(158,943)	(1,376)	(160,319)
Total Noncurrent Assets	373,461	87,650	461,111
Total Assets	385,252	156,771	542,023
LIABILITIES			
Current Liabilities:			
Accounts payable	98	54,838	54,936
Contracts and retainages payable	3,141	-	3,141
Accrued liabilities	3,855	40	3,895
Unearned revenue	-	5,189	5,189
Total Current Liabilities	7,094	60,067	67,161
Noncurrent Liabilities:			
Other long-term liabilities	20,750	-	20,750
Total Noncurrent Liabilities	20,750	-	20,750
Total Liabilities	27,844	60,067	87,911
NET ASSETS			
Invested in capital assets, net of related debt	331,620	220	331,840
Restricted for deferred sales tax	19,029	-	19,029
Restricted for other purposes	-	1,079	1,079
Unrestricted	6,759	95,405	102,164
Total Net Assets (Deficit)	$ 357,408	$ 96,704	$ 454,112

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenses, and Changes in Fund Net Assets
COMPONENT UNITS
For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

	Public Stadium	Nonmajor Component Units	Total
OPERATING REVENUES			
Charges for services	$ 1,051	$ 15,688	$ 16,739
Total Operating Revenues	1,051	15,688	16,739
OPERATING EXPENSES			
Salaries and wages	398	4,567	4,965
Employee benefits	103	1,268	1,371
Personal services	304	1,612	1,916
Goods and services	783	2,198	2,981
Travel	3	21	24
Depreciation and amortization	15,469	150	15,619
Miscellaneous expenses	-	979	979
Total Operating Expenses	17,060	10,795	27,855
Operating Income (Loss)	(16,009)	4,893	(11,116)
NONOPERATING REVENUES (EXPENSES)			
Earnings (loss) on investments	704	848	1,552
Operating grants and contributions	-	103,065	103,065
Distributions of operating grants	-	(102,140)	(102,140)
Naming rights	2,016	-	2,016
Other	(385)	-	(385)
Total Nonoperating Revenues (Expenses)	2,335	1,773	4,108
Income (Loss)	(13,674)	6,666	(7,008)
Capital grants and contributions	1,023	-	1,023
Total Contributions and Transfers	1,023	-	1,023
Change in Net Assets	(12,651)	6,666	(5,985)
Net Assets - Beginning	370,059	90,038	460,097
Net Assets - Ending	$ 357,408	$ 96,704	$ 454,112

The notes to the financial statements are an integral part of this statement.

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Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2011

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Note 1
Summary of Significant Accounting Policies

The accompanying financial statements of the state of Washington have been prepared in conformity with generally accepted accounting principles (GAAP). The Office of Financial Management (OFM) is the primary authority for the state's accounting and reporting requirements. OFM has adopted the pronouncements of the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles nationally. For government-wide and enterprise fund reporting, the state follows only those private-sector standards issued on or before November 30, 1989, unless those pronouncements conflict with or contradict the pronouncements of the GASB. Following is a summary of the significant accounting policies:

A. REPORTING ENTITY

In defining the state of Washington for financial reporting purposes, management considers: all funds, organizations, institutions, agencies, departments, and offices that are legally part of the state (the primary government); organizations for which the state is financially accountable; and other organizations for which the nature and significance of their relationship with the state are such that exclusion would cause the state's financial statements to be misleading or incomplete.

Financial accountability exists when the primary government appoints a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board. An organization is fiscally dependent if it is unable to determine its budget without another government having the substantive authority to approve or modify that budget, to levy taxes or set rates or charges without substantive approval by another government, or to issue bonded debt without substantive approval by another government.

Based on these criteria, the following are included in the financial statements of the primary government:

State Agencies. Except as otherwise described herein, all state elected offices, departments, agencies, commissions, boards, committees, authorities, and councils (agencies) and all funds and subsidiary accounts of the state are included in the primary government. Executives of these agencies are either elected, directly appointed by the Governor, appointed by a board which is appointed by the Governor, or appointed by a board which is in part appointed by the Governor.

Additionally, a small number of board positions are established by statute or independently elected. The state Legislature creates these agencies, assigns their programs, approves operational funding, and requires financial accountability. The Legislature also authorizes all bond issuances for capital construction projects for the benefit of state agencies. The legal liability for these bonds and the ownership of agency assets resides with the state.

Colleges and Universities. The governing boards of the five state universities, the state college, and the 34 state community and technical colleges are appointed by the Governor. Each college's governing board appoints a president to function as chief administrator. The state Legislature approves budgets and budget amendments for the colleges' appropriated funds, which include the state's General Fund as well as certain capital projects funds. The state Treasurer issues general obligation debt for major campus construction projects. However, the colleges are authorized to issue revenue bonds.

The University of Washington issues general revenue bonds that are payable from general revenues, including student tuition and fees, grant indirect cost recovery, sales and services revenue, and investment income. The remainder of the college revenue bonds pledge the income derived from acquired or constructed assets such as housing, dining, and parking facilities. These revenue bonds are payable solely from, and secured by, fees and revenues derived from the operation of constructed facilities; the legal liability for the bonds and the ownership of the college assets reside with the state.

Colleges do not have separate corporate powers and sue and are sued as part of the state with legal representation provided through the state Attorney General's Office. Since the colleges are legally part of the state, their financial operations, including their blended component units, are reported in the primary government financial statements using the fund structure prescribed by GASB.

Retirement Systems. The state of Washington, through the Department of Retirement Systems, administers eight retirement systems for public employees of the state and political subdivisions: the Public Employees' Retirement System, the Teachers' Retirement System, the School Employees' Retirement System, the Law Enforcement Officers' and Fire Fighters' Retirement System, the

Washington State Patrol Retirement System, the Public Safety Employees' Retirement System, the Judicial Retirement System, and the Judges' Retirement Fund. The director of the Department of Retirement Systems is appointed by the Governor.

There are two additional retirement systems administered outside of the Department of Retirement Systems. The Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund is administered through the Board for Volunteer Fire Fighters, which is appointed by the Governor. The Judicial Retirement Account is administered through the Administrative Office of the Courts under the direction of the Board for Judicial Administration.

The state Legislature establishes laws pertaining to the creation and administration of all public retirement systems. The participants of the public retirement systems, together with the state, provide funding for all costs of the systems based upon actuarial valuations. The state establishes benefit levels and approves the actuarial assumptions used in determining contribution levels.

All ten of the aforementioned retirement systems are included in the primary government's financial statements.

Blended Component Units. Blended component units, although legally separate entities, are part of the state's operations in substance. Accordingly, they are reported as part of the state and blended into the appropriate funds. The following entities are blended in the state's financial statements:

Tobacco Settlement Authority. The Tobacco Settlement Authority (TSA) was created by the Washington State Legislature in March 2002 as a public instrumentality separate and distinct from the state. It is governed by a five-member board appointed by the Governor. It was created solely for the purpose of issuing bonds to securitize a portion of the state's future tobacco settlement revenue. Proceeds of the debt instrument were transferred to the state to help fund health care, long-term care, and other programs of the state. Refer to Note 7 for additional information.

Financial reports for the TSA may be obtained from the authority at the following address:

Tobacco Settlement Authority
1000 Second Avenue, Suite 2700
Seattle, WA 98104-1046

Other Blended Component Units. Tumwater Office Properties, the University of Washington (UW) Alumni Association, UW Physicians, UW Physicians Network, Community Development Properties C-D, Educational Research Properties, Radford Court Properties, Twenty-Fifth Avenue Properties, TSB Properties, Washington Biomedical Research Properties I and II, and Washington Biomedical Research Facilities 3 are blended component units in the state's financial statements. All the aforementioned blended component units provide services entirely or almost entirely to the state. Financial information for these blended component units may be obtained from their respective administrative offices.

Discrete Component Units. Discretely presented component units are reported in a separate column in the government-wide financial statements. Discretely presented component units are legally separate from the state and primarily serve or benefit those outside of the state. They are financially accountable to the state, or have relationships with the state such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. These entities are reported as discrete component units because state officials either serve on or appoint the members of the governing bodies of the authorities. The state also has the ability to influence the operations of the authorities through legislation. The following entities are discretely presented in the financial statements of the state in the component unit's column:

The Washington State Housing Finance Commission, the Washington Higher Education Facilities Authority, the Washington Health Care Facilities Authority, and the Washington Economic Development Finance Authority (financing authorities) were created by the state Legislature in a way that specifically prevents them from causing the state to be liable or responsible for their acts and obligations, including, but not limited to, any obligation to pay principal and interest on financing authority bonds. The financing authorities cannot obligate the state, either legally or morally, and the state has not assumed any obligation of, or with respect to, the financing authorities.

Financial reports of these financing authorities may be obtained from each authority at the following addresses:

Washington Health Care Facilities Authority
410 - 11th Avenue SE, Suite 201
PO Box 40935
Olympia, WA 98504-0935

Washington State Housing Finance Commission
Washington Higher Education Facilities Authority
Washington Economic Development Finance Authority
1000 Second Avenue, Suite 2700
Seattle, WA 98104-1046

The Washington State Public Stadium Authority (PSA) was created by the state Legislature to acquire, construct, own, and operate a football/soccer stadium, exhibition center, and parking garage. Construction was completed in 2002. PSA capital assets, net of accumulated depreciation, total $357 million. The state issued general obligation bonds for a portion of the cost of the stadium

construction. The total public share of the stadium and exhibition center cost did not exceed $300 million from all state and local government funding sources, as defined in statute.

Project costs in excess of $300 million were the responsibility of the project's private partner, First & Goal, Inc. The bonds are being repaid through new state lottery games, a state sales tax credit, extension of the local hotel/motel tax, and parking and admissions taxes at the new facility. Financial reports of the PSA may be obtained at the following address:

Washington State Public Stadium Authority
Qwest Field & Event Center
800 Occidental Avenue South, #700
Seattle, WA 98134

The state's component units each have a year-end of June 30 with the exception of the Washington Economic Development Finance Authority which has a December 31 year-end.

Joint Venture. In 1998, the University of Washington Medical Center (Medical Center) entered into an agreement with Seattle Children's Hospital and Fred Hutchinson Cancer Research Center to establish the Seattle Cancer Care Alliance (SCCA). Each member of the SCCA has a one-third interest. The mission of the SCCA is to eliminate cancer as a cause of human suffering and death and to become recognized as the premier cancer research and treatment center in the Pacific Northwest. The SCCA integrates the cancer research, teaching, and clinical cancer programs of all three institutions to provide state-of-the-art cancer care. Under the agreement, the Medical Center provides the patient care to all adult inpatients of the SCCA.

Inpatient Services – The SCCA operates a 20-bed unit located within the Medical Center in which its adult inpatients receive care. The fiscal intermediary has determined that the 20-bed unit qualifies as a hospital within a hospital for Medicare reimbursement purposes. The SCCA provides medical oversight and management of the inpatient unit. Under agreements, the Medical Center provides inpatient care services to the SCCA including necessary personnel, equipment, and ancillary services.

Outpatient Services – The SCCA operates an ambulatory cancer care service facility in Seattle. The Medical Center provides various services to the SCCA's outpatient facility including certain pharmacy, laboratory, and pathology services as well as billing, purchasing, and other administrative services.

The state accounts for the Medical Center's interest in SCCA under the equity method of accounting. Income of $12.2 million was recorded in fiscal year 2011, bringing the total equity investment to $75 million which is recognized in the state's financial statements in the Higher Education Student Services Fund.

Separate financial statements for SCCA may be obtained from:

Seattle Cancer Care Alliance
825 Eastlake Avenue East
PO Box 19023
Seattle, WA 98109-1023

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-wide Financial Statements

The state presents two basic government-wide financial statements: the Statement of Net Assets and the Statement of Activities. These government-wide financial statements report information on all non-fiduciary activities of the primary government and its component units. The financial information for the primary government is distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

Statement of Net Assets. The Statement of Net Assets presents the state's non-fiduciary assets and liabilities. As a general rule, balances between governmental and business-type activities are eliminated.

Assets and liabilities are presented in a net assets format in order of liquidity. Net assets are classified into three categories:

- Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, notes and other debt that are attributed to the acquisition, construction, or improvement of those assets.

- Restricted net assets result when constraints are placed on net asset use either by external parties or by law through constitutional provision or enabling legislation.

- Unrestricted net assets consist of net assets that do not meet the definition of the two preceding categories.

Statement of Activities. The Statement of Activities reports the extent to which each major state program is supported by general state revenues or is self-financed through fees and intergovernmental aid. For governmental activities, a major program is defined as a function. For

business-type activities, a major program is an identifiable activity.

Program revenues offset the direct expenses of major programs. Direct expenses are those that are clearly identifiable within a specific function or activity. Program revenues are identified using the following criteria:

- Charges to customers for goods and services of the program. A customer is one who directly benefits from the goods or services or is otherwise directly affected by the program, such as a state citizen or taxpayer, or other governments or nongovernmental entities.

- Amounts received from outside entities that are restricted to one or more specific programs. These amounts can be operating or capital in nature.

- Earnings on investments that are restricted to a specific program are also considered program revenues.

General revenues consist of taxes and other items not meeting the definition of program revenues.

Generally the effect of internal activities is eliminated. Exceptions to this rule include charges between the workers' compensation insurance programs and various other state programs and functions. Elimination of these charges would distort the direct costs and revenues reported for the various activities involved.

Fund Financial Statements

The state uses 661 accounts that are combined into 54 rollup funds. The state presents separate financial statements for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual proprietary funds are reported in separate columns in the fund financial statements, with nonmajor funds being combined into a single column regardless of fund type. Internal service and fiduciary funds are reported by fund type. Major funds include:

Major Governmental Funds:

- General Fund is the state's primary operating fund. This fund accounts for all financial resources and transactions not accounted for in other funds.

- Higher Education Special Revenue Fund primarily accounts for tuition, student fees, and grants and contracts received for research and other educational purposes.

- Higher Education Endowment Permanent Fund accounts for gifts and bequests that the donors have specified must remain intact. Each gift is governed by various restrictions on the investment and use of the funds.

Major Enterprise Funds:

- Workers' Compensation Fund accounts for the workers' compensation program that provides medical, time-loss, and disability benefit payments to qualifying individuals sustaining work-related injuries.

- Unemployment Compensation Fund accounts for the unemployment compensation program. It accounts for the deposit of funds, requisitioned from the Federal Unemployment Trust Fund, to provide services to eligible participants within the state and to pay unemployment benefits.

- Higher Education Student Services Fund is used by colleges and universities principally for bookstore, cafeteria, parking, student housing, food service, and hospital business enterprise activities.

- Other Activities Fund primarily accounts for the guaranteed education tuition program. The other activities fund also reports the operation of computer systems for legislative information, the pollution liability insurance program; and the Judicial Information System.

The state includes the following governmental and proprietary fund types within nonmajor funds:

Nonmajor Governmental Funds:

- Special Revenue Funds account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments, or for major capital projects) that are restricted or committed to expenditures for specific purposes. These include a variety of state programs including public safety and health assistance programs; natural resource and wildlife protection and management programs; the state's transportation programs which include the operation of the state's ferry system and maintenance and preservation of interstate and non-interstate highway systems; driver licensing, highway and non-highway operations and capital improvements; K-12 school construction; and construction and loan programs for local public works projects.

- Debt Service Funds account for the accumulation of resources that are restricted or committed to expenditures for, and the payment of, principal and interest on the state's bonds issued in support of governmental activities.

- Capital Projects Funds account for financial resources that are restricted or committed to expenditures for the acquisition, construction, or improvement of major state-owned capital facilities (other than highway infrastructure or those financed by proprietary funds).

- Common School Permanent Fund accounts for the principal derived from the sale of timber. Interest earned is used for the benefit of common schools.

Nonmajor Proprietary Funds:

- Enterprise Funds account for the state's business type operations for which a fee is charged to external users for goods or services including: the state lottery; state liquor stores; and vocational/education programs at correctional institutions.

- Internal Service Funds account for the provision of legal, motor pool, data processing, risk management, health insurance, and other services by one department or agency to other departments or agencies of the state on a cost-reimbursement basis.

The state reports the following fiduciary funds:

- Pension (and other employee benefit) Trust Funds are used to report resources that are required to be held in trust by the state for the members and beneficiaries of defined benefit and defined contribution pension plans, and other employee benefit plans.

- Investment Trust Fund accounts for the external portion of the Local Government Investment Pool, which is reported by the state as the sponsoring government.

- Private-Purpose Trust Fund is used to report trust arrangements, other than pension and investment trusts, under which principal and income benefit individuals, private organizations, or other governments such as the administration of unclaimed property.

- Agency Funds account for resources held by the state in a custodial capacity for other governments, private organizations, or individuals.

Operating and Nonoperating Revenues and Expenses. The state's proprietary funds make a distinction between operating and nonoperating revenues and expenses. Operating revenues and expenses generally result from providing goods and services directly related to the principal operations of the funds. For example, operating revenues for the state's workers' compensation and health insurance funds consist of premiums and assessments collected. Operating expenses consist of claims paid to covered individuals, claims adjustment expenses, costs of commercial insurance coverage and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating, including interest expense and investment gains and losses.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

For government-wide reporting purposes, the state uses the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

For fund statement reporting purposes, the state uses the current financial resources measurement focus and modified accrual basis of accounting for governmental funds. With the current financial resources measurement focus, generally only current assets and current liabilities are included on the governmental funds balance sheet. Operating statements for these funds present inflows (i.e., revenues and other financing sources) and outflows (i.e., expenditures and other financing uses) of expendable financial resources.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be reasonably estimated. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Primary revenues that are determined to be susceptible to accrual include sales taxes, business and occupation taxes, motor fuel taxes, federal grants-in-aid, and charges for services.

Revenues from property taxes are determined to be available if collectible within 60 days. Taxes imposed on exchange transactions are accrued when the underlying exchange transaction occurs if collectible within one year. Revenue for timber cutting contracts is accrued when the timber is harvested. Revenues from licenses, permits, and fees are recognized when received in cash. Revenues related to expenditure-driven grant agreements are recognized when the qualifying expenditures are made, provided that the availability criteria is met. Expenditure-driven grant revenue is considered available if it can be collected by the state at the same time cash is disbursed to cover the associated grant expenditure. Pledges are accrued when the eligibility requirements are met and resources are available. All other accrued revenue sources are determined to be available if collectible within 12 months.

Property taxes are levied in December for the following calendar year. The first half-year collections are due by April 30, and the second half-year collections are due by October 31. Since the state is on a fiscal year ending June 30, the first half-year collections are recognized as revenue, if collectible within 60 days of the fiscal year end. The second half-year collections are recognized as receivables offset by deferred revenue. The lien date on property taxes is January 1 of the tax levy year.

Under modified accrual accounting, expenditures are generally recognized when the related liability is incurred. However, unmatured interest on general long-term obligations are recognized when due, and certain compensated absences, other postemployment benefits, and claims and judgments are recognized when the obligations are expected to be liquidated with available expendable financial resources.

The state reports deferred revenues on its governmental fund balance sheet under certain conditions. Deferred revenues arise when a potential revenue does not meet both the "measurable" and the "available" criteria for revenue recognition in the current period. Deferred revenues also arise when resources are received by the state before it has a legal claim to them, such as when grant monies are received prior to incurring qualifying expenditures/expenses.

All proprietary and trust funds are accounted for using the economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations of these funds are included on their respective statements of net assets. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net assets.

Net assets for trust funds are held in trust for external individuals and organizations.

All proprietary and trust funds are reported using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

1. Cash and Investments

Investments of surplus or pooled cash balances are reported on the accompanying Statements of Net Assets, Balance Sheets and Statements of Cash Flows as "Cash and Pooled Investments." The Office of the State Treasurer invests state treasury cash surpluses where funds can be disbursed at any time without prior notice or penalty. For reporting purposes, pooled investments are stated at fair value or amortized cost, which approximates fair value. For purposes of reporting cash flows, the state considers cash and pooled investments to be cash equivalents. Pooled investments include short-term, highly-liquid investments that are both readily convertible to cash and are so near their maturity dates that they present insignificant risk of changes in value because of changes in interest rates.

The method of accounting for noncurrent investments varies depending upon the fund classification. Investments in the state's Local Government Investment Pool (LGIP), an external investment pool operated in a manner consistent with the Securities and Exchange Commission's Rule 2a-7 of the Investment Company Act of 1940, are reported at amortized cost. The Office of the State Treasurer prepares a stand-alone LGIP financial report. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, phone number (360) 902-9000 or TTY (360) 902-8963.

Certain pension trust fund investments, including real estate and private equity, are reported at fair value based on appraisals or estimates in the absence of readily ascertainable fair values. At June 30, 2011, these investments are valued at $24.9 billion. Because of the inherent uncertainties in the estimation of fair value, it is possible that the estimates will change.

All other noncurrent investments are reported at fair value. Fair values are based on published market prices, quotations from national security exchanges and security pricing services, or by the respective fund managers for securities that are not actively traded. Privately held mortgages are valued at cost, which approximates fair value. Additional disclosure describing investments is provided in Note 3.

2. Receivables and Payables

Receivables in the state's governmental fund type accounts consist primarily of taxes and federal revenues. Receivables in all other funds have arisen in the ordinary course of business. Receivables are recorded when either the asset or revenue recognition criteria (refer to Note 1.C) have been met. All receivables are reported net of an allowance for accounts estimated to be uncollectible.

For government-wide reporting purposes, amounts recorded as interfund/interagency receivables and payables are eliminated in the governmental and business-type activities columns on the Statement of Net Assets, except for the net residual balances due between the governmental and business-type activities, which are reported as internal balances. Amounts recorded in governmental and business-type activities as due to or

from fiduciary funds have been reported as due to or from other governments.

Noncurrent receivables are recorded in the Workers' Compensation Fund representing estimated recoveries from third parties for a certain portion of claims expenses that are recorded as noncurrent claims payable. The accrued recoveries are computed using a variety of actuarial and statistical techniques and are discounted at assumed interest rates to arrive at the recorded value.

Disclosures related to the Workers' Compensation Fund activities and claims payable are provided in Notes 1.E.1 and 7.E.

3. Inventories and Prepaids

Consumable inventories, consisting of expendable materials and supplies held for consumption, are valued and reported in the state's financial statements if the fiscal year-end balance on hand within an agency is estimated to be $25,000 or more. Consumable inventories are generally valued at cost using the first-in, first-out method. Donated consumable inventories are recorded at fair market value.

All merchandise inventories are considered reportable for financial statement purposes. Merchandise inventories are generally valued at cost using the first-in, first-out method.

Inventories of governmental funds are valued at cost and recorded using the consumption method. Proprietary funds expense inventories when used or sold.

For governmental fund financial reporting, inventory balances are also recorded as a reservation of fund balance indicating that they do not constitute "available spendable resources" except for $6.2 million in federally donated consumable inventories, which are offset by deferred revenues because they do not constitute an "available" resource until consumed.

Prepaid items are those certain types of supplies and/or services (not inventory) that are acquired or purchased during an accounting period but not used or consumed during that accounting period.

In governmental fund type accounts, prepaid items are generally accounted for using the purchases method. Under the purchases method, prepaid items are treated as expenditures when purchased and residual balances, if any, at year end are not accounted for as assets.

In proprietary and trust fund type accounts, prepaid items are accounted for using the consumption method. The portion of supplies or services consumed or used during a period is recorded as an expense. The balance that remains is reported as an asset until consumed or used.

4. Restricted Assets

Unspent proceeds of state bond issues and other debt financing programs are classified as restricted assets because their use is limited by applicable bond and other debt covenants. These are reflected on the balance sheets and statements of net assets.

5. Capital Assets

Except as noted below, it is the state's policy to capitalize:

- All land;
- All additions and improvements to the state highway system;
- Infrastructure, other than the state highway system, with a cost of $100,000 or more;
- Buildings, building improvements, and leasehold improvements with a cost of $100,000 or more;
- Intangible assets, either purchased or internally developed, with a cost of $1,000,000 or more that are identifiable by meeting one of the following conditions:
    - The asset is capable of being separated or divided and sold, transferred, licensed, rented, exchanged; or
    - The asset arises from contractual or other legal rights, regardless of whether those rights are transferable or separable;
- All other capital assets with a unit cost of $5,000 or greater, or collections with a total cost of $5,000 or greater, unless otherwise noted; and
- All capital assets acquired with Certificates of Participation, a debt financing program administered by the Office of the State Treasurer.

Assets acquired by capital leases are capitalized if the asset's fair market value meets the state's capitalization threshold described above.

Purchased capital assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Capital asset costs include the purchase price plus those costs necessary to place the asset in its intended location and condition for use (ancillary costs). Normal maintenance and repair costs that do not materially add to the value or extend the life of the state's capital assets are not capitalized.

Donated capital assets are valued at their estimated fair market value on the date of donation, plus all appropriate ancillary costs. When the fair market value is not practically determinable due to lack of sufficient records, estimated cost is used. Where necessary, estimates of original cost and fair market value are derived by factoring price levels from the current period to the time of acquisition.

The value of assets constructed by agencies for their own use includes all direct construction costs and indirect costs that are related to the construction. In enterprise and trust funds, net interest costs (if material) incurred during the period of construction are capitalized.

State agencies have the option to capitalize art collections, library reserve collections, and museum and historical collections that are considered inexhaustible, in that their value does not diminish over time, if all of the following conditions are met:

- The collection is held for public exhibition, education, or research in furtherance of public service, rather than financial gain.
- The collection is protected, kept unencumbered, cared for, and preserved.
- The collection is subject to policy requirements that the proceeds from sales of collection items be used to acquire other items for the collection.

Depreciation/amortization is calculated using the straight-line method over the estimated useful lives of the assets. Generally, estimated useful lives are as follows:

Buildings & building components	5-50 years
Furnishings, equipment & collections	3-50 years
Other improvements	3-50 years
Intangibles	3-50 years
Infrastructure	20-50 years

The cost and related accumulated depreciation/amortization of disposed capital assets are removed from the accounting records.

The state capitalizes the state highway system as a network but does not depreciate it since the system is being preserved approximately at or above a condition level established by the state. That condition level is documented and disclosed. Additionally, the highway system is managed using an asset management system that includes:

- Maintenance of an up-to-date inventory of system assets,
- Performance of condition assessments of the assets at least every three years with summarization of the results using a measurement scale, and
- Annual estimation of the amount to maintain and preserve the assets at the condition level established and disclosed.

All state highway system expenditures that preserve the useful life of the system are expensed in the period incurred. Additions and improvements that increase the capacity or efficiency of the system are capitalized. This approach of reporting condition instead of depreciating the highway system is called the modified approach.

For government-wide financial reporting purposes, capital assets of the state are reported as assets in the applicable governmental or business-type activities column on the Statement of Net Assets. Depreciation/amortization expense related to capital assets is reported in the Statement of Activities.

Capital assets and the related depreciation/amortization expense are also reported in the proprietary fund financial statements.

In governmental funds, capital assets are not capitalized in the accounts that acquire or construct them. Instead, capital acquisitions and construction are reflected as expenditures in the year assets are acquired or construction costs are incurred. No depreciation/amortization is reported.

6. Compensated Absences

State employees accrue vested vacation leave at a variable rate based on years of service. In general, accrued vacation leave cannot exceed 240 hours at the employee's anniversary date.

Employees accrue sick leave at the rate of one day per month without limitation on the amount that can be accumulated. Sick leave is not vested; i.e., the state does not pay employees for unused sick leave upon termination except upon employee death or retirement. At death or retirement, the state is liable for 25 percent of the employee's accumulated sick leave. In addition, the state has a sick leave buyout option in which, each January, employees who accumulate sick leave in excess of 480 hours may redeem sick leave earned but not taken during the previous year at the rate of one day's pay in exchange for each four days of sick leave.

It is the state's policy to liquidate unpaid compensated absences outstanding at June 30 with future resources rather than advance funding it with currently available expendable financial resources.

For government-wide reporting purposes, the state reports compensated absences obligations as liabilities in the applicable governmental or business-type activities columns on the Statement of Net Assets.

For fund statement reporting purposes, governmental funds recognize an expenditure for annual and sick leave when it is payable, i.e., upon employee's use, resignation, or retirement. Proprietary and trust funds recognize the expense and accrue a liability for annual leave and estimated sick leave buyout, including related payroll taxes and benefits as applicable, as the leave is earned.

7. Long-Term Liabilities

In the government-wide and proprietary fund financial statements, long-term obligations of the state are reported as liabilities on the Statement of Net Assets. Bonds payable are reported net of applicable original issuance premium or discount. When material, bond premiums, discounts, and issue costs are deferred and amortized over the life of the bonds.

For governmental fund financial reporting, the face (par) amount of debt issued is reported as other financing sources. Premiums and discounts on original debt issuance are also reported as other financing sources and uses, respectively. Issue costs are reported as debt service expenditures.

8. Fund Equity

In governmental fund type accounts, fund equity is called "fund balance." Fund balance is reported in the following classifications which reflect the extent to which the state is bound to honor constraints on the purposes for which the amounts can be spent: nonspendable, restricted, committed, assigned, and unassigned.

When resources meeting more than one of the classifications (excluding nonspendable) are comingled in an account, assuming that an expenditure meets the constraints of the classification, the assumed order of spending is restricted first, committed second, and finally assigned.

In proprietary funds, fund equity is called net assets. Net assets are comprised of three components: invested in capital assets, net of related debt; restricted; and unrestricted.

E. OTHER INFORMATION

1. Insurance Activities

Workers' Compensation. Title 51 RCW establishes the state of Washington's workers' compensation program. The statute requires all employers to secure coverage for job-related injuries and diseases with few exceptions, through the Workers' Compensation Fund or through self-insurance.

Direct private insurance is not authorized, although self-insurers are permitted to reinsure up to 80 percent of their obligations through private insurers.

The Workers' Compensation Fund, an enterprise fund, is used to account for the workers' compensation program which provides time-loss, medical, vocational, disability, and pension benefits to qualifying individuals sustaining work-related injuries or illnesses. The main benefit plans of the workers' compensation program are funded based on rates that will keep these plans solvent in accordance with recognized actuarial principles. The supplemental pension plan supports cost-of-living adjustments (COLA) granted for time-loss and disability payments; however, these are funded on a pay-as-you-go basis. By statute, the state is only allowed to collect enough revenue to fund the current COLA payments.

Premiums are based on individual employers' reported payroll hours and insurance rates based on each employer's risk classification(s) and past experience, except the Supplemental Pension Fund premiums are based on a flat rate per hours worked independent of risk class or past experience. In addition to its regular premium plan which is required for all employers, the Workers' Compensation Fund offers a voluntary retrospective premium rating plan under which premiums are subject to three annual adjustments based on group and individual employers' loss experience. Initial adjustments to the standard premiums are paid to or collected from the groups and individual employers approximately ten months after the end of each plan year.

The Department of Labor and Industries, as administrator of the workers' compensation program, establishes claims liabilities based on estimates of the ultimate cost of claims (including future claims adjustment expenses) that have already occurred. The length of time for which such costs must be estimated varies depending on the benefit involved. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liabilities, claims adjudication, and judgments, the process used in computing claims liabilities does not necessarily result in an exact amount.

Claims payable are recomputed quarterly using a variety of actuarial and statistical techniques. These techniques are used to produce current estimates that reflect recent settlements, claim frequency, expected inflation, and other economic, legal, and social factors. Adjustments to claims payable are charged or credited to claims expense in the periods in which they are made.

Risk Management. The state of Washington operates a self-insurance liability program pursuant to RCW 4.92.130. The state manages its tort claims as an insurance business activity rather than a general governmental activity. The state's policy is generally not to purchase commercial insurance for the risk of losses to which it is exposed. Instead, the state's management believes it is more economical to manage its risks internally and set aside assets for claims settlement in the Risk Management Fund, an internal service fund. A limited amount of commercial insurance is purchased for liabilities arising from the operations of the Washington State ferries, employee bonds, and to limit the exposure to catastrophic losses. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past nine fiscal years. Otherwise, the self-insurance liability program services all claims against the state for injuries and property damage to third parties. The majority of state funds and agencies participate in the self-insurance liability program in proportion to their anticipated exposure to liability losses.

Health Insurance. The state of Washington administers and provides medical, dental, basic life, and basic long-term disability insurance coverage for eligible state employees. In addition, the state offers coverage to K-12 school districts, educational service districts, tribal governments, political subdivisions, and employee organizations representing state civil service workers. The state establishes eligibility requirements and approves plan benefits of all participating health care organizations. Because the state and its employees are the predominant participants in the employee health insurance program, it is accounted for in the Employee Insurance Fund, an internal service fund.

The state's share of the cost of coverage for state employees is based on a per capita amount determined annually by the Legislature and allocated to state agencies.

The Health Care Authority, as administrator of the health care benefits program, collects this monthly "premium" from agencies for each active employee enrolled in the program. State employees self-pay for coverage beyond the state's contribution. Cost of coverage for non-state employees is paid by their respective employers. Most coverage is available on a self-paid basis to former employees and employees who are temporarily not in pay status.

Most coverage is also available on a self-paid basis to eligible retirees. In accordance with the provisions of GASB Statement No. 43, an agency fund, the Retiree Health Insurance Fund, is used to account for the retiree health insurance program. For additional information, refer to Note 12.

The state secures commercial insurance for certain coverage offered, but self-insures the risk of loss for the Uniform Medical Plan. The Uniform Medical Plan enrolled 62.3 percent of the eligible subscribers in fiscal year 2011. Claims are paid from premiums collected, and claims adjudication is contracted through a third-party administrator.

Considerations in calculating liabilities include frequency of claims, administrative costs, industry inflation trends, advances in medical technology, and other social and economic factors. Liabilities include an amount for claims incurred but not reported.

2. Postemployment Benefits

COBRA. In compliance with federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the state offers health and dental benefits on a temporary basis to qualified beneficiaries whose benefit coverage would otherwise end because of a qualifying event such as loss of employment. COBRA coverage is available on a self-paid basis and is the same medical and dental coverage available to state employees.

Medical Expense Plan. As disclosed in Note 1.D, at the time of separation from state service due to retirement or death, the state offers a 25 percent buyout of an employee's accumulated sick leave. Individual state agencies may offer eligible employees a medical expense plan (MEP) that meets the requirements of the Internal Revenue Code. Agencies offering an MEP deposit the retiring employee's sick leave buyout in the MEP for reimbursement of medical expenses.

Retirement Benefits. Refer to Note 11 Retirement Plans and Note 12 Other Postemployment Benefits.

3. Interfund/Interagency Activities

The state engages in two major categories of interfund/interagency activity: reciprocal and nonreciprocal. Reciprocal interfund/interagency activity is the internal counterpart to exchange and exchange-like transactions and includes both interfund loans and services provided and used. Nonreciprocal activity is nonexchange in nature and includes both transfers and reimbursements.

4. Donor-restricted Endowments

The state of Washington reports endowments in higher education endowment permanent accounts. These accounts are established outside of the state treasury for use by the higher education institutions. There is no state law that governs endowment spending; rather, the policies of individual university and college boards govern the spending of net appreciation on investments.

Under the current spending policy, distributions to programs approximate an annual percentage rate of 4 percent of a five-year rolling average of the endowment's market valuation.

The net appreciation available for authorization for expenditure by governing boards totaled $172 million. This amount is reported as restricted for expendable endowment funds on the government-wide Statement of Net Assets.

Note 2
Accounting, Reporting, and Entity Changes

Reporting Changes. Effective for fiscal year 2011 reporting, the state implemented the following new standards issued by the Governmental Accounting Standards Board (GASB):

Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB Statement No. 54 provides clearer fund balance classifications and clarifies the existing governmental fund type definitions. The new hierarchical fund balance classification structure is based primarily on the extent to which a government is bound to follow constraints on how resources can be used. New fund balance classifications include: nonspendable, committed, restricted, assigned, and unassigned. Details on the state's fund balance classifications and policies are reflected in Note 9.

The governmental funds used by the state were evaluated taking into consideration the provisions of Statement No. 54. A number of accounts reported within special revenue funds did not meet the clarified definition for special revenue funds. As a result, a reclassification of $253.9 million was made to reduce the beginning fund balance of special revenue funds and increase beginning fund balance of the General Fund.

Statement No. 59 *Financial Instruments Omnibus*. Statement No. 59 updates and improves existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools. Existing state reporting and disclosure practices comply with the requirements of Statement No. 59.

Fund Reclassification. During fiscal year 2011, it was determined that an activity being reported in Other Activities, a major enterprise fund, would be more appropriately reported in the General Services Fund, an internal service fund. Accordingly, beginning fund balances were restated by $5.9 million to effect the proper fund classification of the activity.

Prior Period Adjustments. The University of Washington recorded a prior period adjustment to properly report balances related to their Internal Lending Program which is reported within the Higher Education Student Services Fund. The adjustment impacted the Higher Education Special Revenue Fund, a major governmental fund, with an increase of $479.2 million, other nonmajor governmental funds with a decrease of $94.9 million, the Higher Education Student Services, a major enterprise fund, with a decrease of $370.2 million, and internal service funds with an increase of $1.7 million. The adjustment also increased pooled cash in an agency fund by $15.8 million.

Entity Change – Special Item. During fiscal year 2011, except as noted in the following paragraph, all assets and liabilities of the Convention and Trade Center, reported by the state as a nonmajor enterprise fund, were transferred to a public facilities district. The net transfer of the assets and liabilities is reported as a special item on the Statement of Revenues, Expenses, and Changes in Fund Net Assets.

As part of the agreement between the state and the public facilities district, the public facilities district issued $271 million in bonds and wired the proceeds to the state to refund the debt held by the state that was related to the Convention and Trade Center.

Fund equity at July 1, 2010, has been restated as follows (expressed in thousands):

	Fund equity (deficit) at June 30, 2010, as previously reported	Fund Reclassification	Prior Period Adjustment	Fund equity (deficit) as restated, July 1, 2010
Governmental Funds:				
General	$ 378,749	$ 253,868	$ -	$ 632,617
Higher Education Special Revenue	1,319,702	(85,906)	479,234	1,713,030
Motor Vehicle Fund*	1,580,914	(1,580,914)		-
Higher Education Endowment	2,728,726	65,590	-	2,794,316
Nonmajor Governmental *	4,533,121	1,347,362	(94,915)	5,785,568
Proprietary Funds:				
Enterprise Funds:				
Workers' Compensation	(11,667,054)	-	-	(11,667,054)
Unemployment Compensation	2,929,842	-	-	2,929,842
Higher Education Student Services	1,592,870	-	(370,221)	1,222,649
Other Activities**	-	(179,291)		(179,291)
Nonmajor Enterprise**	122,818	173,408		296,226
Internal Service Funds	(257,912)	5,883	1,703	(250,326)
Fiduciary Funds:				
Private Purpose Trust	25,903	-	-	25,903
Local Government Investment Pool	8,329,439	-	-	8,329,439
Pension and Other Employee Benefit Plans	57,764,317	-	-	57,764,317
Component Units:				
Public Stadium	370,059	-	-	370,059
Nonmajor Component Units	90,038	-	-	90,038

* The Motor Vehicle Special Revenue was reported as a major governmental fund in fiscal year 2010, but became a nonmajor fund for reporting purposes in fiscal year 2011.

** The Other Activities Enterprise Fund was reported as a nonmajor proprietary fund in fiscal year 2010, but became a major fund for reporting purposes in fiscal year 2011.

Note 3
Deposits and Investments

A. DEPOSITS

Custodial Credit Risk. Custodial credit risk is the risk associated with the failure of a depository financial institution. In the event of a depository financial institution's failure, it is the risk that the state would not be able to recover its deposits or collateralized securities that are in the possession of the outside parties.

The state minimizes custodial credit risk by restrictions set forth in state law. Statutes restrict the State Treasurer to deposit funds in financial institutions that are physically located in Washington unless otherwise expressly permitted by statute and authorized by the Washington Public Deposit Protection Commission (PDPC). The PDPC, established under chapter 39.58 of the Revised Code of Washington (RCW), makes and enforces regulations and administers a collateral pool program to ensure public funds are protected if a financial institution becomes insolvent. Securities pledged are held by a trustee agent for the benefit of the collateral pool.

At June 30, 2011, $1.09 billion of the state's deposits with financial institutions were either insured or collateralized, with the remaining $22.1 million uninsured/ uncollateralized. The Federal Deposit Insurance Corporation (FDIC) covers the state's insured deposits and the PDPC provides collateral protection.

B. INVESTMENTS – PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS (PENSION TRUST FUNDS)

1. Summary of Investment Policies

Under RCW 43.33A.030, trusteeship of the pension trust funds is vested within the voting members of the Washington State Investment Board (WSIB). The Legislature has established a standard of care for investment of these funds in RCW 43.33A.140. Additionally, the WSIB and its staff must comply with other state laws, such as the Ethics in Public Service Act,

chapter 42.52 RCW, as it makes its investment decisions and seeks to meet its investment objectives.

The pension trust funds consist of retirement contributions from employer and employee participants in the Washington State Retirement System and related earnings on those contributions. The Retirement System is administered by the Department of Retirement Systems. The WSIB has exclusive control of the investment of all money invested in the pension trust funds.

The WSIB manages pension fund assets to maximize return at a prudent level of risk (RCW 43.33A.110). The WSIB establishes asset allocation targets that must be considered at all times when making investment decisions. The asset mix may deviate from the target. Deviations greater than predetermined acceptable levels require rebalancing back to the target. When an asset class exceeds its range, the goal of rebalancing is to meet the target allocation within consideration of the other remaining asset classes.

Eligible Investments. The WSIB is authorized by statute as having investment management responsibility for pension funds. The WSIB is authorized to invest as provided by statute (chapter 43.33A RCW) and WSIB policy in the following: U.S. treasury bills; discount notes; repurchase agreements; reverse repurchase agreements; banker's acceptances; commercial paper; guaranteed investment contracts; U.S. government and agency (government sponsored corporations eligible for collateral purposes at the Federal Reserve) securities; non-U.S. dollar bonds; investment grade corporate bonds; non-investment grade corporate bonds; publicly traded mortgage-backed securities; privately placed mortgages; private placements of corporate debt; U.S. and foreign common stock; U.S. preferred stock; convertible securities; private equity including but not limited to investment corporations, partnerships and limited liability companies for venture capital, leveraged buy-outs, real estate and other tangible assets; asset-backed securities; and derivative securities including futures, options, options on futures, forward contracts and swap transactions. There were no violations of these investment restrictions during fiscal year 2011.

Commingled Trust Fund. Pension trust funds are invested in the Commingled Trust Fund (CTF). The CTF is a diversified pool of investments used as an investment vehicle for 14 separate retirement plans. These plans hold "units" in the CTF, which represent a percentage ownership in the pool of investments. Plans are allowed to purchase or sell units in the CTF, based on the fair value of the underlying assets, on the first business day of each month. In addition to unit ownership in the CTF, each plan holds short-term investments that are used to manage the cash needs of each retirement plan.

The CTF consists of the Public Employees' Retirement System (PERS) Plans 1 and 2/3; Teachers' Retirement System (TRS) Plans 1 and 2/3; School Employees' Retirement System (SERS) Plans 2/3; Law Enforcement Officers' and Fire Fighters' Retirement Plans 1 and 2; Washington State Patrol Retirement System Plans 1 and 2; Public Safety Employees' Retirement System Plan 2; and Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund. PERS Plan 3, TRS Plan 3 and SERS Plan 3 are hybrid defined benefit/defined contribution plans. The participants of those plans have the option to direct their contributions to the CTF or invest their defined contributions in other external options not managed by the WSIB.

CTF Investment Policies and Restrictions. The CTF is comprised of public markets equities, fixed income securities, private equity investments, tangible assets, real estate, and an innovation portfolio. The CTF's performance benchmark objective is to exceed the return of a policy benchmark consisting of public market indices weighted according to asset allocation targets. The asset allocation for the CTF is formally reviewed at least every four years. The allocation policy will be reviewed more frequently if the WSIB believes there has been a fundamental change in the structure of the capital markets or in the underlying cash flow or liability structure of the pension trust funds.

The public markets equity program uses a global benchmark, the Dow Jones Global Total Stock Market Index, reflecting the globalization of capital markets. At the beginning of the fiscal year, the public equity portfolio in the CTF was a combination of separate U.S. and international components. Over the course of the fiscal year, the WSIB restructured the public equity program within the CTF into four components: passive U.S. equity, passive international equity, active global equity and active emerging markets equity.

Because U.S. equity markets are generally efficient and international equity markets are increasingly efficient, most of the WSIB's public equity investments are in low-cost, broad-based passive index funds. The WSIB employs both passive U.S. equity and passive international equity in order to maintain policy weights in both areas. All the global equity mandates and all the emerging market equity mandates are actively managed.

The fixed income portfolio is constrained by policy from investing more than 1 percent of the portfolio's par holdings in any single issuer with a quality rating below investment grade (as defined by Barclays Capital Global Family of Fixed Income Indices). Total holdings of below investment grade credit bonds shall not exceed 15 percent of total bond holdings. The duration of the portfolio (the sensitivity of the portfolio's fair value to changes in the

level of interest rates) is targeted to be within 20 percent of the duration of the Barclays Capital Universal Index.

In addition, the major sector allocations of the fixed income portfolio are limited to the following ranges: U.S treasuries and government agencies – 10 percent to 45 percent, credit bonds – 10 percent to 60 percent, asset-backed securities – 0 percent to 10 percent, commercial mortgage-backed securities – 0 percent to 10 percent, and mortgage-backed securities – 5 percent to 45 percent.

Pension trust funds can be invested in any appropriate private equity investment opportunity that has the potential for returns superior to traditional investment opportunities and which is not prohibited by the WSIB's policies or by law. These investment types include venture capital investments, corporate finance, distressed, international and mezzanine investments. Private equity investments are made through limited partnership vehicles.

The private equity investment portfolio is managed to meet or exceed the returns of the Russell 3000 (lagged by one quarter) plus 300 basis points. To meet the return and plan objectives, the private equity portfolio has diversified investments in companies in a variety of growth stages. The portfolio also includes a broad cross-section of opportunities in different industries and geographic regions.

The primary goal of the tangible asset portfolio is to generate a long-term, high quality, stable income stream. The secondary goal is to generate appreciation approximately commensurate with inflation. The structure of the investments are primarily targeted to those funds, separate accounts, or tangible asset operating companies providing the WSIB with the most robust governance provisions related to acquisition, dispositions, debt levels and ongoing operational decisions for annual capital expenditures. The tangible asset portfolio invests in a number of sectors, but the primary focus is infrastructure, timber and natural resource rights (oil and natural gas).

The WSIB's current return objective for tangible assets calls for a target benchmark of 4 percent above the U.S. Consumer Price Index over a long-term investment horizon defined as at least five years.

The WSIB's real estate program is an externally managed pool of selected partnership investments, intended to provide alternative portfolio characteristics when compared to traditional stock and bond investments. The majority of the WSIB's partnerships invest in institutional-quality real estate assets that are leased to third parties. The income generated from bond-like lease payments coupled with the hard asset qualities of commercial real estate combine to generate returns that are expected to fall between the return expectations for fixed income and equities over the long term. The real estate portfolio is managed to deliver risk-adjusted returns that are consistent with the WSIB's long-term return expectations for the asset class.

The WSIB's real estate partnerships typically invest in private real estate assets that are held for long-term income and appreciation. Many of the WSIB's investment partnerships do not involve co-investment with other financial entities, thereby providing the WSIB with control provisions, related transactions and ongoing operational decisions for annual capital expenditures.

Volatility in the real estate portfolio is minimized through a combination of factors. First, the majority of the WSIB's partners own real estate assets in a private investment form which are not subject to public market volatility. Secondly, real estate capital is diversified among a host of partners with varying investment styles. Thirdly, partnership assets are invested in numerous economic regions, including foreign markets, and in various property types. Finally, the WSIB's partners invest at different points within the properties' capital structure and life cycle.

The WSIB's real estate portfolio current benchmark seeks to earn an 8 percent annual investment return over a rolling 10-year period.

The innovation portfolio investment strategy is to provide WSIB with the ability to invest in assets that fall outside of traditional asset classes and to provide the WSIB with comfort and demonstrated success before committing large dollar amounts to the strategy. The overall benchmark for the innovation portfolio is the weighted average of the underlying benchmark for each asset in the portfolio.

Currently, there are three investment strategies in the innovation portfolio, two involving private partnerships and one investing in public equities.

2. Unfunded Commitments

The WSIB has entered into a number of agreements that commit the pension trust funds, upon request, to make additional investment purchases up to predetermined amounts. As of June 30, 2011, the retirement funds had unfunded commitments of $6.87 billion, $6.90 billion, $505.3 million and $308.7 million in private equity, real estate, tangible assets and the innovation portfolio, respectively.

3. Securities Lending

State law and Board policy permit the pension trust funds to participate in securities lending programs to augment investment income. The WSIB has entered into an agreement with JPMorgan to act as agent for the WSIB in securities lending transactions. As JPMorgan is the

custodian bank for the WSIB, it is counterparty to securities lending transactions.

The pension trust funds report securities lent (the underlying securities) as assets in the Statement of Net Assets. Cash received as collateral on securities lending transactions and investments made with that cash are reported as assets. Securities received as collateral are reported as assets if the pension trust funds have the ability to pledge or sell them without a borrower default. Liabilities resulting from these transactions are also reported in the Statement of Net Assets. Securities lending transactions collateralized by securities that the pension trust funds do not have the ability to pledge or sell unless the borrower defaults are not reported as assets and liabilities.

Securities were loaned (consisting of fixed income and equities) and collateralized by the pension trust funds' agent with cash and U.S. government securities (exclusive of mortgage-backed securities and letters of credit) and irrevocable letters of credit. When the loaned securities had collateral denominated in the same currency, the collateral requirement was 102 percent of the fair value, including accrued interest, of the securities loaned. All other securities were required to be collateralized at 105 percent of the fair value, including accrued interest, of the loaned securities.

The collateral held and fair value of securities on loan at June 30, 2011, were $3 billion and $2.92 billion, respectively. At fiscal year-end, the amounts the pension trust funds owed the borrowers exceeded the amounts the borrowers owed pension trust funds, resulting in no credit risk exposure.

As of June 30, 2011, the pension trust funds held the following securities as lending collateral (in thousands):

Cash and cash equivalents	$1,426,003
Bank and promissory notes	537,089
Commercial paper	423,043
Securitized debt instruments	227,695
Repurchase agreements	182,814
Miscellaneous	90,432
Guaranteed insurance contracts	62,897
Sovereign debt	49,139
Total collateral held	$2,999,112

During fiscal year 2011, securities lending transactions could be terminated on demand by either the WSIB or the borrower. The weighted average maturity of loans for 2011 was 1.5 days.

Cash collateral was invested by the WSIB's agents in securities in the WSIB's separately managed short-term investment pool (average final maturity of 34 days). Because the securities lending agreements were terminable at will, their duration did not generally match the duration of the investments made with the cash collateral.

Non-cash collateral could not be pledged or sold absent borrower default. Accordingly, non-cash collateral held under securities lending contracts with a value of $280.2 million has not been included in the Statement of Net Assets. There are no restrictions on the amount of securities that can be lent.

Securities were lent with the agreement that they would be returned in the future for exchange of the collateral. JPMorgan indemnified the WSIB by agreeing to purchase replacement securities or return the cash collateral in the event a borrower failed to return the loaned securities or pay distributions thereon. JPMorgan's responsibilities included performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral and complying with applicable federal regulations concerning securities lending.

During fiscal year 2011, there were no significant violations of legal or contractual provisions and no failures by any borrowers to return loaned securities or to pay distributions thereon. Further, the pension trust funds incurred no losses during fiscal year 2011 resulting from a default by either the borrowers or the securities lending agents.

4. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates over time will adversely affect the fair value of an investment. Increases in prevailing interest rates generally translate into decreases in fair values of those investments, and decreases in interest rates result in increases in valuations.

The WSIB does not have a formal policy specifically for interest rate risk. The pension trust funds' fixed income investments are actively managed to meet or exceed the return of the Barclays Capital Universal Index, with a duration that is not 20 percent higher or lower than the duration of the index.

As of June 30, 2011, the pension trust funds' duration was within the duration target of this index.

The schedule below provides information about the interest rate risks associated with the pension trust funds' investments as of June 30, 2011. The schedule displays various asset classes held by maturity in years and credit ratings. Residential mortgage-backed, commercial mortgage-backed and asset-backed securities are reported using the average life within the portfolio. The average life is a calculated estimate of the average time (in years) until maturity for these securities taking into account possible

prepayments of principal. All other securities on this schedule are reported using the stated maturity date. Certain foreign investments are recorded in U.S. dollars (USD), while others are generally recorded in non U.S. dollars (Non USD) but have been converted to U.S. dollars for reporting purposes.

Pension Trust Funds
June 30, 2011
(expressed in thousands)

Investment Type	Fair Value	Maturity: Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years	Credit Rating
Asset backed securities	$ 121,518	$ 101,242	$ 20,215	$ -	$ 61	Aaa
Residential mortgage-backed securities	2,371,654	355,901	1,931,388	84,365	-	Aaa
Commercial mortgage-backed securities	328,066	99,188	227,260	1,618	-	Multiple
Corporate bonds - domestic (USD)	1,338,352	-	267,658	909,612	161,082	Multiple
Corporate bonds - domestic (Non USD)	27,120	-	27,120	-	-	Multiple
Corporate bonds - foreign (USD)	3,560,256	2,029	714,911	2,316,870	526,446	Multiple
Corporate bonds - foreign (Non USD)	143,388	-	54,576	56,256	32,556	Multiple
U.S. government treasuries	2,077,797	808,070	955,026	314,701	-	Aaa
Foreign government and agencies (USD)	1,010,463	-	92,435	755,526	162,502	Multiple
Foreign government and agencies (Non USD)	438,718	-	63,882	226,760	148,076	Multiple
Supranational (USD)	30,660	-	30,660	-	-	Aaa
Supranational (Non USD)	317,045	-	155,010	162,035	-	Aaa
	11,765,037	$ 1,366,430	$ 4,540,141	$ 4,827,743	$ 1,030,723	
Corporate stock (USD)	3,302,338					
Corporate stock (Non USD)	11,114,937					
Commingled equity index funds	9,455,236					
Alternative investments	24,930,203					
Liquidity	1,949,469					
Total	$ 62,517,220					

Investments with multiple credit ratings are presented using the Moody's rating scale as follows:

Pension Trust Funds
Investments with Multiple Credit Ratings
June 30, 2011
(expressed in thousands)

Moody's Equivalent Credit Rating	Investment Type: Commercial Mortgage-Backed Securities	Corporate Bonds - Domestic (USD)	Corporate Bonds - Domestic (Non USD)	Corporate Bonds - Foreign (USD)	Corporate Bonds - Foreign (Non USD)	Foreign Government and Agencies (USD)	Foreign Government and Agencies (Non USD)	Total
Aaa	$ 284,572	$ -	$ -	$ -	$ -	$ -	$ 163,954	$ 448,526
Aa1	-	-	-	-	-	17,308	-	17,308
Aa2	-	50,015	-	44,418	-	26,650	-	121,083
Aa3	43,494	52,049	-	54,624	-	76,868	-	227,035
A1	-	124,438	-	93,016	-	309,619	-	527,073
A2	-	115,052	-	11,100	32,556	22,518	50,303	231,529
A3	-	127,613	27,120	338,001	39,271	54,617	-	586,622
Baa1	-	308,349	-	495,521	27,115	57,646	-	888,631
Baa2	-	263,413	-	680,614	-	133,280	100,893	1,178,200
Baa3	-	87,630	-	1,054,216	44,446	244,092	12,309	1,442,693
Ba1 or lower	-	209,793	-	788,746	-	67,865	111,259	1,177,663
Total	$ 328,066	$ 1,338,352	$ 27,120	$ 3,560,256	$ 143,388	$ 1,010,463	$ 438,718	$ 6,846,363

5. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Rated debt investments of the pension trust funds as of June 30, 2011, were rated by Moody's and/or an equivalent national rating organization.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The WSIB policy states no corporate fixed income issue shall exceed 3 percent of cost at the time of purchase or 6 percent of fair value thereafter of the fund, and no high yield issues shall exceed 1 percent of cost or 2 percent of fair value of the fund. There was no concentration of credit risk exceeding these policy guidelines as of June 30, 2011.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of a failure of the counterparty to a transaction, the pension trust funds would not be able to recover the value of investments that are in the possession of an outside party. The WSIB does not have a policy specifically for custodial credit risk. The WSIB mitigates custodial risk by having its investment securities held by its custodian. Also, investment securities are registered in the name of the WSIB for the benefit of the pension trust funds, excluding cash and cash equivalents and repurchase agreements held as securities lending collateral.

6. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The WSIB does not have a formal policy to limit foreign currency risk. The WSIB manages their exposure to fair value loss by requiring their international securities investment managers to maintain diversified portfolios by sector and by issuer to limit foreign currency and security risk.

The schedule below presents the exposure of pension fund investments to foreign currency risk. The schedule provides information on deposits and investments held in various foreign currencies. Private equity and real estate are presented according to the financial currency of the individual funds and is not a presentation of currency exposure relating to the underlying holdings. The schedule is stated in U.S. dollars.

Pension Trust Funds
Foreign Currency Risk
June 30, 2011
(expressed in thousands)

	Investment Type					
Foreign Currency Denomination	**Currency**	**Fixed Income**	**Common Stock**	**Private Equity**	**Real Estate**	**Total**
Australia-Dollar	$ 325	$ 375,499	$ 684,846	$ -	$ 24,388	$ 1,085,058
Brazil-Real	356	244,617	91,868	-	-	336,841
Canada-Dollar	3,060	-	864,750	-	-	867,810
Denmark-Krone	466	-	103,820	-	-	104,286
E.M.U.-Euro	8,709	-	2,923,558	2,229,058	143,085	5,304,410
Hong Kong-Dollar	1,085	-	399,609	-	-	400,694
India-Rupee	462	46,979	66,737	-	-	114,178
Indonesia-Rupiah	117	100,006	55,093	-	-	155,216
Japan-Yen	12,254	-	1,967,771	-	-	1,980,025
Mexico-Peso	255	32,556	42,354	-	-	75,165
Norway-Krone	1,223	-	102,606	-	-	103,829
Singapore-Dollar	324	-	170,932	-	-	171,256
South Africa-Rand	10	-	82,763	-	-	82,773
South Korea-Won	-	-	129,125	-	-	129,125
Sweden-Krona	1,119	-	263,775	1,857	-	266,751
Switzerland-Franc	(91)	-	720,504	-	-	720,413
Taiwan-Dollar	1,047	-	84,640	-	-	85,687
Turkey-Lira	726	60,511	53,783	-	-	115,020
United Kingdom-Pound	(1,003)	-	2,113,310	8,997	-	2,121,304
Other-Miscellaneous	2,645	66,103	193,093	-	-	261,841
Total	$ 33,089	$ 926,271	$ 11,114,937	$ 2,239,912	$ 167,473	$ 14,481,682

7. Derivatives

Pension trust funds are authorized to utilize various derivative financial instruments, including mortgage-backed securities, financial futures, forward contracts, interest rate swaps, credit default swaps, equity swaps and options. Derivative transactions involve, to varying degrees, market and credit risk. In connection with the international and domestic active equity strategy, at June 30, 2011, the pension trust funds held investments in financial futures, forward currency contracts and other derivative securities that are recorded at fair value with changes in value recognized in investment income in the Statement of Changes in Net Assets in the period of change.

Derivatives are generally used to achieve the desired market exposure of a security, index or currency, adjust portfolio duration, or rebalance the total portfolio to the target asset allocation. Derivative contracts are instruments that derive their value from underlying assets, indices, reference interest rates, or a combination of these factors.

A derivative instrument could be a contract negotiated on behalf of the pension trust funds and a specific counterparty. This would typically be referred to as an "over the counter (OTC) contract" such as forward contracts and "to be announced (TBA) securities." Alternatively, a derivative instrument, such as futures, could be listed and traded on an exchange and referred to as "exchange traded."

Inherent in the use of OTC derivatives, the pension trust funds are exposed to counterparty credit risk on all open OTC positions. Counterparty credit risk is the risk that a derivative counterparty may fail to meet its payment obligation under the derivative contract. As of June 30, 2011, the pension trust funds counterparty risk was not deemed to be significant, whether evaluating counterparty exposure outright or netting collateral against net asset positions on contracts with each counterparty.

Mortgage TBAs are used to achieve the desired market exposure of a security or asset class or adjust portfolio duration. A TBA is a contract for the purchase or sale of agency mortgage-backed securities to be delivered at a future agreed-upon date. TBAs carry future settlement risk due to the possibility of not receiving the asset or associated gains specified in the contract. Such loss associated with failure by counterparties to deliver under the contracts was not deemed material at June 30, 2011.

Futures contracts are standardized, exchange-traded contracts to purchase or sell a specific financial instrument at a predetermined price. Gains and losses on futures contracts are settled daily based on a notional (underlying) principal value and do not involve an actual transfer of the specific instrument. The exchange assumes the risk that the counterparty will not pay and generally requires margin payments to minimize such risk. Futures are generally used to achieve the desired market exposure of a security or index and rebalance the total portfolio.

Forward currency contracts are agreements to exchange the currency of one country for the currency of another country at an agreed-upon price and settlement date. These forward commitments are not standardized and carry credit risk due to the possible nonperformance by one of the counterparties. The maximum potential loss is the aggregate face value in U.S. dollars at the time the contract was opened; however, the likelihood of such loss is remote.

At June 30, 2011, the pension trust funds had outstanding forward currency contracts to purchase foreign currencies with a fair value of $1.29 billion and outstanding contracts to sell foreign currencies with a fair value of $1.29 billion. The net unrealized loss of $874,000 is included in the Statement of Changes in Net Assets. The contracts have varying maturity dates ranging from July 1, 2011, to September 21, 2011.

At June 30, 2011, the pension trust funds' fixed income portfolio held derivative securities consisting of collateralized mortgage obligations with a fair value of $875.8 million. Domestic and foreign passive equity index fund managers may also utilize various derivative securities to manage exposure to risk and increase portfolio returns. Information on the extent of use and holdings of derivative securities by passive equity index fund managers is unavailable.

Derivatives which are exchange traded are not subject to credit risk. The maximum loss that would be recognized at June 30, 2011, if all counterparties fail to perform as contracted is de minimus.

At June 30, 2011, the counterparties' for forward currency contracts that are subject to credit risk had a credit rating of no less than A1 using the Moody's rating scale.

The following schedule presents the significant terms for derivatives held as investments by the WSIB:

Pension Trust Funds
Derivative Investments
June 30, 2011
(expressed in thousands)

	Changes in Fair Value - Included in Investment Income (Loss) Amount	Fair Value - Investment Derivative Amount	Notional
Futures Contracts:			
Bond index futures	$ 15,904	$ (1,231)	$ 6
Equity index futures	8,343	-	-
Total	$ 24,247	$ (1,231)	$ 6
To Be Announced (TBA) Securities:			
Total	$ 7,997	$ 328,896	$ 312,000
Forward Currency Contracts:			
Australia-Dollar	$ 40,328	$ 375	$ (44,903)
Brazil-Real	112	-	-
Canada-Dollar	16,506	(8)	(202)
Czech Republic-Koruna	267	1	1,392
Denmark-Krone	1,118	(3)	(2,035)
E.M.U.-Euro	51,926	(601)	29
Hong Kong-Dollar	(91)	(1)	59,135
Hungary-Forint	(153)	-	-
Israel-Shekel	21	-	-
Japan-Yen	28,501	(77)	1,295,417
Mexico-Peso	(24)	-	-
New Zealand-Dollar	517	(5)	(148)
Norway-Krone	761	(656)	(60,694)
Poland-Zloty	(359)	-	-
Singapore-Dollar	397	24	5,652
South Africa-Rand	192	1	1,990
Sweden-Krona	14,940	(285)	-
Switzerland-Franc	12,091	8	10,221
United Kingdom-Pound	13,853	353	(32,311)
United States-Dollar	(172,982)	-	70,031
Total	$ 7,921	$ (874)	$ 1,303,574

8. Reverse Repurchase Agreements – None.

C. INVESTMENTS – WORKERS' COMPENSATION FUND

1. Summary of Investment Policies

Under RCW 43.33A.030, trusteeship of the workers' compensation fund investments is vested in the voting members of the WSIB. The Legislature established a standard of care for investment of these funds in RCW 43.33A.140. Additionally, the WSIB must comply with other state laws, such as the Ethics in Public Service Act, chapter 42.52 RCW, as it makes investment decisions and seeks to meet its investment objectives.

In accordance with state laws, the workers' compensation fund investments are managed to limit fluctuations in the industrial insurance premiums and, subject to this purpose, achieve a maximum return at a prudent level of risk. Based on this requirement, the order of the objectives is:

- Maintain the solvency of the funds.
- Maintain premium rate stability.
- Ensure sufficient assets are available to fund the expected liability payments.
- Subject to the objectives above, achieve a maximum return at a prudent level of risk.

Eligible Investments. Eligible investments are securities and deposits that are in accordance with the WSIB's investment policy and RCW 43.33A.110. Eligible investments include:

- U.S. equities.
- International equities.
- Treasury inflation protection securities (TIPS).
- U.S. treasuries and government agencies.
- Credit bonds.
- Mortgage-backed securities rated investment grade, as defined by Barclays Capital Global Family of Fixed Income Indices.
- Asset-backed securities rated investment grade, as defined by Barclays Capital Global Family of Fixed Income Indices.
- Commercial mortgage-backed securities rated investment grade, as defined by Barclays Capital Global Family of Fixed Income Indices.
- Investment grade non-U.S. dollar bonds.

Investment Restrictions. To meet stated objectives, investments of workers' compensation funds are subject to the following constraints:

- All assets under the management of the WSIB are to be invested to maximize return at a prudent level of risk in accordance with RCW 43.33A.110 and RCW 43.33A.140.
- Asset allocations are to be reviewed every three to four years or sooner if there are significant changes in funding levels or the liability durations.
- Assets are to be rebalanced across asset classes when the fair value of the assets falls outside the policy ranges. The timing of any rebalancing will be based on market opportunities, cash flows, and the consideration of transaction costs; therefore, they need not occur immediately.
- No corporate fixed income issue cost shall exceed 3 percent of the fund's fair value at the time of purchase, nor shall its fair value exceed 6 percent of the fund's fair value at any time.
- The benchmark and structure for U.S. equities will be the broad U.S. stock market as defined by the Dow Jones U.S. Total Stock Market Index. The benchmark and structure for international equities will be the Morgan Stanley Capital International All Country World Ex U.S. Investable Market Index. Both portfolios will be 100 percent passively managed in commingled index funds. The commingled funds may use futures for hedging or establishing a long-term position.
- TIPS will be managed to plus or minus 20 percent of the duration of the Barclays Capital U.S. TIPS Index.
- Sector allocation for U.S. equities should be within a range of 55 percent to 65 percent. Allocation for international equities should be within a range of 35 percent to 45 percent.
- The fixed income portfolios' structure varies depending upon the required duration target. The duration targets are reviewed every three years, or sooner, if there are significant changes in the funding levels or the liability durations.
- Sector allocation of fixed income investments must be managed within the following prescribed ranges: U.S. treasuries and government agencies – 5 percent to 25 percent, credit bonds – 20 percent to 70 percent, asset-backed securities – 0 percent to 10 percent, commercial mortgage-backed securities – 0 percent to 10 percent and mortgage-backed securities – 0 percent to 25 percent. These targets are long-term in nature.

Deviations may occur in the short term as a result of interim market conditions. However, if a range is exceeded the portfolios must be rebalanced to the target allocations as soon as it is practical.

- Total market value of below investment grade credit bonds (as defined by Barclays Capital Global Family of Fixed Income Indices) shall not exceed 5 percent of the total market value of the funds. Although below investment grade mortgage-backed, asset-backed and commercial mortgage-backed securities may not be purchased, portfolio holdings that are downgraded to those levels or are no longer rated may continue to be held.

- Total holdings of below investment grade credit bonds (as defined by Barclays Capital Global Family of Fixed Income Indices) should not exceed 5 percent of total fixed income holdings.

2. Securities Lending

State law and Board policy permit the workers' compensation fund to participate in securities lending programs to augment investment income. The WSIB has entered into an agreement with JPMorgan to act as agent for the workers' compensation fund in securities lending transactions. As JPMorgan is the custodian bank for the workers' compensation fund, it is counterparty to securities lending transactions.

The workers' compensation fund reports securities lent (the underlying securities) as assets in the Statement of Net Assets. Cash received as collateral on securities lending transactions and investments made with that cash are reported as assets. Securities received as collateral are reported as assets if the workers' compensation fund has the ability to pledge or sell them without a borrower default. Liabilities resulting from these transactions are also reported in the Statement of Net Assets. Securities lending transactions collateralized by securities that the workers' compensation fund does not have the ability to pledge or sell unless the borrower defaults are not reported as assets and liabilities.

Fixed income securities were loaned and collateralized by the WSIB's agent with cash and U.S. government securities (exclusive of mortgage-backed securities and letters of credit) and irrevocable letters of credit. When the loaned securities had collateral denominated in the same currency, the collateral requirement was 102 percent of the fair value, including accrued interest, of the securities loaned. All other securities were required to be collateralized at 105 percent of the fair value, including accrued interest, of the loaned securities. The collateral held and fair value of securities on loan at June 30, 2011 was $2.45 billion and $2.38 billion, respectively. As of June 30, 2011, the amounts the workers' compensation fund owed the borrowers exceeded the amounts the borrowers owed the workers' compensation fund resulting in no credit risk exposure.

During fiscal year 2011, securities lending transactions could be terminated on demand by either the workers' compensation fund or the borrower. The weighted average maturity of loans was 1.5 days.

Cash collateral was invested by the workers' compensation fund in the WSIB's short-term investment pool (average final maturity of 34 days). Because the securities lending agreements were terminable at will, their duration did not generally match the duration of the investments made with the cash collateral. Non-cash collateral could not be pledged or sold absent borrower default. Accordingly, non-cash collateral held under securities lending contracts with a value of $228.5 million have not been included in the Statement of Net Assets. There are no restrictions on the amount of securities that can be lent.

Securities were lent with the agreement that they would be returned in the future for exchange of the collateral. JPMorgan indemnified the workers' compensation fund by agreeing to purchase replacement securities or return the cash collateral in the event a borrower failed to return the loaned securities or pay distributions thereon. JPMorgan's responsibilities included performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral, and complying with applicable federal regulations concerning securities lending.

During fiscal year 2011, there were no significant violations of legal or contractual provisions, no failures by any borrowers to return loaned securities or to pay distributions thereon. Further, the workers' compensation fund incurred no losses during fiscal year 2011 resulting from a default by either the borrowers or the securities lending agents.

3. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates over time will adversely affect the fair value of an investment. Effective duration is the measure of a debt investment's exposure to fair value changes arising from changes in interest rates. Effective duration uses the present value of cash flows, weighted for those flows as a percentage of the investment's full price. Increases in prevailing interest rates generally translate into decreases in fair values of those investments. The WSIB does not have a formal policy specifically for interest rate risk.

As of June 30, 2011, workers' compensation fund portfolio durations were within the prescribed duration targets.

The schedule below provides information about the interest rate risks associated with the workers' compensation fund investments as of June 30, 2011. The schedule displays various asset classes held by maturity in years and credit ratings. Residential mortgage-backed, commercial mortgage-backed, and asset-backed securities are reported using the average life within the portfolio. The average life is a calculated estimate of the average time (in years) until maturity for these securities taking into account possible prepayments of principal. All other securities on the schedule are reported using the stated maturity date.

Workers' Compensation Fund
June 30, 2011
(expressed in thousands)

		Maturity				
Investment Type	**Fair Value**	**Less than 1 Year**	**1-5 Years**	**6-10 Years**	**More than 10 Years**	**Credit Rating**
Residential mortgage-backed securities	$ 1,666,287	$ 8,000	$ 563,234	$ 741,507	$ 353,546	Aaa
Commercial mortgage-backed securities	455,538	55,218	399,584	736	-	Multiple
Corporate bonds-domestic	3,012,126	87,789	610,473	974,662	1,339,202	Multiple
Corporate bonds-foreign (USD)	2,222,468	32,002	618,750	758,732	812,984	Multiple
Foreign government and agencies (USD)	660,072	-	258,272	330,012	71,788	Multiple
Supranational (USD)	296,350	41,778	151,290	103,282	-	Aaa
U.S. government treasuries	703,731	544,495	130,347	28,889	-	Aaa
U.S. treasury inflation protected securities	1,714,801	-	591,980	562,188	560,633	Aaa
	10,731,373	$ 769,282	$ 3,323,930	$ 3,500,008	$ 3,138,153	
Commingled index funds-domestic	975,192					
Commingled index funds-foreign	664,049					
Money market funds	142,101					
Total	$ 12,512,715					

USD: Reported in U.S. dollars

Investments with multiple credit ratings are presented using the Moody's rating scale as follows:

Workers' Compensation Fund
Investments with Multiple Credit Ratings
June 30, 2011
(expressed in thousands)

	Investment Type				
Moody's Equivalent Credit Rating	**Commercial Mortgage-Backed Securities**	**Corporate Bonds - Domestic**	**Corporate Bonds-Foreign (USD)**	**Foreign Government and Agencies (USD)**	**Total**
Aaa	$ 412,044	$ 5,021	$ -	$ 86,714	$ 503,779
Aa2	-	-	89,115	119,659	208,774
Aa3	43,494	253,467	200,994	90,211	588,166
A1	-	306,798	210,733	197,611	715,142
A2	-	658,343	51,648	-	709,991
A3	-	412,324	297,615	14,193	724,132
Baa1	-	504,802	278,461	21,423	804,686
Baa2	-	593,932	524,950	84,296	1,203,178
Ba3	-	187,432	436,983	25,490	649,905
Ba1 or lower	-	90,007	131,969	20,475	242,451
Total	$ 455,538	$ 3,012,126	$ 2,222,468	$ 660,072	$ 6,350,204

4. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The rated debt investments of the workers' compensation fund as of June 30, 2011, were rated by Moody's and/or an equivalent national rating organization.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The workers' compensation

fund policy states no corporate fixed income issue's cost shall exceed 3 percent of the fund's fair value at the time of purchase, nor shall its fair value exceed 6 percent of the fund's fair value at any time. There was no concentration of credit risk as of June 30, 2011.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of a failure of the counterparty to a transaction, the workers' compensation fund would not be able to recover the value of investments that are in the possession of an outside party. The workers' compensation fund does not have a policy specifically for custodial credit risk. The WSIB mitigates custodial credit risk by having its investment securities held by its custodian. Also, investment securities are registered in the name of the WSIB for the benefit of the workers' compensation fund, excluding cash and cash equivalents and repurchase agreements held as securities lending collateral.

5. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The workers' compensation fund does not have a formal policy to limit foreign currency risk. At June 30, 2011, the workers' compensation funds had $664.0 million invested in an international commingled equity index fund. As such, no currency denomination risk is presented.

6. Derivatives

The workers' compensation fund is authorized to utilize various derivative financial instruments, including mortgage-backed securities, financial futures, forward contracts, interest rate and equity swaps, and options to manage its exposure to fluctuations in interest and currency rates while increasing portfolio returns. Derivative transactions involve, to varying degrees, market and credit risk. The workers' compensation fund mitigates market risks arising from derivative transactions by requiring collateral in cash and investments to be maintained equal to the securities positions outstanding, and thereby prohibiting the use of leverage or speculation. Credit risks arising from derivative transactions are mitigated by selecting and monitoring creditworthy counterparties and collateral issuers.

Consistent with the workers' compensation fund's authority to invest in derivatives, international active equity managers may make limited investments in financial futures, forward contracts or other derivative securities to manage exposure to currency rate risk and equitize excess cash holdings. No such derivative securities were held as of June 30, 2011.

Domestic and foreign passive equity index fund managers may also utilize various derivative securities to manage exposure to risk and increase portfolio returns. Information on the extent of use and holdings of derivative securities by passive equity index fund managers is unavailable.

At June 30, 2011, the only derivative securities held directly by the workers' compensation fund were collateralized mortgage obligations of $1.67 billion.

7. Reverse Repurchase Agreements – None.

D. INVESTMENTS – LOCAL GOVERNMENT INVESTMENT POOL

1. Summary of Investment Policies

The Local Government Investment Pool (LGIP) is managed and operated by the Office of the State Treasurer (OST). The State Finance Committee is the administrator of the statute that created the pool and adopts appropriate rules. The OST is responsible for establishing the investment policy for the pool and reviews the policy annually. Any proposed changes are reviewed by the LGIP Advisory Committee. The terms of the policy are designed to ensure the safety and liquidity of the funds deposited in the LGIP.

The state treasurer and designated investment officers shall adhere to all restrictions on the investment of funds established by law and by the policy.

The LGIP is comparable to a Rule 2a-7 money market fund recognized by the Securities and Exchange Commission (17CFR.270.2a-7). Rule 2a-7 funds are limited to high quality obligations with limited maximum and average maturities, the effect of which is to minimize both market and credit risk. As such, investments are reported at amortized cost (which approximates fair value).

Investment Objectives. The objectives of the LGIP investment policy, in priority order, are safety, liquidity, and return on investment.

Safety of principal is the primary objective. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio.

The investment portfolio will remain liquid to enable the state treasurer to meet all cash requirements that might reasonably be anticipated.

The LGIP will be structured with the objective of attaining a market rate of return throughout budgetary and economic cycles, commensurate with the investment risk parameters and the cash flow characteristics of the pool.

The primary objective of safety will be measured in cash as opposed to accounting terms, where different, and in terms of the portfolio as a whole as opposed to the terms of any individual transaction. This means, for example, that a single transaction that generated an accounting loss but actually increased the amount of cash received in the portfolio would be considered to have increased capital, and not decreased it.

Eligible Investments. Eligible investments are only those securities and deposits authorized by statute (Chapters 39.58, 39.59, 43.84.080 and 43.250 RCW). Eligible investments include:

- Obligations of the U.S. government.
- Obligations of U.S. government agencies or of corporations wholly owned by the U.S. government.
- Obligations of government-sponsored corporations that are or may become eligible as collateral for advances to member banks as determined by the board of governors of the Federal Reserve.
- Banker's acceptances purchased on the secondary market rated with the highest short-term credit rating of any two Nationally Recognized Statistical Rating Organizations (NRSROs) at the time of purchase. If the banker's acceptance is rated by more than two NRSROs, it must have the highest rating from all of the organizations.
- Commercial paper provided that the OST adheres with policies and procedures of the State Investment Board regarding commercial paper (RCW 43.84.080(7)).
- Certificates of deposit with financial institutions qualified by the Washington Public Deposit Protection Commission.
- Obligations of the state of Washington or its political subdivisions.

Investment Restrictions. To provide for the safety and liquidity of LGIP funds, the investment portfolio will be subject to the following restrictions:

- Investments are restricted to fixed rate securities that mature in 397 days or less, floating and variable rate securities that mature in 762 days or less, and securities utilized in repurchase agreements.
- The weighted average maturity of the portfolio will not exceed 60 days.
- The weighted average life of the portfolio will not exceed 120 days.
- The purchase of investments in securities other than those issued by the U.S. government or its agencies will be limited.
- Cash generated through securities lending or reverse repurchase agreement transactions will not increase the dollar amount of specified investment types beyond stated limits.

2. Securities Lending

State statutes permit the LGIP to lend its securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The LGIP, which has contracted with a lending agent to lend securities in the LGIP, earns a fee for this activity. The lending agent lends securities and receives collateral, which can be in the form of cash or other securities. The collateral, which must be valued at 102 percent of the fair value of the loaned securities, is priced daily and, if necessary, action is taken to maintain the collateralization level at 102 percent.

The cash is invested by the lending agent in repurchase agreements or money market instruments, in accordance with investment guidelines approved by the LGIP. The securities held as collateral and the securities underlying the cash collateral are held by the LGIP's custodian.

The LGIP investment policy requires that any securities on loan be made available by the lending agent for next day liquidity at the option of the LGIP. During fiscal year 2011, the LGIP had no credit risk exposure to borrowers because the amounts owed to the borrowers exceeded the amounts the borrowers owed the LGIP. Furthermore, the contract requires the lending agent to indemnify the LGIP if the borrowers fail to return the securities (and if collateral is inadequate to replace the securities lent) or if the borrower fails to pay the LGIP for income distribution by the securities' issuers while the securities are on loan.

The LGIP cannot pledge or sell collateral securities received unless the borrower defaults. The LGIP investment policy limits the amount of reverse repurchase agreements and securities lending to 30 percent of the total portfolio. There were no violations of legal or contractual provisions nor any losses resulting from a default of a borrower or lending agent during the year. There were no securities on loan as of June 30, 2011.

3. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt instruments will adversely affect the fair value of an investment. The LGIP portfolio is managed in a manner consistent with the Securities and Exchange Commission's Rule 2a-7 of the Investment Company Act of 1940, i.e., money market funds. To a great extent, the Rule 2a-7

investment guidelines are directed towards limiting interest rate risk in order to maintain a stable net asset value.

The LGIP policy places a 60-day maximum on the weighted average maturity and a 120-day maximum on the weighted average life. Further, the maximum maturity of any security will not exceed 397 days, except securities utilized in repurchase agreements and U.S. agency floating or variable rate notes may have a maximum maturity of 762 days, provided that they have reset dates within one year and that on any reset date can reasonably be expected to have a market value that approximates its amortized cost. As of June 30, 2011, the LGIP had a weighted average maturity of 57 days and a weighted average life of 109 days.

The following schedule presents the LGIP investments, deposits and related maturities, by type, and provides information about the interest rate risks associated with the LGIP investments as of June 30, 2011:

Local Government Investment Pool (LGIP)
June 30, 2011
(expressed in thousands)

		Maturity	
Investment Type	**Fair Value**	**Less than 1 Year**	**1-5 Years**
U.S. agency securities	$ 6,565,888	$ 5,857,027	$ 708,861
U.S. treasury securities	1,900,331	1,900,331	-
Repurchase agreements	250,000	250,000	-
Certificates of deposit	109,365	109,365	-
Demand deposit accounts	559,604	559,604	-
Total	$ 9,385,188	$ 8,676,327	$ 708,861

4. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The LGIP investment policy limits the types of securities available for investment to obligations of the U.S. government or its agencies, obligations of government-sponsored corporations, banker's acceptances, commercial paper, deposits with qualified public depositaries, and obligations of the state of Washington or its political subdivisions.

Banker's acceptances and commercial paper must be rated with the highest short-term credit rating of any two Nationally Recognized Statistical Rating Organizations at the time of purchase. The LGIP currently does not have any banker's acceptances, commercial paper, or municipal bonds in its portfolio.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of a failure of the counterparty, the LGIP will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The LGIP investment policy requires that securities purchased by the office be held by the master custodian, acting as an independent third party, in its safekeeping or trust department. Securities utilized in repurchase agreements are subject to additional restrictions. These restrictions are designed to limit the LGIP's exposure to risk and insure the safety of the investment. All securities utilized in repurchase agreements were rated AAA by Moody's and AA+ by Standard & Poor's. The market value of securities utilized in repurchase agreements must be at least 102 percent of the value of the repurchase agreement.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. With the exception of U.S. treasury and U.S. agency securities, the LGIP limits the purchase of securities of any one issuer to no more than 5 percent of the portfolio.

As of June 30, 2011, U.S. treasury securities comprised 20.2 percent of the total portfolio. U.S. agency securities comprised 70.0 percent of the total portfolio, including Federal Home Loan Mortgage Corporation (24.7 percent), Federal Home Loan Bank (15.0 percent), Federal National Mortgage Association (17.2 percent), and Federal Farm Credit Bank (13.1 percent).

5. Foreign Currency Risk - None.

6. Derivatives - None.

7. Reverse Repurchase Agreements

State law also permits the LGIP to enter into reverse repurchase agreements which are, by contract, sales of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest.

The fair value of the securities pledged as collateral by the LGIP underlying the reverse repurchase agreements

normally exceeds the cash received, providing the dealers a margin against a decline in the fair value of the securities.

If the dealers default on their obligations to resell these securities to the LGIP or to provide equal value in securities or cash, the LGIP would suffer an economic loss equal to the difference between the fair value plus accrued interest of the underlying securities and the agreement obligation, including accrued interest. During the fiscal year there was no credit risk for the LGIP due to the fair value plus accrued interest of the underlying securities being less than the fair value plus accrued interest of the reinvested cash. On June 30, 2011, there were no obligations under reverse repurchase agreements.

The market value plus accrued income of mortgage-backed securities utilized in repurchase agreements with more than seven days remaining until maturity will be 105 percent of the value of the repurchase agreement. The market value plus accrued income of securities utilized in all other repurchase agreements will be 102 percent of the value of the repurchase agreement.

The securities utilized in repurchase agreements are priced daily and held by the LGIP's custodian in the state's name. Collateralized Mortgage Obligations utilized in repurchase agreements must pass the Federal Financial Institutions Examination Council test, or not exceed a volatility rating of V-5 by Fitch Investor Services, or a similar rating of a nationally recognized rating agency. As of June 30, 2011, repurchase agreements totaled $250.0 million.

E. INVESTMENTS – HIGHER EDUCATION SPECIAL REVENUE AND ENDOWMENT FUNDS

1. Summary of Investment Policies

The investments of the University of Washington represent 76 percent of the total investments in Higher Education Special Revenue and Endowment Funds.

The Board of Regents of the University of Washington is responsible for the management of the University's investments. The Board establishes investment policy, which is carried out by the Chief Investment Officer.

The University of Washington Investment Committee, comprised of Board members and investment professionals, advises on matters relating to the management of the University's investment portfolios.

The majority of the University's investments are insured, registered, and held by the University's custodial bank as an agent for the University. Investments not held by the custodian include venture capital, private equity, opportunistic investments, marketable alternatives, mortgages, real assets, and miscellaneous investments.

The University combines most short-term cash balances in the Invested Funds Pool. At June 30, 2011, the Invested Funds Pool totaled $1.25 billion. The fund also owns units in the Consolidated Endowment Fund valued at $447.4 million on June 30, 2011.

By University policy, departments with qualifying funds in the Invested Funds Pool receive distributions based on their average balances and on the type of balance. Campus depositors received 2 percent in fiscal year 2011. Endowment operating and gift accounts received 3 percent in fiscal year 2011. The difference between the actual earnings of the Invested Funds Pool and the calculated distributions is used to support activities benefiting all University departments.

The majority of the endowed funds are invested in a pooled fund called the Consolidated Endowment Fund (CEF). Individual endowments purchase units in the pool on the basis of a per unit valuation of the CEF at fair value on the last business day of the calendar quarter. Income is distributed based on the number of units held. Chapter 24.55 RCW allows for the spending of appreciation in the CEF.

During fiscal year 2011, the Board of Regents adopted a new long-term spending policy for the CEF replacing the interim spending policy which was effective in fiscal years 2009 and 2010. Under the new policy, quarterly distributions to programs are based on an annual percentage rate of 4 percent applied to the five-year rolling average. The new policy was effective with the December 2010 quarterly distributions with the five-year averaging period implemented incrementally. The administrative fee of 1 percent supporting campus-wide fundraising and stewardship activities and offsetting the internal cost of managing endowment assets continues, but is now based on a five-year average value similar to program distributions.

The University records its permanent endowments at the lower of original gift value or current market value in the Restricted Nonexpendable Net Assets category. Of the total $1.31 billion permanent endowment funds (at fair value) as of June 30, 2011, the aggregate amount of the deficiencies where the fair value of the assets is less than the original gifts is $21.9 million.

Funds in irrevocable trusts managed by trustees other than the University are not reported in the financial statements. The fair value of these funds was $51.8 million at June 30, 2011. Income received from these trusts, which is included in investment income, was $2.0 million for the year ended June 30, 2011.

Net appreciation (depreciation) in the fair value of investments includes both realized and unrealized gains and losses on investments. The University realized net gains of $128.1 million in 2011 from the sale of investments. The calculation of realized gains and losses is independent of the net appreciation of the fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and are sold in the current year include the net appreciation of these investments reported in the prior year(s). The net appreciation in the fair value of investments during the year ended June 30, 2011 was $324.1 million.

The following schedule presents the fair value of the University of Washington's investments by type at June 30, 2011:

University of Washington
June 30, 2011
(expressed in thousands)

Investment Type	Fair Value
Cash equivalents	$ 544,489
Domestic fixed income	1,311,329
Foreign fixed income	28,292
Domestic equity	414,524
Foreign equity	614,061
Non-marketable alternatives	618,705
Absolute return	329,723
Real assets	7,525
Miscellaneous	3,620
Total	$ 3,872,268

2. Funding Commitments

The University enters into contracts with investment managers to fund alternate investments. As of June 30, 2011, the University had outstanding commitments to fund alternative investments in the amount of $242.0 million.

3. Securities Lending

The University's investment policies permit it to lend its securities to broker dealers and other entities. Due to market conditions, the University terminated this program in September 2008, and as of June 30, 2011, the University had no securities on loan.

4. Interest Rate Risk

The University manages interest rate risk through its investment policies and the investment guidelines established with each manager. Each fixed income manager is assigned a maximum boundary for duration as compared to the manager's relevant benchmark index. The goal is to allow ample freedom for the manager to perform while controlling the interest rate risk in the portfolio. Modified duration, which estimates the sensitivity of a bond's price to interest rate changes, is based on a calculation entitled Macaulay duration.

Macaulay is an accepted calculation developed for a portfolio of bonds assembled to fund a fixed liability. Macaulay duration is calculated as follows: sum of discounted time-weighted cash flows divided by the bond price. Modified duration is calculated using the following formula: Macaulay duration divided by (one plus yield-to-maturity divided by the number of coupon payments per year).

The Interest Rate Risk schedule presents the modified duration of the University's investments for which duration is measured. Duration figures at June 30, 2011, exclude $313.2 million of fixed-income securities held outside the CEF and the Invested Funds Pool. This amount makes up 8.1 percent of the University's investments.

University of Washington
Interest Rate Risk
Duration as of June 30, 2011
(expressed in thousands, modified duration in years)

	Consolidated Endowment Fund		Invested Funds Pool	
	Asset Value	Duration	Asset Value	Duration
Asset Category				
Domestic cash and cash equivalents	$ 28,968	-	$ 332,658	-
Foreign cash and cash equivalents	1,877	-	-	-
Domestic fixed income	265,455	1.90	916,485	3.50
Foreign fixed income	19,795	2.44	5,707	1.76
Total	$ 316,095	1.54	$ 1,254,850	2.56

5. Credit Risk

Credit risk is the risk that the issuer or other counterparty to a financial instrument will not fulfill its obligations, or negative perceptions of the issuer's ability to make these payments will cause prices to decline.

The University investment policies limit fixed income exposure to investment grade assets. The investment policy for the University's invested funds cash pool requires each manager to maintain an average quality rating of "AA" as issued by a nationally recognized rating organization. The invested funds liquidity pool requires each manager to maintain an average quality rating of "A" and to hold 25 percent of their portfolios in government and government agency issues.

The investment policy for the CEF reflects its long-term nature by specifying average quality rating levels by individual manager, but still restricting investments to investment grade securities.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of a failure of the counterparty to a transaction, the University will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The University does not have a formal policy regarding custodial credit risk. However, all University assets are held in the name of the University of Washington and are not subject to custodial credit risk.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The CEF investment policy limits concentration by manager, country (other than U.S.) and market sector. The University further mitigates concentration of credit risk through the due diligence of each manager and careful monitoring of asset concentrations.

The schedule below provides information on investments subject to credit risk. It excludes $313.2 million of fixed-income securities held outside the CEF and the Invested Funds Pool.

University of Washington
Investments Credit Rating
As of June 30, 2011
(expressed in thousands)

Credit Rating	Consolidated Endowment Fund Asset Value	Invested Funds Asset Value
AAA	$ 229,100	$ 1,172,898
AA	47,780	42,629
A	29,331	12,183
BBB	2,704	2,696
BB	-	4,691
B	-	4,697
CCC	253	8,863
CC	159	386
C	152	-
D	-	863
Not rated	6,616	4,944
Total	$ 316,095	$ 1,254,850

6. Foreign Currency Risk

The University's investment policies permit investments in international equity and other asset classes that can include foreign currency exposure. The University also enters into foreign currency forward contracts, futures contracts, and options to manage the foreign currency exposure.

At June 30, 2011, the University had net outstanding forward commitments to sell foreign currency with a total fair value of $7.1 million, which equals 0.18 percent of the total portfolio.

The following schedule details the market value of foreign denominated securities by currency type in the CEF:

University of Washington
Consolidated Endowment Fund
Foreign Currency Risk
June 30, 2011
(expressed in thousands)

Foreign Currency	Foreign Cash and Fixed Income	Foreign Equity	Alternatives and Other Investments
Australia-Dollar	$ 1,924	$ 10,614	$ 6,061
Brazil-Real	41	43,694	679
Britain-Pound	5,955	66,882	10,393
Canada-Dollar	4,258	11,792	10,510
China-Renminbi	-	54,054	9,888
E.M.U.-Euro	2,632	72,863	71,586
India-Rupee	56	29,543	23,601
Hong Kong-Dollar	44	25,117	5,439
Japan-Yen	-	38,759	12,035
Russia-Ruble	-	35,108	2,607
Switzerland-Franc	753	19,792	777
Taiwan-Dollar	567	17,294	3,286
Remaining currencies	5,443	174,785	26,274
Total	$ 21,673	$ 600,297	$ 183,136

7. Derivatives

The University's investments include certain derivative instruments and structured notes that derive their value from a security, asset, or index. Under the University's investment policies and guidelines, derivatives may be used to manage the aggregate portfolio risk/return profile. This includes the use of swaps, options, futures and other derivative products to adjust exposures, to equitize cash, or to rebalance across asset classes.

The University enters into total return swaps to manage its exposure to market fluctuations in various asset classes. Total return swaps involve commitments to pay interest in exchange for a market linked return, both based on notional amounts.

Credit exposure represents exposure to counterparties relating to financial instruments where gains exceed collateral held by the University or losses are less than the collateral posted by the University. There was no credit exposure as of June 30, 2011.

The University did not hold any investment or hedging derivatives as of June 30, 2011. Details on foreign currency derivatives are disclosed under Foreign Currency Risk.

8. Reverse Repurchase Agreements – None.

F. INVESTMENTS - OFFICE OF THE STATE TREASURER CASH MANAGEMENT ACCOUNT

1. Summary of Investment Policies

The Office of the State Treasurer (OST) operates the state's Cash Management Account for investing Treasury/Trust Funds in excess of daily requirements.

The overall objective of the OST investment policy is to construct, from eligible investments noted below, an investment portfolio that is optimal or efficient. An optimal or efficient portfolio is one that provides the greatest expected return for a given expected level of risk, or the lowest expected risk for a given expected return.

The emphasis on "expected" is to recognize that investment decisions are made under conditions of risk and uncertainty. Neither the actual risk nor return of any investment decision is known with certainty at the time the decision is made.

Eligible Investments. Eligible investments are only those securities and deposits authorized by statute, including Chapters 39.58, 39.59, 43.84.080 and 43.250 RCW. Eligible investments include:

- Obligations of the U.S. government.
- Obligations of U.S. government agencies or of corporations wholly owned by the U.S. government.
- Obligations of government-sponsored corporations that are or may become eligible as collateral for advances to member banks as determined by the board of governors of the Federal Reserve.
- Banker's acceptances purchased on the secondary market rated with the highest short-term credit rating of any two Nationally Recognized Statistical Rating Organizations (NRSROs) at the time of purchase. If the banker's acceptance is rated by more than two NRSROs, it must have the highest rating from all of the organizations.
- Commercial paper, provided that the OST adheres to policies and procedures of the State Investment Board regarding commercial paper (RCW 43.84.080(7).
- Deposits with financial institutions qualified by the Washington Public Deposit Protection Commission.
- Local Government Investment Pool.
- Obligations of the state of Washington or its political subdivisions.

Investment Restrictions. To provide for the safety and liquidity of Treasury/Trust Funds, the Cash Management Account investment portfolio is subject to the following restrictions:

- The final maturity of any security will not exceed ten years.
- Purchase of collateralized mortgage obligations (CMO) requires prior approval from the treasurer or assistant treasurer. CMO securities must pass the Federal Institutions Examination Council test or not exceed a volatility rating of V-5 by Fitch Investor Services, or a similar rating of a nationally recognized rating agency.
- The allocation to investments subject to high sensitivity or reduced marketability will not exceed 15 percent of the daily balance of the portfolio.

Additionally, investments in non-government securities, excluding collateral of repurchase agreements, must fall within prescribed limits.

2. Securities Lending

State statutes permit the OST to lend its securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The OST, which has contracted with a lending agent to lend securities, earns a fee for this activity.

The OST lending agent lends U.S. government and U.S. agency securities and receives collateral, which can be in the form of cash or other securities. The collateral, which must be valued at 102 percent of the fair value of the loaned securities, is priced daily and, if necessary, action is taken to maintain the collateralization level at 102 percent.

The cash is invested by the lending agent in repurchase agreements or money market instruments, in accordance with investment guidelines approved by the OST. The securities held as collateral and the securities underlying the cash collateral are held by the custodian.

The contract with the lending agent requires them to indemnify the OST if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or if the borrower fails to pay the OST for income distribution by the securities' issuers while the securities are on loan. The OST cannot pledge or sell collateral securities received unless the borrower defaults. At June 30, 2011, there were no securities on loan.

The OST investment policy requires that any securities on loan be made available by the lending agent for next day liquidity at the option of the OST. During fiscal year 2011, the OST had no credit risk exposure to borrowers because the amounts owed to the borrowers exceeded the amounts the borrowers owed the OST.

There were no violations of legal or contractual provisions or any losses resulting from a default of a borrower or lending agent during the fiscal year.

3. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of the investment. The Treasury/Trust investments are separated into portfolios with objectives based primarily on liquidity needs.

The OST's investment policy limits the weighted average maturity of its investments based on cash flow expectations. Policy also directs due diligence to be exercised with timely reporting of material deviation from expectations and actions taken to control adverse developments as may be possible.

The following schedule presents the fair value of the OST's investments by type at June 30, 2011:

Office of the State Treasurer (OST)
Cash Management Account
June 30, 2011
(expressed in thousands)

		Maturity	
Investment Type	**Fair Value**	**Less than 1 Year**	**1-5 Years**
U.S. agency obligations	$ 1,398,477	$ 618,755	$ 779,722
U.S. government obligations	159,093	-	159,093
Repurchase agreements	1,274,531	1,274,531	-
Certificates of deposit	140,651	140,651	-
Interest bearing bank accounts	610,207	610,207	-
Total	$ 3,582,959	$ 2,644,144	$ 938,815

4. Credit Risk

The OST limits credit risk by adhering to the OST investment policy which restricts the types of investments the OST can participate in, such as: U.S. government and agency securities, banker's acceptances, commercial paper, and deposits with qualified public depositaries.

Custodial Credit Risk. The custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, a government will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The OST investment policy requires that securities purchased by the office be held by the master custodian, acting as an independent third party, in its safekeeping or trust department. Securities utilized in repurchase agreements are subject to additional restrictions. These restrictions are designed to limit the OST's exposure to risk and insure the safety of the investment.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. For non-governmental securities, the OST limits its exposure to concentration of credit risk by restricting the amount of investments to no more than 5 percent of the portfolio to any single issuer. During fiscal year 2011, the non-governmental securities of a single issuer held by the Cash Management Account did not exceed 5 percent of the total portfolio.

5. Foreign Currency Risk - None.

6. Derivatives - None.

7. Reverse Repurchase Agreements

State law also permits the OST to enter into reverse repurchase agreements, which are, by contract, sales of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. The fair value of the securities pledged as collateral by the OST underlying the reverse repurchase agreements normally exceeds the cash received, providing the dealers a margin against a decline in the fair value of the securities.

If the dealers default on their obligations to resell these securities to the OST or to provide equal value in securities or cash, the OST would suffer an economic loss equal to the differences between the fair value plus accrued interest of the underlying securities and the agreement obligation, including accrued interest. The OST investment policy limits the amount of reverse repurchase agreements to 30 percent of the total portfolio.

The market value, plus accrued income, of mortgage-backed securities utilized in repurchase agreements with more than seven days remaining until maturity will be 105 percent of the value of the repurchase agreement.

The market value, plus accrued income, of securities utilized in all other repurchase agreements will be 102 percent of the value of the repurchase agreement. The securities utilized in repurchase agreements are priced daily and held by the Treasury/Trust custodian in the state's name. Collateralized Mortgage Obligations utilized in repurchase agreements must pass the Federal Financial Institutions Examination Council test or not exceed a volatility rating of V-5 by Fitch Investor Services, or a similar rating of a nationally recognized rating agency. There were no reverse repurchase agreements as of June 30, 2011.

Note 4
Receivables and Deferred/Unearned Revenues

A. GOVERNMENTAL FUNDS

Taxes Receivable

Taxes receivable at June 30, 2011, consisted of the following (expressed in thousands):

Taxes Receivable	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
Property	$ 979,085	$ -	$ -	$ 279	$ 979,364
Sales	1,411,929	-	-	2,219	1,414,148
Business and occupation	565,340	-	-	-	565,340
Estate	3,781	21,795	-	-	25,576
Fuel	-	-	-	110,687	110,687
Other	2,071	-	-	166	2,237
Subtotals	2,962,206	21,795	-	113,351	3,097,352
Less: Allowance for uncollectible receivables	53,054	-	-	804	53,858
Total Taxes Receivable	$ 2,909,152	$ 21,795	$ -	$ 112,547	$ 3,043,494

Other Receivables

Other receivables at June 30, 2011, consisted of the following (expressed in thousands):

Other Receivables	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
Public assistance (1)	$ 972,348	$ -	$ -	$ -	$ 972,348
Accounts receivable	25,584	193,953	1,191	67,524	288,252
Interest	46	6,950	5,375	1,652	14,023
Loans (2)	4,244	131,548	-	415,175	550,967
Long-term contracts (3)	2,083	-	8,086	57,268	67,437
Miscellaneous	7,876	74,044	12,423	194,619	288,962
Subtotals	1,012,181	406,495	27,075	736,238	2,181,989
Less: Allowance for uncollectible receivables	852,718	22,065	-	22,589	897,372
Total Other Receivables	$ 159,463	$ 384,430	$ 27,075	$ 713,649	$ 1,284,617

Notes:

(1) Public assistance receivables mainly represent amounts owed the state as a part of the Support Enforcement Program at the Department of Social and Health Services for the amounts due from persons required to pay support for individuals currently on state assistance, and have a low realization expectation. Accordingly, the receivable is offset by a large allowance for uncollectible receivables.

(2) Significant long-term portions of loans receivable include $111 million in the Higher Education Special Revenue Fund for student loans and $403 million in Nonmajor Governmental Funds for low income housing, public works, and economic development/revitalization loans.

(3) Long-term contracts in Nonmajor Governmental Funds are for timber sales contracts.

Deferred Revenue

Deferred revenues at June 30, 2011, consisted of the following (expressed in thousands):

Deferred Revenue	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
Property taxes	$ 952,133	$ -	$ -	$ 93	$ 952,226
Other taxes	344,700	9,133	-	132	353,965
Timber sales	2,083	-	8,086	57,268	67,437
Charges for services	11,132	174,159	218	32,744	218,253
Donable goods	5	-	-	6,223	6,228
Grants and donations	31,062	984	-	19,097	51,143
Loan program	2,014	-	-	812,424	814,438
Miscellaneous	26,464	6,275	-	57,776	90,515
Total Deferred Revenue	$ 1,369,593	$ 190,551	$ 8,304	$ 985,757	$ 2,554,205

B. PROPRIETARY FUNDS

Taxes Receivable

Taxes receivable at June 30, 2011, consisted of $10.5 million in liquor taxes reported in Nonmajor Enterprise Funds.

Other Receivables

Other receivables at June 30, 2011, consisted of the following (expressed in thousands):

	Business-Type Activities Enterprise Funds						Governmental Activities
Other Receivables	Workers' Compensation	Unemployment Compensation	Higher Education Student Services	Other Activities	Nonmajor Enterprise Funds	Total	Internal Service Funds
Accounts receivable	$ 139,234	$ -	$ 234,685	$ 417	$ 26,061	$ 400,397	$ 10,004
Interest	109,020	-	531	3,987	-	113,538	36
Miscellaneous	563,588	697,984	28,747	1	55	1,290,375	7,186
Subtotals	811,842	697,984	263,963	4,405	26,116	1,804,310	17,226
Less: Allowance for uncollectible receivables	138,223	92,286	81,144	-	195	311,848	206
Total Other Receivables	$ 673,619	$ 605,698	$ 182,819	$ 4,405	$ 25,921	$ 1,492,462	$ 17,020

Unearned Revenue

Unearned revenue at June 30, 2011, consisted of the following (expressed in thousands):

	Business-Type Activities Enterprise Funds						Governmental Activities
Unearned Revenue	Workers' Compensation	Unemployment Compensation	Higher Education Student Services	Other Activities	Nonmajor Enterprise Funds	Total	Internal Service Funds
Charges for services	$ -	$ -	$ 33,155	$ -	$ 12	$ 33,167	$ 1,219
Other taxes	127	-	-		-	127	-
Miscellaneous	7,549	-	890		-	8,439	8
Total Unearned Revenue	$ 7,676	$ -	$ 34,045	$ -	$ 12	$ 41,733	$ 1,227

C. FIDUCIARY FUNDS

Other Receivables

Other receivables at June 30, 2011, consisted of the following (expressed in thousands):

Other Receivables	Local Government Investment Pool	Agency Funds
Interest	$ 1,988	$ 6,862
Other	-	3,421
Subtotals	1,988	10,283
Less: Allowance for uncollectible receivables	-	2,713
Total Other Receivables	$ 1,988	$ 7,570

Unearned Revenue

Unearned revenue at June 30, 2011, consisted of $893 thousand for service credit restorations reported in Pension and Other Employee Benefit Funds.

Note 5
Interfund Balances and Transfers

A. INTERFUND BALANCES

Interfund balances as reported in the financial statements at June 30, 2011, consisted of the following (expressed in thousands):

	Due From				
Due To	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Workers' Compensation
General	$ -	$ 42,137	$ -	$ 102,041	$ 203
Higher Educ. Special Revenue	28,261	-	24	13,424	463
Higher Education Endowment	-	-	-	110	-
Nonmajor Governmental Funds	128,169	46,343	3,482	191,985	31
Workers' Compensation	4	40	-	4	-
Unemployment Compensation	1,931	2,035	-	1,763	696
Higher Educ. Student Services	416	217	-	275,967	214
Other Activities	667	4	-	58	1
Nonmajor Enterprise Funds	2,881	43	-	3,902	13
Internal Service Funds	21,009	1,251	-	22,518	4,493
Fiduciary Funds	24	221	-	30	-
Totals	$ 183,362	$ 92,291	$ 3,506	$ 611,802	$ 6,114

Interfund balances are expected to be paid within one year from the date of the financial statements. These balances resulted from the time lag between the dates that (1) interfund goods and services were provided and when the payments occurred, and (2) interfund transfers were accrued and when the liquidations occurred.

In addition to the interfund balances noted in the schedule above, there are interfund balances of $968 thousand within the state's Pension Trust Funds.

Due From						
Unemployment Compensation	Higher Education Student Services	Other Activities	Nonmajor Enterprise Funds	Internal Service Funds	Fiduciary Funds	Totals
$ -	$ -	$ 287	$ 29,340	$ 1,002	$ 3	$ 175,013
-	272,138	-	1	5,408	11	319,730
-	-	-	-	-	12	122
1,182	208,494	14	143	1,879	25	581,747
-	-	-	-	-	7	55
-	53	14	124	155	-	6,771
-	-	-	-	11,961	31,531	320,306
-	-	-	-	60	1	791
-	24	3	1,358	78	43	8,345
-	26	247	893	83,632	7,846	141,915
-	-	-	264	9	1,385	1,933
$ 1,182	$ 480,735	$ 565	$ 32,123	$ 104,184	$ 40,864	$ 1,556,728

B. INTERFUND TRANSFERS

Interfund transfers as reported in the financial statements for the year ended June 30, 2011, consisted of the following (expressed in thousands):

	Transferred To				
Transferred From	**General**	**Higher Education Special Revenue**	**Higher Education Endowment**	**Nonmajor Governmental Funds**	**Workers' Compensation**
General	$ -	$ 87,351	$ -	$ 1,052,892	$ -
Higher Educ. Special Revenue	80,735	-	-	4,992	-
Higher Education Endowment	-	286	-	94,668	-
Nonmajor Governmental Funds	573,077	4,391	2,876	1,590,850	-
Workers' Compensation	-	-	-	-	-
Higher Educ. Student Services	-	34,967	-	23,500	-
Other Activities	3,250	-	-	-	-
Nonmajor Enterprise Funds	276,601	11,900	-	10,048	-
Internal Service Funds	5,159	1,253	-	1,551	-
Totals	$ 938,822	$ 140,148	$ 2,876	$ 2,778,501	$ -

* Transfers of $39 thousand of capital assets were made from Proprietary Funds to Governmental Funds.

Except as noted below, transfers are used to 1) move revenues from the fund that statute requires to collect them to the fund that statute requires to expend them, 2) move receipts designated for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, 3) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, 4) move profits from the Liquor Fund and the Lottery Fund as required by law, and 5) transfer amounts to and from the General Fund as required by law.

On June 30, 2011, $129 million was transferred from the General Fund Basic Account to the Budget Stabilization Account (BSA) in accordance with the provisions of the Constitution. The BSA is reported as an Administrative Account within the General Fund. The Constitution details a limited number of circumstances under which funds can be appropriated from the BSA, one of which is a favorable vote of at least three-fifths of the members of each house of the Legislature. During fiscal year 2011, Engrossed Substitute House Bill 1086 authorized the transfer of $223 million from the BSA to the General Fund Basic Account.

Engrossed Substitute House Bill 1086 also required transfer of $576 million from other funds to the General Fund to address revenue shortfalls.

In addition to the transfers noted in the schedule above, there were transfers of $11.4 million within the state's Pension Trust Funds.

Transferred To					
Higher Education Student Services	Other Activities	Nonmajor Enterprise Funds	Internal Service Funds	Capital Asset Transfers*	Totals
$ 505	$ -	$ 61	$ 13,674	$ -	$ 1,154,483
85,214	-	-	849	-	171,790
-	-	-	-	-	94,954
38,938	-	-	4,820	-	2,214,952
-	-	-	-	-	-
-	-	-	58	-	58,525
-	-	-	-	-	3,250
-	-	28,733	-	39	327,321
3,819	-	1,096	4,519	-	17,397
$ 128,476	$ -	$ 29,890	$ 23,920	$ 39	$ 4,042,672

Note 6
Capital Assets

Capital assets at June 30, 2011, are reported by the state of Washington within Governmental Activities and Business-Type Activities, as applicable.

A. GOVERNMENTAL CAPITAL ASSETS

The following is a summary of governmental capital asset activity for the year ended June 30, 2011 (expressed in thousands):

Capital Assets	Balances July 1, 2010	Additions	Deletions*	Balances June 30, 2011
Capital assets, not being depreciated:				
Land	$ 1,178,764	$ 193,372	$ (41,619)	$ 1,330,517
Transportation infrastructure	19,644,610	1,331,745	-	20,976,355
Intangible assets- indefinite lives	2,552	863	-	3,415
Art collections, library reserves, and museum and historical collections	110,483	2,588	-	113,071
Construction in progress	865,388	473,646	(369,512)	969,522
Total capital assets, not being depreciated	21,801,797			23,392,880
Capital assets, being depreciated:				
Buildings	10,401,323	533,124	(155,650)	10,778,797
Accumulated depreciation	(3,475,448)	(270,390)	47,267	(3,698,571)
Net buildings	6,925,875			7,080,226
Other improvements	1,234,929	42,939	(63,194)	1,214,674
Accumulated depreciation	(514,187)	(43,940)	19,117	(539,010)
Net other improvements	720,742			675,664
Furnishings, equipment and intangible assets	3,902,665	309,082	(139,500)	4,072,247
Accumulated depreciation	(2,540,405)	(269,323)	105,046	(2,704,682)
Net furnishings, equipment and intangible assets	1,362,260			1,367,565
Infrastructure	806,465	34,520	-	840,985
Accumulated depreciation	(370,216)	(27,014)	-	(397,230)
Net infrastructure	436,249			443,755
Total capital assets, being depreciated, net	9,445,126			9,567,210
Governmental Activities Capital Assets, Net	$ 31,246,923			$ 32,960,090

*Deletions include the removal of facilities and equipment related to the closure of the McNeil Island Correctional Center.

B. BUSINESS-TYPE CAPITAL ASSETS

The following is a summary of business-type capital asset activity for the year ended June 30, 2011 (expressed in thousands):

Capital Assets	Balances July 1, 2010	Additions	Deletions*	Balances June 30, 2011
Capital assets, not being depreciated:				
Land	$ 142,716	$ -	$ (77,452)	$ 65,264
Art collections	35	-	-	35
Construction in progress	211,017	253,147	(171,334)	292,830
Total capital assets, not being depreciated	353,768			358,129
Capital assets, being depreciated:				
Buildings	2,403,821	31,670	(395,044)	2,040,447
Accumulated depreciation	(732,435)	(59,410)	114,838	(677,007)
Net buildings	1,671,386			1,363,440
Other improvements	97,813	5,481	(19,989)	83,305
Accumulated depreciation	(27,166)	(3,870)	2,979	(28,057)
Net other improvements	70,647			55,248
Furnishings, equipment and intangible assets	534,626	51,196	(21,737)	564,085
Accumulated depreciation	(392,464)	(48,119)	20,498	(420,085)
Net furnishings, equipment and intangible assets	142,162			144,000
Infrastructure	30,110	12,497	(1,334)	41,273
Accumulated depreciation	(13,833)	(1,012)	-	(14,845)
Net infrastructure	16,277			26,428
Total capital assets, being depreciated, net	1,900,472			1,589,116
Business-Type Activities Capital Assets, Net	$ 2,254,240			$ 1,947,245

*Deletions include the removal of the land, buildings, furnishings and equipment of the Convention and Trade Center which were transferred to a public facilities district (refer to Note 2).

C. DEPRECIATION

Depreciation expense for the year ended June 30, 2011, was charged by the primary government as follows (expressed in thousands):

	Amount
Governmental Activities:	
General government	$ 55,339
Education - elementary and secondary (K-12)	3,622
Education - higher education	339,595
Human services	25,474
Adult corrections	56,627
Natural resources and recreation	37,067
Transportation	92,943
Total Depreciation Expense - Governmental Activities *	$ 610,667
Business-Type Activities:	
Workers' compensation	$ 8,037
Unemployment compensation	-
Higher education student services	94,293
Other	10,081
Total Depreciation Expense - Business-Type Activities	$ 112,411

*Includes $70.8 million internal service fund depreciation that was allocated to functions as a part of the net internal service fund activity.

D. CONSTRUCTION IN PROGRESS

Major construction commitments of the state at June 30, 2011, are as follows (expressed in thousands):

Agency / Project Commitments	Construction In Progress June 30, 2011	Remaining Project Commitments
Department of General Administration:		
O'Brien building improvement, transportation building improvements, capitol campus high voltage project and other projects	$ 56,801	$ 20,164
Department of Labor and Industries:		
Early claims solution software and Retro rewrite	13,040	4,171
Department of Social and Health Services:		
GHS IMU health center and admin, underground utilities replacement and other projects	60,705	5,367
Department of Veterans Affairs:		
Veterans cemetery and Walla Walla veterans home	8,818	32,118
Department of Corrections:		
Prison intake center	-	247,837
Correctional centers improvements and other projects	47,279	23,848
Department of Transportation:		
State highway office and maintenance facilities, and ferry vessels and terminals	236,638	33,952
Transportation infrastructure		6,785,963
Department of Fish and Wildlife:		
Skookumchuck hatchery renovation, Deschutes watershed center, and other projects	9,864	12,928
Employment Security Department:		
Next generation TAXIS system project	21,711	32,766
University of Washington		
HUB renovation	203,240	425,949
Washington Biomed research facilities, Ravenna clinic, and other expansion projects	17,276	143,988
Husky ballpark and Husky stadium projects	15,630	446,926
UWMC equipment purchases	127,132	110,875
Terry Hall, housing projects, garage, fleet services and other projects	90,424	56,462
Washington State University		
Veterinary medical research and global animal health building	39,848	100,642
Biomedical and health sciences building	3,645	74,970
Martin stadium improvement, Community/Duncan Dunn & Northside residence hall	6,755	122,445
Applied technology classroom building	26,614	15,052
Student information system, voice over internet protocol system (VOIP), & other projects	17,611	21,477
Eastern Washington University		
Residence hall project, Patterson Hall renovation, Science center	14,564	67,784
Central Washington University		
Hogue Hall renovation, residence hall project, and other projects	28,976	44,014
The Evergreen State College		
Housing project and other projects	1,704	2,129
Western Washington University		
Miller Hall renovation, housing and dining, and other projects	64,268	12,527
Community and Technical Colleges		
Bellevue health science building	3,275	42,276
Bellingham campus center	15,187	16,297
Everett index replacement and student fitness and health center	22,884	5,586
Lake Washington allied health building	27,230	667
Other miscellaneous community college projects	27,333	85,859
Peninsula business and humanities center	30,046	921
Seattle Community College District Duwamish, PSIEC, Edison N. renovation, employment residence center, wood construction replacement	12,999	66,702
Tacoma health careers center	1,954	38,922
Other agency projects	8,901	1,098
Total Construction in Progress	$ 1,262,352	$ 9,102,682

Note 7
Long-Term Liabilities

A. BONDS PAYABLE

Bonds payable at June 30, 2011, are reported by the state of Washington within governmental activities and business-type activities, as applicable.

The State Constitution and enabling statutes authorize the incurrence of state general obligation debt, to which the state's full faith, credit, and taxing power are pledged, either by the State Legislature or by a body designated by statute (presently the State Finance Committee).

Legislative authorization arises from:

- An affirmative vote of 60 percent of the members of each house of the Legislature, without voter approval, in which case the amount of such debt is generally subject to the constitutional debt limitation described below;
- When authorized by law for a distinct work or object and approved by a majority of the voters voting thereon at a general election, or a special election called for that purpose, in which case the amount of the debt so approved is not subject to the constitutional debt limitations described below;
- By the State Finance Committee without limitation as to amount, and without approval of the Legislature or approval of the voters.

The State Finance Committee debt authorization does not require voter approval; however, it is limited to providing for: (1) meeting temporary deficiencies of the state treasury if such debt is discharged within 12 months of the date of incurrence and is incurred only to provide for appropriations already made by the Legislature; or (2) refunding of outstanding obligations of the state.

Legal Debt Limitation

The State Constitution limits the amount of state debt that may be incurred by restricting the amount of general state revenues which may be allocated to pay principal and interest on debt subject to these limitations. More specifically, the constitutional debt limitation prohibits the issuance of new debt if it would cause the maximum annual debt service on all thereafter outstanding debt to exceed 9 percent of the arithmetic mean of general state revenues for the preceding three fiscal years. This limitation restricts the incurrence of new debt and not the amount of debt service that may be paid by the state in future years.

The State Constitution and current statutes require the State Treasurer to certify the debt service limitation for each fiscal year. In accordance with these provisions, the debt service limitation for fiscal year 2011 is $1.1 billion.

This computation excludes specific bond issues and types, which are not secured by general state revenues. Of the $16.8 billion general obligation bond debt outstanding at June 30, 2011, $10.5 billion is subject to the limitation.

Based on the debt limitation calculation, the debt service requirements as of June 30, 2011, did not exceed the authorized debt service limitation.

For further information on the debt limit refer to the Certification of the Debt Limitation of the State of Washington available from the Office of the State Treasurer at: http://www.tre.wa.gov/documents/debt_cdl2011.pdf, or to the Statistical Section of this report.

Authorized But Unissued

The state had a total of $9.6 billion in general obligation bonds authorized but unissued as of June 30, 2011, for the purpose of capital construction, higher education, and transportation projects throughout the state.

Interest Rates

Interest rates on fixed rate general obligation bonds ranged from 0.63 to 7.25 percent. Variable rate demand obligations (VRDO) of $117.8 million as of June 30, 2011, are remarketed on a weekly basis. Interest rates on revenue bonds range from 2.50 to 7.40 percent.

Debt Service Requirements to Maturity

General Obligations Bonds

General obligation bonds have been authorized and issued primarily to provide funds for:

- Acquisition and construction of state and common school capital facilities;
- Transportation construction and improvement projects;
- Assistance to local governments for public works capital projects; and
- Refunding of general obligation bonds outstanding.

Outstanding general obligations bonds are presented in the Washington State Treasurer's Annual Report for 2011. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington, 98504-0200, phone number (360) 902-9000 or TTY (360) 902-8963, or by visiting their website at: http://www.tre.wa.gov/aboutUs/publications/annualReports.shtml.

Total debt service requirements to maturity for general obligation bonds as of June 30, 2011, are as follows (expressed in thousands):

	Governmental Activities		Business-Type Activities		Totals	
General Obligation Bonds	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
By Fiscal Year:						
2012	$ 642,535	$ 814,764	$ 3,205	$ 897	$ 645,740	$ 815,661
2013	669,362	783,568	3,400	717	672,762	784,285
2014	702,492	753,964	3,605	527	706,097	754,491
2015	732,860	731,530	3,820	325	736,680	731,855
2016	795,582	703,082	4,050	110	799,632	703,192
2017-2021	3,961,273	3,089,844	-	-	3,961,273	3,089,844
2022-2026	3,774,239	2,078,842	-	-	3,774,239	2,078,842
2027-2031	3,324,533	1,197,971	-	-	3,324,533	1,197,971
2032-2036	1,732,245	292,016	-	-	1,732,245	292,016
2037-2041	415,250	52,671	-	-	415,250	52,671
Total Debt Service Requirements	$ 16,750,371	$ 10,498,252	$ 18,080	$ 2,576	$ 16,768,451	$ 10,500,828

Revenue Bonds

Revenue bonds are authorized under current state statutes, which provide for the issuance of bonds that are not supported, or not intended to be supported, by the full faith and credit of the state.

The University of Washington issues general revenue bonds that are payable from general revenues, including student tuition and fees, grant indirect cost recovery, sales and services revenue, and investment income. General revenue bonds outstanding as of June 30, 2011, include $162 million in governmental activities and $650.7 million in business-type activities.

The remainder of the state's revenue bonds pledge income derived from acquired or constructed assets for retirement of the debt and payment of the related interest.

Total debt service requirements for revenue bonds to maturity as of June 30, 2011, are as follows (expressed in thousands):

	Governmental Activities		Business-Type Activities		Totals	
Revenue Bonds	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
By Fiscal Year:						
2012	$ 26,615	$ 40,527	$ 53,020	$ 62,615	$ 79,635	$ 103,142
2013	8,400	39,446	32,940	65,387	41,340	104,833
2014	21,243	39,084	47,390	63,813	68,633	102,897
2015	17,705	37,889	39,730	62,174	57,435	100,063
2016	27,107	36,948	41,335	60,421	68,442	97,369
2017-2021	133,486	162,111	249,834	269,242	383,320	431,353
2022-2026	141,967	121,278	217,372	218,117	359,339	339,395
2027-2031	218,005	72,694	207,016	160,148	425,021	232,842
2032-2036	66,135	25,074	251,178	118,048	317,313	143,122
2037-2041	79,028	6,549	283,352	24,330	362,380	30,879
Total Debt Service Requirements	$ 739,691	$ 581,600	$ 1,423,167	$ 1,104,295	$ 2,162,858	$ 1,685,895

Governmental activities include revenue bonds outstanding at June 30, 2011, of $406.6 million issued by the Tobacco Settlement Authority (TSA), which is a blended component unit of the state. In November 2002, the TSA issued $517 million in bonds and transferred $450 million to the state to be used for increased health care, long-term care, and other programs.

These bonds do not constitute either a legal or moral obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of these bonds. The bonds are obligations of the TSA and are secured solely by the TSA's right to receive 29.2 percent of the state's tobacco settlement revenues, restricted investments of the TSA, undistributed TSA bond proceeds, and the earnings thereon held under the indenture authorizing the bonds. Total principal and interest remaining on the bonds is $754 million, payable through 2032. For the current year, pledged revenue and debt service were $41.7 million and $43.7 million, respectively.

Governmental activities include revenue bonds outstanding at June 30, 2011, of $108.9 million issued by Washington State University. The bonds were issued to fund various capital construction projects.

These bonds do not constitute either a legal or moral obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of these bonds. Total principal and interest remaining on the bonds is $169.5 million, payable through 2034. For the current year, pledged revenue and debt service were $31.5 million and $7.1 million, respectively.

Governmental activities also include revenue bonds outstanding at June 30, 2011, of $54 million issued by the Tumwater Office Properties (TOP), which is a blended component unit of the state. The bonds, issued in 2004, are payable solely from the trust estate pledged under the indenture, including rental payments. The bonds were used to construct an office building in Tumwater, Washington which the state occupied beginning in fiscal year 2006.

The bonds are not a general obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of these bonds. Total principal and interest remaining on the bonds is $86.7 million, payable through 2028. For the current year, pledged revenue and debt service were $3.7 million and $3.7 million, respectively.

Additionally, governmental activities include revenue bonds outstanding at June 30, 2011, of $10.8 million issued by the City of Aberdeen. The bonds were used to extend utilities to the state Department of Corrections Stafford Creek Corrections Center (SCCC). The Department of Corrections entered into an agreement with the City of Aberdeen to pay a system development fee sufficient to pay the debt service on the bonds. The bonds were issued in 1998 and 2002, and refunded by the City in 2010, and are payable solely from current operating appropriations.

The bonds are not a general obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of these bonds. Total principal and interest remaining on these bonds is $13.2 million, payable through 2022. For the current year, pledged revenue and debt service were $1.5 million and $1.5 million, respectively.

The state's colleges and universities issue bonds for the purpose of housing, dining, parking, and student facilities construction. These bonds are reported within business-type activities and are secured by a pledge of specific revenues. These bonds are not a general obligation of the state, nor does the state pledge its full faith, credit, or taxing power for payment of these bonds.

Total pledged specific revenues for the state's colleges and universities to repay the principal and interest of revenue bonds as of June 30, 2011, are as follows (expressed in thousands):

Source of Revenue Pledged	Housing and Dining Revenues (Net of Operating Expenses)	Student Facilities Fees and Earnings on Invested Fees	Parking Revenues (Net of Operating Expenses)	Bookstore Revenues
Current revenue pledged	$ 51,411	$ 37,439	$ 13,770	$ 949
Current year debt service	24,625	20,572	2,113	228
Total future revenues pledged *	612,048	474,914	35,518	4,953
Description of debt	Housing and dining bonds, issued in 1998-2010	Student facilities bonds, issued in 1996-2009 and refunding revenue bonds, issued in 2002-2006	Parking system and refunding revenue bonds, issued in 2004-2005	Student union and recreation center bonds issued in 2004
Purpose of debt	Construction and renovation of student housing and dining projects	Construction, renovation and improvements to student activity facilities and sports stadium	Construction of parking garage and improvements	Construct new bookstore as part of new student union and recreation center building
Term of commitment	2013-2040	2019-2038	2024-2030	2034
Percentage of debt service to pledged revenues (current year)	47.9%	54.9%	15.3%	24.1%

* Total future principal and interest payments.

B. CERTIFICATES OF PARTICIPATION

Certificates of participation at June 30, 2011, are reported by the state of Washington within governmental activities and business-type activities, as applicable.

Current state law authorizes the state to enter into long-term financing contracts for the acquisition of real or personal property and for the issuance of certificates of participation in the contracts. These certificates of participation do not fall under the general obligation debt limitations and are generally payable only from annual appropriations by the Legislature.

Other specific provisions could also affect the state's obligation under certain agreements. The certificates of participation are recorded for financial reporting purposes if the possibility of the state not meeting the terms of the agreements is considered remote.

Total debt service requirements for certificates of participation to maturity as of June 30, 2011, are as follows (expressed in thousands):

	Governmental Activities		Business-Type Activities		Totals	
Certificates of Participation	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
By Fiscal Year:						
2012	$ 84,814	$ 26,822	$ 8,508	$ 3,432	$ 93,322	$ 30,254
2013	50,484	16,120	6,460	2,062	56,944	18,182
2014	44,254	14,394	5,663	1,842	49,917	16,236
2015	38,169	12,821	4,884	1,640	43,053	14,461
2016	34,486	11,334	4,413	1,450	38,899	12,784
2017-2021	109,504	40,055	16,356	5,125	125,860	45,180
2022-2026	82,428	19,107	10,547	2,445	92,975	21,552
2027-2031	37,790	4,032	4,835	516	42,625	4,548
Total Debt Service Requirements	$ 481,929	$ 144,685	$ 61,666	$ 18,512	$ 543,595	$ 163,197

C. DEBT REFUNDINGS

When advantageous and permitted by statute and bond covenants, the State Finance Committee authorizes the refunding of outstanding bonds and certificates of participation. Colleges and universities may also refund revenue bonds.

When the state refunds outstanding bonds, the net proceeds of each refunding issue are used to purchase U.S. government securities that are placed in irrevocable trusts with escrow agents to provide for all future debt service payments on the refunded bonds.

As a result, the refunded bonds are considered defeased and the liability is removed from the government-wide statement of net assets.

Current Year Defeasances

Bonds

Governmental Activities. On August 10, 2010, the state issued $365.6 million of various purpose general obligation refunding bonds with an average interest rate of 5 percent to refund $401.4 million of various purpose general obligation bonds with an average interest rate of 5 percent. The refunding resulted in a $47.2 million gross debt service savings over the next 14 years and a net present value savings of $42.5 million.

On September 8, 2010, the state issued $401.4 million of various purpose general obligation refunding bonds with an average interest rate of 4.76 percent to refund $421.5 million of various purpose general obligation bonds with an average interest rate of 5 percent. The refunding resulted in a $51.8 million gross debt service savings over the next 17 years and a net present value savings of $39.5 million.

On September 16, 2010, the state issued $394 million of motor vehicle fuel tax refunding bonds with an average interest rate of 4.67 percent to refund $416.7 million of motor vehicle fuel tax bonds with an average interest rate of 4.96 percent. The refunding resulted in a $56.9 million gross debt service savings over the next 17 years and a net present value savings of $43.7 million.

Business-Type Activities. On October 5, 2010, the University of Washington issued $10.4 million of general revenue and refunding revenue bonds with an average interest rate of 3.9 percent to refund $10.9 million of housing and dining revenue bonds with an average interest rate of 5 percent. The refunding resulted in a $991 thousand gross debt service savings over the next 21 years and an economic gain of $640 thousand.

Certificates of Participation (COPs)
On August 17, 2010, the state issued $9.3 million in refunding certificates of participation with an average interest rate of 1.50 percent to refund $11.1 million of certificates of participation with an average interest rate of 6.33 percent. The refunding resulted in a $440 thousand gross debt service savings over the next three years and a net present value savings of $413 thousand.

Prior Year Defeasances

In prior years, the state defeased certain general obligation bonds, revenue bonds, and certificates of participation by placing the proceeds of new bonds and certificates in an irrevocable trust to provide for all future debt service payments on the prior bonds and certificates.

Accordingly, the trust account assets and the liability for the defeased bonds and certificates are not included in the state's financial statements.

General Obligation Bond Debt
On June 30, 2011, $1.3 billion of general obligation bonded debt outstanding is considered defeased.

Revenue Bond Debt
On June 30, 2011, $78.0 million of revenue bonded debt outstanding is considered defeased.

Certificates of Participation Debt
On June 30, 2011, $56.1 million of certificates of participation debt outstanding is considered defeased.

D. LEASES

Leases at June 30, 2011, are reported by the state of Washington within governmental activities and business-type activities, as applicable.

The state leases land, office facilities, office and computer equipment, and other assets under a variety of agreements. Although lease terms vary, most leases are subject to appropriation from the State Legislature to continue the obligation. If the possibility of receiving no funding from the Legislature is remote, leases are considered noncancelable for financial reporting purposes. Leases that represent acquisitions are classified as capital leases, and the related assets and liabilities are recorded in the financial records at the inception of the lease.

Other leases are classified as operating leases with the lease payments recorded as expenditures or expenses during the life of the lease. Certain operating leases are renewable for specified periods. In most cases, management expects that the leases will be renewed or replaced by other leases.

Land, buildings and equipment under capital leases as of June 30, 2011, include the following (expressed in thousands):

	Governmental Activities	Business-Type Activities
Land (non-depreciable)	$ 1,918	$ -
Buildings	14,041	4,512
Equipment	17,071	17,742
Less: Accumulated depreciation	(25,300)	(19,614)
Totals	$ 7,730	$ 2,640

The following schedule presents future minimum payments for capital and operating leases as of June 30, 2011 (expressed in thousands):

Capital and Operating Leases	Capital Leases		Operating Leases	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
By Fiscal Year:				
2012	$ 2,876	$ 1,005	$ 106,185	$ 37,157
2013	1,941	946	94,841	38,553
2014	577	946	84,925	38,647
2015	252	937	71,917	38,916
2016	224	926	50,758	39,507
2017-2021	525	3,193	159,593	207,011
2022-2026	24	433	117,716	105,563
2027-2031	-	-	117,084	14,698
2032-2036	-	-	123,099	17,034
2037-2041	-	-	129,522	22,760
Total Future Minimum Payments	6,419	8,386	1,055,640	559,846
Less: Executory Costs and Interest Costs	(506)	(1,896)	-	-
Net Present Value of Future Minimum Lease Payments	$ 5,913	$ 6,490	$ 1,055,640	$ 559,846

The total operating lease rental expense for fiscal year 2011 for governmental activities was $270.9 million, of which $2.6 million was for contingent rentals. The total operating lease rental expense for fiscal year 2011 for business-type activities was $50.7 million.

E. CLAIMS AND JUDGMENTS

Claims and judgments are materially related to three activities: workers' compensation, risk management, and health insurance. Workers' compensation is a business-type activity, and risk management and health insurance are governmental activities. A description of the risks to which the state is exposed by these activities, and the ways in which the state handles the risks, is presented in Note 1.E.

Workers' Compensation

At June 30, 2011, $39.5 billion of unpaid claims and claim adjustment expenses are presented at their net present and settlement value of $23.0 billion. These claims are discounted at assumed interest rates of 2.5 percent (time loss and medical) to 6.5 percent (pensions) to arrive at a settlement value.

The claims and claim adjustment liabilities of $23.0 billion as of June 30, 2011, include $11.7 billion for supplemental pension cost of living adjustments (COLAs) that by statute are not to be fully funded.

These COLA payments are funded on a pay-as-you-go basis, and the workers' compensation actuaries have indicated that future premium payments will be sufficient to pay these claims as they come due.

The remaining claims liabilities of $11.3 billion are fully funded by long-term investments, net of obligations under securities lending agreements.

Changes in the balances of workers' compensation claims liabilities during fiscal years 2010 and 2011 were as follows (expressed in thousands):

Workers' Compensation Fund	Balances Beginning of Fiscal Year	Incurred Claims and Changes in Estimates	Claim Payments	Balances End of Fiscal Year
2010	$ 22,164,068	3,943,217	(2,081,453)	$ 24,025,832
2011	$ 24,025,832	1,016,932	(2,099,453)	$ 22,943,311

Risk Management

The Risk Management Fund administers tort and sundry claims filed against Washington state agencies, except the University of Washington and the Department Transportation Ferries Division. The Fund reports a tort liability when it becomes probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an actuarially determined amount for tort claims that have been incurred but not reported. It also includes an actuarial estimate of loss adjustment expenses for tort defense.

Because actual liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, it should be recognized that future loss emergence will likely deviate, perhaps materially, from the actuarial estimates. Liabilities are re-evaluated annually to take into consideration recently settled claims, the frequency of claims, and other economic or social factors.

The state is a defendant in a significant number of lawsuits pertaining to general and automobile liability matters.

As of June 30, 2011, outstanding and actuarially determined claims against the state and its agencies, with the exception of the University of Washington, including actuarially projected defense costs were $702.6 million for which the state has recorded a liability. The state is restricted by law from accumulating funds in the Self Insurance Liability Program in excess of 50 percent of total outstanding and actuarially determined liabilities.

At June 30, 2011, the Risk Management Fund held $96.4 million in cash and pooled investments designated for payment of these claims under the state's Self Insurance Liability Program.

Changes in the balances of risk management claims liabilities during fiscal years 2010 and 2011 were as follows (expressed in thousands):

Risk Management Fund	Balances Beginning of Fiscal Year	Incurred Claims and Changes in Estimates	Claim Payments	Tort Defense Payments	Balances End of Fiscal Year
2010	$ 720,197	82,387	(47,425)	(28,023)	$ 727,136
2011	$ 727,136	86,297	(74,051)	(36,750)	$ 702,632

Health Insurance

The Health Insurance Fund establishes a liability when it becomes probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an actuarially determined amount for claims that have been incurred but not reported. Because actual claims liabilities depend on various complex factors, the process used in computing claims liabilities does not always result in an exact amount.

Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

At June 30, 2011, health insurance claims liabilities totaling $85.0 million are fully funded with cash and investments, net of obligations under securities lending agreements.

Changes in the balances of health insurance claim liabilities during fiscal years 2010 and 2011 were as follows (expressed in thousands):

Health Insurance Fund	Balances Beginning of Fiscal Year	Incurred Claims and Changes in Estimates	Claim Payments	Balances End of Fiscal Year
2010	$ 83,441	879,324	(874,370)	$ 88,395
2011	$ 88,395	736,340	(739,745)	$ 84,990

F. POLLUTION REMEDIATION

The state reports pollution remediation obligations in accordance with GASB Statement No. 49. The liability reported involves estimates of financial responsibility and amounts recoverable as well as remediation costs.

The liability could change over time as new information becomes available and as a result of changes in remediation costs, technology and regulations governing remediation efforts. Additionally, the responsibilities and liabilities discussed in this disclosure are intended to refer to obligations solely in the accounting context. This disclosure does not constitute an admission of any legal responsibility or liability. Further, it does not establish or affect the rights or obligations of any person under the law, nor does this disclosure impose upon the state any new mandatory duties or obligations.

The state and its agencies are participating as potentially responsible parties in numerous pollution remediation projects under the provisions of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA, generally referred to as Superfund) and the state Model Toxics Control Act.

There are 23 projects in progress for which the state has recorded a liability of $24.7 million.

The state has also voluntarily agreed to conduct certain remediation activities to the extent of funding paid to the state by third parties for such purposes. At June 30, 2011, the state has recorded a liability of $143.5 million for remaining project commitments.

Overall, the state has recorded a pollution remediation liability of $168.2 million, measured at its estimated amount, using the expected cash flow technique. The overall estimate is based on professional judgment, experience, and historical cost data. For some projects, the state can reasonably estimate the range of expected outlays early in the process because the site situation is common or similar to other sites with which the state has experience. In other cases, the estimates are limited to an amount specified in a settlement agreement, consent decree, or contract for remediation services.

The pollution remediation activity at some sites for which the state would otherwise have a reportable obligation is at a point where certain costs are not reasonably estimable. For example, a site assessment, remedial investigation, or feasibility study is in progress and the cleanup methodology has not yet been determined: and, consequently, associated future costs cannot be estimated.

The state's reported liability does not include remediation costs for future activities where costs are not yet reasonably estimable.

G. LONG-TERM LIABILITY ACTIVITY

Long-term liability activity at June 30, 2011, is reported by the state of Washington within governmental activities and business-type activities, as applicable. Long-term liability activity for governmental activities for the fiscal year 2011 is as follows (expressed in thousands):

Governmental Activities:	Beginning Balance July 1, 2010	Additions	Reductions	Ending Balance June 30, 2011	Amounts Due Within One Year
Long-Term Debt:					
GO Bonds Payable:					
General obligation (GO) bonds	$ 15,836,220	$ 2,078,825	$ 1,830,870	$ 16,084,175	$ 607,640
GO - zero coupon bonds (principal)	703,838	-	37,642	666,196	34,895
Subtotal - GO bonds payable	16,540,058	2,078,825	1,868,512	16,750,371	642,535
Accreted interest - GO - zero coupon bonds	366,515	26,666	-	393,181	-
Revenue bonds payable	742,998	26,359	29,666	739,691	26,615
Less: Deferred amounts for issuance discounts	(7,950)	640	-	(7,310)	-
Total Bonds Payable	17,641,621	2,132,490	1,898,178	17,875,933	669,150
Other Liabilities:					
Certificates of participation *	498,587	110,338	126,996	481,929	84,814
Claims and judgments	934,048	66,762	109,571	891,239	266,912
Installment contracts	2,670	4,500	158	7,012	96
Leases	14,286	663	9,036	5,913	2,720
Compensated absences	547,752	323,947	334,245	537,454	62,722
Unfunded pension obligations	191,389	63,436	20,505	234,320	-
Other postemployment benefits obligations	697,213	224,628	-	921,841	-
Pollution remediation obligations	174,353	6,413	12,547	168,219	-
Unclaimed property refunds	93,199	6,975	2	100,172	49
Other *	488,691	869,738	1,042,332	316,097	225,416
Total Other Liabilities	3,642,188	1,677,400	1,655,392	3,664,196	642,729
Total Long-Term Debt	$ 21,283,809	$ 3,809,890	$ 3,553,570	$ 21,540,129	$ 1,311,879

* Beginning balances restated as a result of fund reclassifications.

For governmental activities, certificates of participation are being repaid approximately 41 percent from the General Fund, 47 percent from the Higher Education Special Revenue Fund, and the balance from various governmental funds. The compensated absences liability will be liquidated approximately 48 percent by the General Fund, 29 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The claims and judgments liability will be liquidated approximately 79 percent by the Risk Management Fund (an internal service fund), 10 percent by the Health Insurance Fund (an internal service fund), and the balance by various other governmental funds. The other postemployment benefits obligations liability will be liquidated approximately 52 percent by the General Fund, 28 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The pollution remediation liability will be liquidated approximately 85 percent by the Wildlife and Natural Resources Fund, a nonmajor governmental fund, and the balance by various other governmental funds. The unclaimed property refunds will be liquidated against future unclaimed property deposited to the General Fund. Leases, installment contract obligations, and other liabilities will be repaid from various other governmental funds.

Long-term liability activity for business-type activities for the fiscal year 2011 (expressed in thousands) is as follows:

Business-Type Activities	Beginning Balance July 1, 2010	Additions	Reductions **	Ending Balance June 30, 2011	Amounts Due Within One Year
Long-Term Debt:					
GO Bonds Payable:					
General obligation (GO) bonds	$ 32,510	$ -	$ 14,430	$ 18,080	$ 3,205
GO - zero coupon bonds (principal)	27,383	-	27,383	-	-
Subtotal - GO bonds payable	59,893	-	41,813	18,080	3,205
Accreted interest - GO - zero coupon bonds	41,760	-	41,760	-	-
Revenue bonds payable	1,083,945	373,366	34,144	1,423,167	53,020
Plus: Unamortized amounts issuance premiums	12,942	1,917	1,197	13,662	-
Less: Deferred amounts for issuance discounts	(483)	34	-	(449)	-
Less: Deferred gain/loss on bond refunding	(8,908)	614	223	(8,517)	-
Total Bonds Payable	1,189,149	375,931	119,137	1,445,943	56,225
Other Liabilities:					
Certificates of participation *	243,639	591	182,564	61,666	8,508
Less: Deferred amounts for issuance discounts	(1,019)	-	(1,019)	-	-
Claims and judgments	24,038,322	664,004	1,747,000	22,955,326	1,744,006
Lottery prize annuities payable	275,911	58,832	94,585	240,158	46,852
Tuition benefits payable	1,853,404	992,187	114,891	2,730,700	129,500
Leases	6,091	2,714	2,315	6,490	820
Compensated absences	59,200	29,210	27,419	60,991	28,687
Other postemployment benefits obligations	80,659	26,889	1,622	105,926	-
Other *	139,959	606,271	521,030	225,200	148,684
Total Other Liabilities	26,696,166	2,380,698	2,690,407	26,386,457	2,107,057
Total Long-Term Debt	$ 27,885,315	$ 2,756,629	$ 2,809,544	$ 27,832,400	$ 2,163,282

* Beginning balances restated as a result of fund reclassifications.

** Reductions include the defeasance of the bonds and certificates of participation of the Convention and Trade Center. As part of the agreement between the state and a newly created public facilities district, the public facility district issued $271 million in bonds and wired the proceeds to the state to refund the Convention and Trade Center debt held by the state.

Note 8
No Commitment Debt

The Washington State Housing Finance Commission, Washington Higher Education Facilities Authority, Washington Health Care Facilities Authority, and Washington Economic Development Finance Authority (financing authorities) were created by the state Legislature. For financial reporting purposes, they are discretely presented as component units. These financing authorities issue bonds for the purpose of making loans to qualified borrowers for capital acquisitions, construction, and related improvements.

These bonds do not constitute either a legal or moral obligation of the state or these financing authorities, nor does the state or these financing authorities pledge their faith and credit for the payment of such bonds.

Debt service on the bonds is payable solely from payments made by the borrowers pursuant to loan agreements. Due to their no commitment nature, the bonds issued by these financing authorities are excluded from the state's financial statements.

The schedule below presents the June 30, 2011, balances for the "No Commitment" debt of the state's financing authorities (expressed in thousands):

Financing Authorities	Principal Balance
Washington State Housing Finance Commission	$ 3,736,479
Washington Higher Education Facilities Authority	671,779
Washington Health Care Facilities Authority	5,300,000
Washington Economic Development Finance Authority	768,613
Total No Commitment Debt	$ 10,476,871

Note 9
Governmental Fund Balances

A. GOVERNMENTAL FUND BALANCES

The state's governmental fund balances are classified according to the relative constraints that control how amounts can be spent. Classifications include:

- Nonspendable. Balances that either are not in a spendable form or are legally or contractually required to remain intact.
- Restricted. Balances that are restricted for specific purposes by the constitution, enabling legislation or external resource providers such as creditors, grantors, or laws or regulations of other governments;
- Committed. Balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the state Legislature;
- Assigned. Balances that are constrained by management to be used for specific purposes, but are neither restricted nor committed.
- Unassigned. Residual balances that are not contained in the other classifications.

A summary of governmental fund balances at June 30, 2011, is as follows (expressed in thousands):

Fund Balances	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
Nonspendable:					
Permanent funds	$ -	$ -	$ 1,513,158	$ 187,446	$ 1,700,604
Consumable inventories	13,977	11,789	-	40,736	66,502
Petty cash	586	3,096	-	733	4,415
Investments	-	36,994	64,533	965	102,492
Student loans receivable - long-term	-	103,337	-	-	103,337
Other receivables – long-term	75,353	2,633	-	1,698,774	1,776,760
Total Nonspendable Fund Balance	89,916	157,849	1,577,691	1,928,654	3,754,110
Restricted for:					
Higher education	-	744,826	1,544,574	69,769	2,359,169
Education	-	-	35,893	4,774	40,667
Transportation	-	-	-	782,926	782,926
Other purposes	683	-	-	15,531	16,214
Human services	-	-	119	113,684	113,803
Wildlife and natural resources	12,736	-	-	139,812	152,548
Local grants and loans	6,844	-	-	281	7,125
School construction	2,446	-	-	64,444	66,890
State facilities	-	-	-	73,781	73,781
Budget stabilization	564	-	-	-	564
Debt service	-	-	-	86,897	86,897
Pollution remediation	-	-	-	113,266	113,266
Total Restricted Fund Balance	23,273	744,826	1,580,586	1,465,165	3,813,850
Committed for:					
Higher education	41,440	917,527	-	46,615	1,005,582
Education	-	-	-	1,322	1,322
Transportation	-	-	-	113,944	113,944
Other purposes	19,572	-	-	65,607	85,179
Human services	6,398	-	-	222,055	228,453
Wildlife and natural resources	26,619	-	-	411,443	438,062
Local grants and loans	4,048	-	-	53,412	57,460
State facilities	-	-	-	17,503	17,503
Debt service	-	-	-	203,095	203,095
Total Committed Fund Balance	98,077	917,527	-	1,134,996	2,150,600
Assigned for:					
Working capital	1,065,252	-	-	-	1,065,252
Other purposes	49,447	-	-	45	49,492
Total Assigned Fund Balance	1,114,699	-	-	45	1,114,744
Unassigned	(107,764)	-	-	(174,472)	(282,236)
Total Unassigned Fund Balance	(107,764)	-	-	(174,472)	(282,236)
Total Fund Balance	$ 1,218,201	$ 1,820,202	$ 3,158,277	$ 4,354,388	$ 10,551,068

B. BUDGET STABILIZATION ACCOUNT

In accordance with Article 7, Section 12 of the Washington State Constitution, the state maintains the Budget Stabilization Account ("Rainy Day Fund"). The Budget Stabilization Account is reported in the General Fund.

By June 30th of each fiscal year, an amount equal to 1 percent of the general state revenues for that fiscal year is transferred to the Budget Stabilization Account.

The Budget Stabilization Account balance can only be used as follows: (a) If the governor declares a state of emergency resulting from a catastrophic event that necessitates government action to protect life or public safety, then for that fiscal year money may be withdrawn and appropriated from the Budget Stabilization Account, via separate legislation setting forth the nature of the emergency and containing an appropriation limited to the above-authorized purposes as contained in the declaration, by a favorable vote of a majority of the members elected to each house of the Legislature; (b) If the employment growth forecast for any fiscal year is estimated to be less than 1 percent, then for that fiscal year money may be withdrawn and appropriated from the Budget Stabilization Account by the favorable vote of a majority of the members elected to each house of the Legislature; (c) Any amount may be withdrawn and appropriated from the Budget Stabilization Account at any time by the favorable vote of at least three-fifths of the members of each house of the Legislature.

When the balance in the Budget Stabilization Account, including investment earnings, equals more than 10 percent of the estimated general state revenues in that fiscal year, the Legislature by the favorable vote of a majority of the members elected to each house of the Legislature may withdraw and appropriate the balance to the extent that the balance exceeds 10 percent of the estimated general state revenues. These appropriations may be made solely for deposit to the Education Construction Fund.

As June 30, 2011, the Budget Stabilization Account had restricted fund balance of $564 thousand.

Note 10
Deficit Fund Balance/Net Assets

State Route Number 520 Corridor Account

The State Route Number 520 Corridor Account within the Multimodal Transportation Fund, a special revenue fund, had deficit fund balance of $174.5 million at June 30, 2011.

The account administers the financing for and construction of the replacement of State Route Number 520 floating bridge and necessary landings.

Construction costs were incurred during fiscal year 2011, however tolling was not initiated nor construction bonds issued until after June 30, 2011, resulting in deficit fund balance at June 30, 2011.

The following schedule details the changes in fund balance for the State Route Number 520 Corridor Account during the fiscal year ended June 30, 2011 (expressed in thousands):

State Route Number 520 Corridor Account	Fund Balance (Deficit)
Balance, July 1, 2010	$ (986)
Fiscal year 2011 activity	(173,486)
Balance, June 30, 2011	$ (174,472)

Risk Management Fund

The Risk Management Fund, an internal service fund, had deficit net assets of $610.7 million at June 30, 2011. The Risk Management Fund is used to administer the Self-Insurance Liability Program. This program investigates, processes, and adjudicates tort and sundry claims filed against Washington state agencies, with the exception of the University of Washington and the Department of Transportation Ferries Division. The Self Insurance Liability Program, initiated in 1990, is intended to provide funds for the payment of all tort claims and defense expenses.

The Risk Management Fund is supported by premium assessments to state agencies. The state is restricted by law from accumulating funds in the Self Insurance Liability Program in excess of 50 percent of total outstanding and actuarially determined claims. As a consequence, when outstanding and incurred but not reported claims are actuarially determined and accrued, the result is deficit net assets.

The following schedule details the changes in net assets for the Risk Management Fund during the fiscal year ended June 30, 2011 (expressed in thousands):

Risk Management Fund	Net Assets (Deficit)
Balance, July 1, 2010	$ (616,115)
Fiscal year 2011 activity	5,400
Balance, June 30, 2011	$ (610,715)

Note 11
Retirement Plans

A. GENERAL

The state of Washington, through the Department of Retirement Systems, the Board for Volunteer Fire Fighters, and the Administrative Office of the Courts, administers 13 defined benefit retirement plans, three combination defined benefit/defined contribution retirement plans, and one defined contribution retirement plan covering eligible employees of the state and local governments.

Basis of Accounting

Pension plans administered by the state are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, employee and employer contributions are recognized in the period in which employee services are performed; investment gains and losses are recognized as incurred; and benefits and refunds are recognized when due and payable in accordance with the terms of the applicable plan.

Investments

Pension plan investments are presented at fair value. Fair values are based on published market prices, quotations from national security exchanges and security pricing services, or by the respective fund managers for securities that are not actively traded. Privately held mortgages are valued at cost, which approximates fair value. Certain pension trust fund investments, including real estate and private equity, are valued based on appraisals or independent advisors. The pension funds have no investments of any commercial or industrial organization whose market value exceeds 5 percent of each plan's net assets. Additional disclosure describing investments is provided in Note 3.

Department of Retirement Systems. As established in chapter 41.50 of the Revised Code of Washington (RCW), the Department of Retirement Systems (DRS) administers eight retirement systems comprising 12 defined benefit pension plans and three combination defined benefit/defined contribution plans as follows:

- Public Employees' Retirement System (PERS)
  - Plan 1 - defined benefit
  - Plan 2 - defined benefit
  - Plan 3 - defined benefit/defined contribution
- Teachers' Retirement System (TRS)
  - Plan 1 - defined benefit
  - Plan 2 - defined benefit
  - Plan 3 – defined benefit/defined contribution
- School Employees' Retirement System (SERS)
  - Plan 2 - defined benefit
  - Plan 3 - defined benefit/defined contribution
- Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)
  - Plan 1 - defined benefit
  - Plan 2 - defined benefit
- Washington State Patrol Retirement System (WSPRS)
  - Plan 1 - defined benefit
  - Plan 2 - defined benefit
- Public Safety Employees' Retirement System (PSERS)
  - Plan 2 - defined benefit
- Judicial Retirement System (JRS)
  - Defined benefit plan
- Judges' Retirement Fund (Judges)
  - Defined benefit plan

Although some assets of the plans are commingled for investment purposes, each plan's assets may be used only for the payment of benefits to the members of that plan in accordance with the terms of the plan.

Administration of the PERS, TRS, SERS, LEOFF, WSPRS, and PSERS systems and plans was funded by an employer rate of 0.16 percent of employee salaries. Administration of the JRS and Judges plans is funded by means of legislative appropriations.

The Department of Retirement Systems prepares a stand-alone financial report. Copies of the report that include financial statements and required supplementary information may be obtained by writing to Washington State Department of Retirement Systems, PO Box 48380, Olympia, Washington 98504-8380 or by visiting their website at: http:\\www.drs.wa.gov.

Board for Volunteer Fire Fighters. As established in chapter 41.24 RCW, the Washington Board for Volunteer Fire Fighters administers the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund (VFFRPF), a defined benefit plan. Administration of VFFRPF is funded through legislative appropriation.

Administrative Office of the Courts. As established in chapter 2.14 RCW, the Administrative Office of the Courts administers the Judicial Retirement Account (JRA), a defined contribution plan. Administration of JRA is funded through member fees.

Higher Education. In addition to the retirement plans administered by the state of Washington, eligible higher education state employees may participate in privately administered Higher Education Retirement defined contribution plans.

Plan descriptions, funding policies, a table of employer contributions required and paid for defined benefit plans, schedules of funded status and funding progress, defined benefit pension plans valuations, annual pension cost, and three year trend information follow in Note 11.B through G, respectively. Information related to changes in actuarial assumptions and methods, and changes in benefit provisions are provided in Note 11.H and I. For information related to defined contribution plans, refer to Note 11.J. Details on plan net assets and changes in plan net assets of pension plans and other employee benefit funds administered by the state are presented in Note 11.K.

Membership of each state administered plan consisted of the following at June 30, 2010, the date of the latest actuarial valuation for all plans:

Number of Participating Members

Plans Administered by the State	Retirees and Beneficiaries Receiving Benefits	Terminated Members Entitled To But Not Yet Receiving Benefits	Active Plan Members Vested	Active Plan Members Nonvested	Total Members
PERS 1	53,742	1,979	8,409	598	64,728
PERS 2	22,043	23,513	86,770	33,056	165,382
PERS 3	1,114	3,368	10,342	17,351	32,175
TRS 1	36,015	701	4,533	58	41,307
TRS 2	2,320	2,467	5,973	3,469	14,229
TRS 3	2,235	5,782	31,379	20,913	60,309
SERS 2	3,311	4,758	14,385	5,973	28,427
SERS 3	2,073	4,942	17,856	14,125	38,996
LEOFF 1	8,008	1	301	-	8,310
LEOFF 2	1,639	781	13,119	3,656	19,195
WSPRS 1	851	119	806	-	1,776
WSPRS 2	-	6	122	159	287
PSERS 2	7	-	-	4,210	4,217
JRS	125	-	5	-	130
Judges	13	-	-	-	13
JRA	3	181	10	-	194
VFFRPF	3,708	6,118	4,076	6,735	20,637
Total	137,207	54,716	198,086	110,303	500,312

Following is a summary of the number of government employers participating in state administered retirement plans as of June 30, 2010:

Number of Participating Employers

Plan	State Agencies	School Districts	Counties/ Municipalities	Other Political Subdivisions
PERS 1	144	227	158	180
PERS 2	179	-	271	494
PERS 3	166	-	205	302
TRS 1	49	263	-	-
TRS 2	25	288	-	-
TRS 3	28	302	-	-
SERS 2	-	299	-	-
SERS 3	-	300	-	-
LEOFF 1	-	-	48	14
LEOFF 2	8	-	214	152
WSPRS 1	1	-	-	-
WSPRS 2	1	-	-	-
PSERS 2	11	-	65	1
JRS	2	-	-	-
Judges	-	-	-	-
JRA	3	-	-	-
VFFRPF	-	-	-	642

Employers can participate in multiple systems and/or plans.

B. PLAN DESCRIPTIONS

Public Employees' Retirement System

The Legislature established the Public Employees' Retirement System (PERS) in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior Courts (other than judges currently in a judicial retirement system); employees of legislative committees; community and technical colleges, college and university employees not in national higher education retirement programs; judges of district and municipal courts; and employees of local governments.

The Higher Education Retirement Plans are not administered by DRS. Approximately 50 percent of PERS salaries are accounted for by state employment. PERS retirement benefit provisions are established in chapters 41.34 and 41.40 RCW and may be amended only by the state Legislature.

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a combination defined benefit/ defined contribution plan.

PERS participants who joined the system by September 30, 1977, are Plan 1 members. Those who joined on or after October 1, 1977, and by either, February 28, 2002, for state and higher education employees, or August 31, 2002, for local government employees, are Plan 2 members unless they exercise an option to transfer their membership to Plan 3.

PERS participants joining the system on or after March 1, 2002, for state and higher education employees, or September 1, 2002, for local government employees, have the irrevocable option of choosing membership in either PERS Plan 2 or PERS Plan 3. The option must be exercised within 90 days of employment. An employee is reported in Plan 2 until a choice is made. Employees who fail to choose within 90 days default to PERS Plan 3. Notwithstanding, PERS Plan 2 and Plan 3 members may opt out of plan membership if terminally ill with less than five years to live.

PERS is comprised of and reported as three separate plans: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members.

Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan.

PERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and 2 defined benefit plans accrue interest at a rate specified by DRS.

During fiscal year 2011, the DRS-established rate on employee contributions was 5.5 percent compounded quarterly. Employees in PERS Plan 1 and 2 can elect to withdraw total employee contributions and interest thereon upon separation from PERS-covered employment.

PERS Plan 3 defined contribution benefits are financed from employee contributions and investment earnings. Employees in PERS Plan 3 can elect to withdraw total employee contributions adjusted by earnings and losses from the investment of those contributions upon separation from PERS-covered employment.

PERS Plan 1 retirement benefits are vested after an employee completes five years of eligible service. Plan 1 members are eligible for retirement after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service.

The monthly benefit is 2 percent of the average final compensation (AFC) per year of service capped at 60 percent. AFC is the monthly average of the 24 consecutive highest-paid service credit months.

The monthly benefit is subject to a minimum for PERS Plan 1 retirees who have 25 years of service and have been retired 20 years, or who have 20 years of service and have been retired 25 years. Plan 1 members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits. If a survivor option is chosen, the benefit is further reduced.

A cost-of-living allowance (COLA) is granted at age 66 based upon years of service times the COLA amount (based on the Consumer Price Index), capped at 3 percent annually. Plan 1 retirees, after being retired one year, will receive the annual COLA adjustment in July if they turn 66 years of age any time in the calendar year in which the COLA is given. Plan 1 members may also elect to receive an additional COLA amount (based on the Consumer Price Index), capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity payable to the age of 60. The allowance amount is $350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any worker's compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60.

A member with five years of membership service is eligible for non-duty disability retirement. Prior to the age of 55, the allowance amount is 2 percent of the AFC for each year of service reduced by 2 percent for each year that the member's age is less than 55.

The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. A COLA is granted at age 66 based upon years of service times the COLA amount (indexed to the Seattle Consumer Price Index), capped at 3 percent annually. Plan 1 members may also elect to receive an additional COLA amount (indexed to the Seattle Consumer Price Index), capped at 3 percent annually. To offset the costs of this annual adjustment, the benefit is reduced.

PERS Plan 1 members can receive credit for military service while actively serving in the military, if such credit makes them eligible to retire. Members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

The surviving spouse or designated beneficiary of a Plan 1 member who dies after leaving eligible employment having earned ten years of service credit has the option of receiving either a monthly survivor benefit or a lump sum of the member's contributions plus interest.

LEOFF Plan 1 members who transferred service credit to PERS Plan 1 between July 1, 1997, and July 1, 1998, are permitted to include the years of transferred service in meeting the 25 years of member service requirement to qualify for up to five years of prior, or non-interruptive, military service.

PERS Plan 2 members are vested after completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is 2 percent of the AFC per year of service. AFC is the monthly average of the 60 consecutive highest-paid service months.

Half time service credit is granted for members of PERS Plans 2 and 3 for educational employment prior to January 1, 1987.

PERS Plan 2 members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old, can retire under one of two provisions:

- With a benefit that is reduced by 3 percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

The benefit is also actuarially reduced to reflect the choice of a survivor option. There is no cap on years of service credit; and a COLA is granted (based on the Consumer Price Index), capped at 3 percent annually.

Refunds provided to survivors of PERS Plan 2 members that leave eligible employment after earning ten years of service credit and are subsequently killed in uniformed service to the United States while participating in Operation Enduring Freedom or Persian Gulf, Operation Iraqi Freedom is increased from 100 to 200 percent of the accumulated contributions in the member's account.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component.

The defined benefit portion provides a benefit calculated at 1 percent of the AFC per year of service. AFC is the monthly average of the 60 consecutive highest-paid service months.

Effective June 7, 2006, PERS Plan 3 members may be vested in the defined benefit portion of their plan after ten years of service or after five years of service, if 12 months of that service are earned after age 44 or after 5 service credit years earned in PERS Plan 2 by June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Vested Plan 3 members are eligible to retire with full benefits at age 65 or they may retire early with the following conditions and benefits:

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65;

- If they have 30 service credit years and are at least 55 years old, they have the choice of a benefit that is reduced by 3 percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.

The benefit is also actuarially reduced to reflect the choice of a survivor option. There is no cap on years of service credit; and Plan 3 provides the same COLA as Plan 2. Refer to section J of this note for a description of the defined contribution component of PERS Plan 3.

PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 allowance amount is 2 percent of the AFC for each year of service. For Plan 3 the allowance amount is 1 percent of the AFC for each year of service.

Benefits are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a COLA is granted (indexed to the Seattle Consumer Price Index) capped at 3 percent annually.

Beneficiaries of a PERS Plan 2 or 3 member with 10 years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not at normal retirement age at death. This provision applies to any member killed in the course of employment, on or after June 10, 2004, if found eligible by the Director of the Department of Labor and Industries.

PERS Plan 2 and Plan 3 members may have up to ten years of interruptive military service credit; 5 years at no cost, and 5 years that may be purchased by paying the required contributions. Effective July 24, 2005, a member who becomes totally incapacitated for continued employment while serving in the uniformed services, or a surviving spouse or eligible children, may apply for interruptive military service credit. Should any such member die during this active duty, the member's surviving spouse or eligible children may purchase credit on behalf of the deceased member.

PERS Plan 2 and Plan 3 members can purchase up to 24 months of service credit lost because of an on-the-job injury. PERS Plan 2 and Plan 3 members who apply for early retirement may, at the time of retirement, purchase up to five years of additional service credit. The cost of the additional service credit is the actuarial equivalent value of the resulting increase in the member's benefit.

A $150,000 death benefit is provided to the estate (or duly designated nominee) of a PERS member who dies in the line of service as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally or by a duty related illness, and proximately out of their covered employment, if found eligible by the Director of the Department of Labor and Industries.

PERS members may also purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement, and cannot be used to qualify for any retirement eligibility or benefit reductions based upon years of service. This credit is to be used exclusively to provide the member with a monthly annuity that is paid in addition to the member's retirement allowance.

Portability of retirement benefits allows for PERS members' compensation that is reportable in all dual members' systems, except in WSPRS, to be included in the calculation of all dual members' benefits, and removing the "maximum benefit rule" for dual members who have less than 15 years of service in one capped plan and service in one uncapped plan.

Effective after the January 2008 distribution, gain sharing for PERS Plan 1 and Plan 3 members was discontinued.

Additional COLAs were provided to PERS Plan 1 retirees in July 2009 and new alternative early retirement provisions were created for PERS Plan 2 and Plan 3 members.

Beginning January 1, 2007, through December 31, 2007, judicial members of PERS were given the choice to participate in the Judicial Benefit Multiplier (JBM) Program enacted in 2006.

Justices or judges in PERS Plans 1 and 2 were able to make a one-time irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of AFC.

Judges in PERS Plan 3 could elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of AFC.

Members who chose to participate would:

- Accrue service credit at the higher multiplier beginning with the date of their election.
- Be subject to the benefit cap of 75 percent of AFC.
- Stop contributing to the Judicial Retirement Account (JRA).
- Pay higher contributions.
- Be given the option to increase the multiplier on past judicial service.

Members who did not choose to participate would:

- Continue to accrue service credit at the regular multiplier (i.e. 1 percent, 2 percent, or 3 percent).
- Continue to participate in JRA, if applicable.
- Never be a participant in the JBM program.
- Continue to pay contributions at the regular PERS rate.

Newly elected justices and judges who chose to become PERS members on or after January 1, 2007, or who had not previously opted into PERS membership, were required to participate in the JBM program.

Members required to join the JBM program would:

- Return to prior PERS Plan if membership had previously been established.
- Be mandated into Plan 2 and not have a Plan 3 transfer choice, if a new PERS member.
- Accrue the higher multiplier for all judicial service.
- Not contribute to JRA.
- Not have the option to increase the multiplier for past judicial service.

Judges and justices who are members of PERS may purchase prior judicial service credit at a higher multiplier at retirement.

During the period of January 1, 2009, through June 30, 2009, active and inactive PERS members who were not then serving as justices or judges, but who have served as such in the past, may request an increase in their benefit multiplier for past periods of judicial service and pay a cost that is the actuarial equivalent of the increase.

Material changes, if any, in PERS benefit provisions for the fiscal year ended June 30, 2011, are listed in the table at the end of this section.

Teachers' Retirement System

The Teachers' Retirement System (TRS) was legislatively established in 1938. Eligibility for membership requires service as a certificated public school employee in an instructional, administrative or supervisory capacity. TRS is comprised principally of non-state employees. TRS retirement benefit provisions are established in chapters 41.32 and 41.34 RCW and may be amended only by the state Legislature.

TRS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a combination defined benefit/defined contribution plan.

TRS participants who joined the system by September 30, 1977, are Plan 1 members. Those who joined on or after October 1, 1977, and by June 30, 1996, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3.

TRS participants joining the system on or after July 1, 1996, and those who exercised their transfer option, are members of TRS Plan 3.

TRS members hired on or after July 1, 2007, have 90 days to make an irrevocable choice to enroll in either Plan 2 or Plan 3. An employee is reported in Plan 2 until a choice is made. Employees who fail to choose within 90 days default to TRS Plan 3. Notwithstanding, TRS Plan 2 and Plan 3 members may opt out of plan membership if terminally ill, with less than five years to live.

TRS is comprised of and reported as three separate plans: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members.

Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan.

TRS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the TRS Plan 1 and 2 defined benefit plans accrue interest at a rate specified by DRS.

During fiscal year 2011, the DRS-established rate on employee contributions was 5.5 percent compounded quarterly. Employees in TRS Plan 1 and 2 can elect to withdraw total employee contributions and interest thereon upon separation from TRS-covered employment. TRS Plan 3 defined contribution benefits are financed from employee contributions and investment earnings.

Employees in TRS Plan 3 can elect to withdraw total employee contributions adjusted by earnings and losses from the investment of those contributions upon separation from TRS-covered employment.

TRS Plan 1 retirement benefits are vested after an employee completes five years of eligible service. Plan 1 members are eligible for retirement after 30 years of

service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The annual pension is 2 percent of the average final compensation (AFC) per year of service (AFC is based on the greatest compensation during the highest of any consecutive two compensation contract years), capped at 60 percent.

A COLA is granted at age 66 based upon years of service times the COLA amount, increased by 3 percent annually. Plan 1 retirees will receive the annual COLA adjustment in July if they turn 66 years of age any time in the calendar year in which the COLA is given. Plan 1 members may also elect to receive an additional COLA amount (based on the Consumer Price Index), capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

TRS Plan 1 provides death benefits as well as permanent and temporary disability benefits. TRS Plan 1 members receive the following additional lump sum death benefits: retired members-$400 (if retired with ten years of full-time membership), $400 (if inactive with ten years of membership), active members $600 (if employed full-time at time of death).

Members on temporary disability receive a monthly payment of $180 payable for up to two years, for the same occurrence. After five years of service, members on a disability retirement receive an allowance based on their salary and service to date of disability. Members enrolled in TRS prior to April 25, 1973, may elect a benefit based on the formula in effect at that time.

TRS Plan 2 retirement benefits are vested after an employee completes five years of eligible service. Plan 2 members may retire at the age of 65 with five years of service, or at the age of 55 with 20 years of service, with an allowance of 2 percent of the AFC per year of service. (AFC is based on the greatest compensation during any eligible consecutive 60-month period.) Plan 2 retirements prior to the age of 65 receive reduced benefits.

TRS Plan 2 members who have 30 or more years of service credit and are at least 55 years old, can retire under one of two provisions:

- With a benefit that is reduced by 3 percent for each year before age 65; or

- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

There is no cap on years of service credit; and a COLA is granted (indexed to the Seattle Consumer Price Index), capped at 3 percent annually.

TRS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. The defined benefit portion provides a benefit calculated at 1 percent of the AFC per year of service. AFC is based on the greatest compensation during any eligible consecutive 60-month period. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Effective June 7, 2006, TRS Plan 3 members may be vested in the defined benefit portion of the plan either after ten years of service or after five years of service, as long as 12 consecutive months of service were accrued after attainment of age 44. Plan 3 retirements prior to the age of 65 receive reduced benefits.

Vested TRS Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions and benefits:

- If they have at least 10 service credit years and are 55 years old, the benefit is reduced by an ERF that varies according to age, for each year before age 65;

- If they have 30 service credit years and are at least 55 years old, they have the choice of a benefit that is reduced 3 percent for each year before age 65, or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.

There is no cap on years of service credit and Plan 3 provides the same COLA as Plan 2. Refer to section J of this note for a description of the defined contribution component of TRS Plan 3.

TRS Plan 2 and Plan 3 members who work for at least five months of a six-month period, from September through August, and earn 630 hours or more within that six-month period receive six months of service credit.

Plan 2 and Plan 3 members need have only two years of service credit in order to be eligible to purchase up to seven years of service credit for public education experience earned in another state or with the federal government.

TRS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 allowance amount is 2 percent of the AFC for each year of service. For Plan 3, the allowance amount is 1 percent of the AFC for each year of service. Benefits are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option.

Beneficiaries of a TRS Plan 2 or Plan 3 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not at normal retirement age at death. This provision applies to any member killed in the course of employment, on or after June 10, 2004, if found eligible by the Director of the Department of Labor and Industries.

TRS members can purchase service credit for military service that interrupts employment. Additionally, TRS members who become totally incapacitated for continued employment while serving in the uniformed services may apply for interruptive military service credit. Should any such member die during this active duty, the member's surviving spouse or eligible children may purchase credit on behalf of the deceased member.

TRS members may purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

TRS members may purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement, and cannot be used to qualify for any retirement eligibility or benefit reductions based upon years of service. This credit is to be used exclusively to provide the member with a monthly annuity that is paid in addition to the member's retirement allowance.

Active TRS Plan 2 and Plan 3 members may also make a one-time purchase of up to seven years of service credit for education experience earned in a state or federal public school outside the state of Washington. Completion of at least five years of service under TRS is required.

A $150,000 death benefit is provided to the estate (or duly designated nominee) of a TRS member who dies in the line of service as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of their covered employment or duty related illness, if found eligible by the Director of the Department of Labor and Industries.

Portability of retirement benefits allows for TRS members' compensation that is reportable in all dual members' systems, except in WSPRS, to be included in the calculation of all dual members' benefits, and removing the "maximum benefit rule" for dual members who have less than 15 years of service in one capped plan and service in one uncapped plan.

Effective after the January 2008 distribution, gain sharing for TRS Plan 1 and Plan 3 members was discontinued. Additional COLAs were provided to TRS Plan 1 retirees in July 2009 and new alternative early retirement provisions were created for TRS Plan 2 and Plan 3 members.

Beginning January 1, 2007, through December 31, 2007, judicial members of TRS were given the choice to participate in the Judicial Benefit Multiplier (JBM) Program enacted in 2006.

Justices or judges in TRS Plan 1 were able to make a one-time irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of AFC.

Members who chose to participate would:

- Accrue service credit at the higher multiplier beginning with the date of their election.
- Be subject to the benefit cap of 75 percent of AFC.
- Stop contributing to the Judicial Retirement Account (JRA).
- Pay higher contributions.
- Be given the option to increase the multiplier on past judicial service.

Members who did not choose to participate would:

- Continue to accrue service credit at the regular multiplier (i.e. 2 percent).
- Continue to participate in JRA, if applicable.
- Never be a participant in the JBM program.
- Continue to pay contributions at the regular TRS rate.

Newly elected justices and judges who chose to become TRS members on or after January 1, 2007, or who had not previously opted into TRS membership, were required to participate in the JBM program. Members required to join the JBM program would:

- Return to prior TRS Plan if membership had previously been established.
- Accrue the higher multiplier for all judicial service.
- Not contribute to JRA.
- Not have the option to increase the multiplier for past judicial service.

Material changes, if any, in TRS benefit provisions for the fiscal year ended June 30, 2011, are listed in the table at the end of this section.

School Employees' Retirement System

The Legislature established the School Employees' Retirement System (SERS) in 2000. Membership in the system includes all classified employees of school districts

or educational service districts. SERS is comprised principally of non-state employees. SERS retirement benefit provisions are established in chapters 41.34 and 41.35 RCW and may be amended only by the state Legislature.

SERS is a cost-sharing multiple-employer retirement system comprised of two separate plans for membership purposes: Plan 2 is a defined benefit plan and Plan 3 is a combination defined benefit/defined contribution plan.

As of September 1, 2000, the membership of classified school employees in PERS Plan 2 was transferred to SERS Plan 2. Those who joined on or after October 1, 1977, and by August 31, 2000, are SERS Plan 2 members unless they exercised an option to transfer their membership to Plan 3.

SERS participants joining the system on or after September 1, 2000, and those who exercised their transfer option, are members of SERS Plan 3.

SERS members hired on or after July 1, 2007, have 90 days to make an irrevocable choice to enroll in either Plan 2 or Plan 3. An employee is reported in Plan 2 until a choice is made. Employees who fail to choose within 90 days default to SERS Plan 3. Notwithstanding, SERS Plan 2 and Plan 3 members may opt out of plan membership if terminally ill, with less than five years to live.

SERS is comprised of and reported as two separate plans: Plan 2/3 and Plan 3. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members.

Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan.

SERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the SERS Plan 2 defined benefit plan accrue interest at a rate specified by DRS. During fiscal year 2011, the DRS-established rate on employee contributions was 5.5 percent compounded quarterly.

Employees in SERS Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from SERS-covered employment. SERS Plan 3 defined contribution benefits are financed from employee contributions and investment earnings.

Employees in SERS Plan 3 can elect to withdraw total employee contributions adjusted by earnings and losses from the investment of those contributions upon separation from SERS-covered employment.

SERS Plan 2 retirement benefits are vested after an employee completes five years of eligible service. Plan 2 members may retire at the age of 65 with five years of service, or at the age of 55 with 20 years of service, with an allowance of 2 percent of the average final compensation (AFC) per year of service. (AFC is based on the greatest compensation during any eligible consecutive 60-month period.)

SERS Plan 2 members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65. SERS Plan 2 members who have 30 service credit years and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by 3 percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

The benefit is also actuarially reduced to reflect the choice of a survivor option. There is no cap on years of service credit; and a COLA is granted (indexed to the Seattle Consumer Price Index), capped at 3 percent annually.

SERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. The defined benefit portion provides a benefit calculated at 1 percent of the AFC per year of service. (AFC is based on the greatest compensation during any eligible consecutive 60-month period.)

Effective June 7, 2006, SERS Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after 5 years of service if 12 months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 by September 1, 2000. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Vested SERS Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions and benefits:

- If they have at least 10 service credit years and are 55 years old, the benefit is reduced by an ERF that varies according to age, for each year before age 65;

- If they have 30 service credit years and are at least 55 years old, they have the choice of a benefit that is reduced by 3 percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.

The benefit is also actuarially reduced to reflect the choice of a survivor option. There is no cap on years of service credit; and Plan 3 provides the same COLA as Plan 2. Refer to section J of this note for a description of the defined contribution component of SERS Plan 3.

Effective after the January 2008 distribution, gain sharing for SERS Plan 3 members was discontinued and new alternative early retirement provisions were created for SERS Plan 2 and Plan 3 members.

SERS members can purchase service credit for military service that interrupts employment. Additionally, SERS members who become totally incapacitated for continued employment while serving in the uniformed services may apply for interruptive military service credit.

Should any such member die during this active duty, the member's surviving spouse or eligible children may purchase service credit on behalf of the deceased member. SERS members may purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

SERS provides disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 allowance amount is 2 percent of the AFC for each year of service. For Plan 3 the allowance amount is 1 percent of the AFC for each year of service. Benefits are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option.

Beneficiaries of a SERS member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not at normal retirement age at death. This provision applies to any member killed in the course of employment, on or after June 10, 2004, if found eligible by the Director of the Department of Labor and Industries.

SERS members who apply for early retirement may, at the time of retirement, purchase up to five years of additional service credit. The cost of the additional service credit is the actuarial equivalent value of the resulting increase in the member's benefit.

SERS members may also purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement, and cannot be used to qualify for any retirement eligibility or benefit reductions based upon years of service. This credit is to be used exclusively to provide the member with a monthly annuity that is paid in addition to the member's retirement allowance.
Half time service credit is granted for members of SERS Plans 2 and 3 for educational employment prior to January 1, 1987.

SERS members who work for at least five months of a six-month period, from September through August, and earn 630 hours or more within that six-month period receive six months of service credit.

A $150,000 death benefit is provided to the estate (or duly designated nominee) of a SERS member who dies in the line of service as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of their covered employment, or duty related illness if found eligible by the Director of the Department of Labor and Industries.

Portability of retirement benefits allows for SERS members' compensation that is reportable in all dual members' systems, except in WSPRS, to be included in the calculation of all dual members' benefits, and removing the "maximum benefit rule" for dual members who have less than 15 years of service in one capped plan and service in one uncapped plan.

Material changes, if any, in SERS benefit provisions for the fiscal year ended June 30, 2011, are listed in the table at the end of this section.

Law Enforcement Officers' and Fire Fighters' Retirement System

The Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) was established in 1970 by the Legislature. Membership includes all full-time, fully compensated, local law enforcement officers and firefighters, and as of July 24, 2005, those emergency medical technicians who were given the option and chose LEOFF Plan 2 membership.

LEOFF membership is comprised primarily of non-state employees, with Department of Fish and Wildlife enforcement officers who were first included prospectively effective July 27, 2003, being a major exception. LEOFF retirement benefit provisions are established in chapter 41.26 RCW and may be amended only by the state Legislature.

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF participants who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977, are Plan 2 members.

Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established by Initiative 790 to provide governance of LEOFF Plan 2. The Board's duties include adopting contribution rates and recommending policy changes to the Legislature for the LEOFF Plan 2 retirement plan.

LEOFF defined benefit retirement benefits are financed from a combination of investment earnings, employer and employee contributions, and a special funding situation in which the state pays through state legislative appropriations. Employee contributions to the LEOFF Plan 1 and 2 defined benefit plans accrue interest at a rate specified by DRS.

During fiscal year 2011, the DRS-established rate on employee contributions was 5.5 percent compounded quarterly. Employees in LEOFF Plan 1 and 2 can elect to withdraw total employee contributions and interest earnings thereon upon separation from LEOFF-covered employment.

LEOFF Plan 1 retirement benefits are vested after an employee completes five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50.

The benefit per year of service calculated as a percent of final average salary (FAS) is as follows:

Term of Service	Percent of FAS
20+	2.0%
10-19	1.5%
5-9	1.0%

The FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months' salary within the last ten years of service. A COLA is granted (indexed to the Seattle Consumer Price Index).

LEOFF Plan 1 provides death and disability benefits. Death benefits for Plan 1 members on active duty consist of the following: (1) If eligible spouse, 50 percent of the FAS, plus 5 percent of FAS for each surviving child, with a limitation on the combined allowances of 60 percent of the FAS; or (2) If no eligible spouse, 30 percent of FAS for the first child plus 10 percent for each additional child, subject to a 60 percent limitation of FAS.

The LEOFF Plan 1 disability allowance is 50 percent of the FAS plus 5 percent for each child up to a maximum of 60 percent. Upon recovery from disability before the age of 50, a member is restored to service with full credit for service while disabled. Upon recovery after the age of 50, the benefit continues as the greater of the member's disability allowance or service retirement allowance.

LEOFF Plan 1 members may purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement, and cannot be used to qualify for any retirement eligibility or benefit reductions based upon years of service. This credit is to be used exclusively to provide the member with a monthly annuity that is paid in addition to the member's retirement allowance.

LEOFF Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members may retire at age 50 with 20 years of service, or at the age of 53 with five years of service, with an allowance of 2 percent of the FAS per year of service (FAS is based on the highest consecutive 60 months). Plan 2 members who retire prior to the age of 53 receive reduced benefits.

Benefits are actuarially reduced for each year that the benefit commences prior to age 53 and to reflect the choice of a survivor option. If the member has at least 20 years of service and is age 50, the reduction is 3 percent for each year prior to age 53. There is no cap on years of service credit; and a COLA is granted (based on the Consumer Price Index), capped at 3 percent annually.

LEOFF Plan 2 members may purchase up to five years of additional service credit at retirement. LEOFF Plan 2 members can also purchase service credit for military service that interrupts employment.

Additionally, LEOFF Plan 2 members who become totally incapacitated for continued employment while serving in the uniformed services may apply for interruptive military service credit. Should any such member die during this active duty, the member's surviving spouse or eligible children may purchase credit on behalf of the deceased member.

Employer authorized shared leave received by LEOFF Plan 2 members from a non-state employer, must receive the same treatment in respect to service credit and FAS that a member would normally receive if using accrued annual leave or sick leave. This applies to directly and indirectly transferred leave, such as through a shared leave pool, and includes leave transferred prior to the effective date of the act providing that retirement contributions were made on the shared leave.

LEOFF Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility.

The Plan 2 allowance amount is 2 percent of the FAS for each year of service. Benefits are actuarially reduced for each year that the member's age is less than 53, unless the disability is duty-related, and to reflect the choice of a survivor option.

If the member has at least 20 years of service and is age 50, the reduction is 3 percent for each year prior to age 53. Plan 2 members may purchase up to 24 consecutive months of service credit for each period of temporary duty disability.
For Emergency Medical Technicians who joined LEOFF Plan 2 as a result of 2003 and 2005 legislation, the five year waiting period is waived when they die or retire due to disability.

Members of LEOFF Plan 2 who leave service because of a line of duty disability are allowed to withdraw 150 percent of accumulated member contributions. This withdrawal benefit is not subject to federal income tax.

Alternatively, members of LEOFF Plan 2 who leave service because of a line of duty disability may be eligible to receive a retirement allowance of at least 10 percent of the FAS and 2 percent per year of service beyond five years. The first 10 percent of FAS is not subject to federal income tax.

LEOFF Plan 2 members who are severely disabled in the line of duty and incapable of substantial gainful employment in any capacity in the future, can receive a catastrophic disability benefit from LEOFF Plan 2 equal to 70 percent of their FAS subject to offsets for workers' compensation and Social Security disability benefits received. Effective June 2010, benefits to LEOFF Plan 2 members who are catastrophically disabled include payment of eligible health care insurance premiums.

LEOFF Plan 2 retirees may return to work in an eligible position covered by another retirement system, choose membership in that system and suspend their pension benefits, or not choose membership and continue receiving pension benefits without interruption.

Beneficiaries of a LEOFF Plan 2 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not at normal retirement age at death. This provision applied to any member killed in the course of employment, or after June 10, 2004, if found eligible by the Director of the Department of Labor and Industries.

Beginning in 2011, when state General Fund revenues increase by at least 5 percent over the prior biennium's revenues, the State Treasurer will transfer, subject to legislative appropriation, specific amounts into a Local Public Safety Enhancement Account. Half of this transfer will be proportionately distributed to all jurisdictions with LEOFF Plan 2 members. The other half will be transferred to a LEOFF Retirement System Benefits Improvement Account to fund benefit enhancements for LEOFF Plan 2 members.

Eligible survivors of LEOFF Plan 2 members who are killed in the line of duty are reimbursed for the cost of on-going health care insurance coverage.

A $214,000 death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 2 member who dies as a result of injuries sustained in the course of employment or dies from occupational disease or duty-related illness such as an infectious disease or cancer resulting from a job-related exposure, or duty related illness if found eligible by the Director of the Department of Labor and Industries. The death benefit amount is adjusted each year by the Seattle Consumer Price Index up to a maximum of 3 percent each year. This applies to all members of LEOFF Plan 2 killed in the course of employment since January 1, 2009.

Effective June 2009, domestic partners of LEOFF Plan 2 members are granted the same pension rights and options as spouses.

The optional lump sum payment payable upon remarriage is increased for LEOFF Plan 2 survivors of a member killed in the course of employment from 24 times the monthly allowance that the member was receiving at the time or remarriage to an amount equal to 36 times the monthly allowance.

Portability of retirement benefits allows for LEOFF Plan 2 members' compensation that is reportable in all dual members' systems, except in WSPRS, to be included in the calculation of all dual members' benefits, and removing the "maximum benefit rule" for dual members who have less than 15 years of service in one capped plan and service in one uncapped plan.

Department of Fish and Wildlife Enforcement Officers can transfer service credit earned as an enforcement officer in PERS Plan 2 or PERS Plan 3 to LEOFF Plan 2. Member, employer and state contribution rates will increase to the extent necessary to fund the difference in the value of the service credit transferred between the plans and the member contributions transferred into LEOFF Plan 2.

Active LEOFF members can choose whether or not to obtain and pay for Medicare coverage through a "divided referendum" process.

Material changes, if any, in LEOFF benefit provisions for the fiscal year ended June 30, 2011, are listed in the table at the end of this section.

Washington State Patrol Retirement System

The Washington State Patrol Retirement System (WSPRS) was established by the Legislature in 1947. Any commissioned employee of the Washington State Patrol is eligible to participate. WSPRS benefits are established in chapter 43.43 RCW and may be amended only by the state Legislature.

WSPRS is a single-employer defined benefit retirement system. WSPRS participants who joined the system by December 31, 2002, are Plan 1 members. Those who joined on or after January 1, 2003, are Plan 2 members.

For financial reporting and investment purposes, however, both plans are accounted for in the same pension fund.

WSPRS retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to WSPRS accrue interest at a rate specified by DRS.

During fiscal year 2011, the DRS-established rate on employee contributions was 5.364 percent annually, compounded monthly. Employees in WSPRS can elect to withdraw total employee contributions and interest earnings thereon upon separation from WSPRS-covered employment.

WSPRS member contribution rates will be no more than 7 percent of pay plus half the cost of any future benefit improvements. Employers will pay the contribution rate required to cover all system costs that are not covered by the member contribution rate. Also a minimum total contribution rate is established for WSPRS, beginning July 1, 2010.

There is no vesting requirement for active WSPRS members. Inactive WSPRS members are vested after the completion of five years of eligible service. Members are eligible for retirement at the age of 55 with five years of service, or after 25 years of service.

The annual pension is 2 percent of the average final salary (AFS), capped at 75 percent, per year of service. A cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at 3 percent annually.

The WSPRS mandatory retirement age is 65, but does not apply to the member serving as chief of the Washington State Patrol.

WSPRS members may purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement, and cannot be used to qualify for any retirement eligibility or benefit reductions based upon years of service. This credit is to be used exclusively to provide the member with a monthly annuity that is paid in addition to the member's retirement allowance.

WSPRS benefit provisions include death benefits; however, the system provides no disability benefits. Disability benefits may be available from the Washington State Patrol. If disability benefits are received, the member may be eligible to acquire service credit for the period of disability.

A $150,000 death benefit is provided to the estate (or duly designated nominee) of a WSPRS Plan 1 member who dies as a result of injuries sustained in the course of employment or dies from occupational disease or duty-related illness such as an infectious disease or cancer resulting from a job-related exposure, or duty related illness if found eligible by the Director of the Department of Labor and Industries.

The spouse and dependent children of a WSPRS member who is killed in the course of employment will be reimbursed for any payments of medical premiums to the Washington State Health Care Authority.

For WSPRS Plan 1 members, AFS is based on the average of the two highest-paid service credit years and excludes voluntary overtime.

Death benefits for Plan 1 members on active duty consist of the following: (1) If eligible spouse, 50 percent of the AFS, plus 5 percent of the AFS for each surviving child, with a limitation on the combined allowances of 60 percent of the AFS; or (2) If no eligible spouse, 30 percent of AFS for the first child plus 10 percent for each additional child, subject to a 60 percent limitation of AFS.

For WSPRS Plan 2 members, AFS is based on the average of the five consecutive highest-paid service credit years and excludes both voluntary overtime and cash-outs of annual and holiday leave. At retirement, Plan 2 members also have the option of selecting an actuarially reduced benefit in order to provide for post-retirement survivor benefits.

Death benefits for active-duty Plan 2 members consist of the following: (1) If the member is single or has less than ten years of service, the return of the member's accumulated contributions; or (2) If the member is married, has an eligible child, or has completed ten years of service, a reduced benefit allowance reflecting a joint and 100 percent survivor option or 150 percent of the member's accumulated contributions, at the survivor's option.

Effective June 2009, state-registered domestic partners are granted the ability to receive the survivor and death benefits available to spouses.

A $214,000 death benefit is provided to the estate (or duly designated nominee) of a WSPRS Plan 2 member who dies as a result of injuries sustained in the course of employment or dies from occupational disease or duty-related illness such as an infectious disease or cancer resulting from a job-related exposure, or duty related illness if found eligible by the Director of the Department of Labor and Industries. The death benefit amount is adjusted each year by the Seattle Consumer Price Index up to a maximum of 3 percent each year. This applies to all members of WSPRS Plan 2 killed in the course of employment since January 1, 2009.

WSPRS Plan 2 members can purchase service credit for military service that interrupts employment. Additionally, WSPRS Plan 2 members who become totally incapacitated for continued employment while serving in the uniformed services may apply for interruptive military service credit. Should any such member die during this active duty, the member's surviving spouse or eligible children may purchase credit on behalf of the deceased member.

Beneficiaries of a WSPRS Plan 2 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not of normal retirement age at death. This provision applies to any member killed in the course of employment, on or after June 10, 2004, if found eligible by the Director of the Department of Labor and Industries.

Compensation for members of WSPRS Plans 1 and 2 who become totally disabled during the line of duty includes any payments for premiums for employer-provided medical insurance.

Material changes, if any, in WSPRS benefit provisions for the fiscal year ended June 30, 2011, are listed in the table at the end of this section.

Public Safety Employees' Retirement System

The Public Safety Employees' Retirement System (PSERS) was created by the 2004 Legislature and became effective July 1, 2006. PSERS pension benefit provisions have been established by chapter 41.37 RCW and may be only amended by the state Legislature. PSERS is a cost-sharing multiple-employer retirement system comprised of a single defined benefit plan, PSERS Plan 2.

PSERS membership includes:

- Full-time employees of a covered employer on or before July 1, 2006, who met at least one of the PSERS eligibility criteria, and elected membership during the election period of July 1, 2006 to September 30, 2006; and,
- Full-time employees hired on or after July 1, 2006, by a covered employer, that meet at least one of the PSERS eligibility criteria.

A "covered employer" is one that participates in PSERS. Covered employers include:

- State of Washington agencies: Department of Corrections, Parks and Recreation Commission, Gambling Commission, Washington State Patrol, Liquor Control Board, and Department of Natural Resources;
- Washington state counties;
- Washington cities except for Seattle, Tacoma and Spokane; and
- Interlocal corrections agencies.

To be eligible for PSERS, an employee must work on a full-time basis and:

- Have completed a certified criminal justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington, and carry a firearm as part of the job; or
- Have primary responsibility to ensure the custody and security of incarcerated or probationary individuals; or
- Function as a limited authority Washington peace officer, as defined in RCW 10.93.020; or
- Have primary responsibility to supervise eligible members who meet the above criteria.

PSERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PSERS defined benefit plans accrue interest at a rate specified by DRS.

During fiscal year 2011, the DRS-established rate on employee contributions was 5.5 percent compounded quarterly. Employees in PSERS can elect to withdraw total employee contributions and interest thereon upon separation from PSERS-covered employment.

PSERS benefits are vested after an employee completes five years of eligible service. PSERS members may retire at the age 65 with five years of service, or at the age of 60 with at least ten years of PSERS service credit, with an allowance of 2 percent of the average final compensation (AFC) per year of service.

The AFC is the monthly average of the member's 60 consecutive highest-paid service credit months, excluding any severance pay such as lump-sum payments for deferred sick leave, vacation or annual leave. Plan 2 retirees prior to the age of 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a 3 percent per year reduction for each year between the age at retirement and age 60 applies. There is no cap on years of service credit; and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at 3 percent annually.

PSERS members can purchase service credit for military service that interrupts employment. Additionally, PSERS members who become totally incapacitated for continued employment while serving in the uniformed services may apply for interruptive military service credit. Should any such member die during this active duty, the member's surviving spouse or eligible children may purchase credit on behalf of the deceased member.

PSERS members may also purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement, and cannot be used to qualify for any retirement eligibility or benefit reductions based upon years of service. This credit is to be used exclusively to provide the member with a monthly annuity that is paid in addition to the member's retirement allowance.

PSERS provides disability benefits. There is no minimum amount of service credit required for eligibility. Eligibility is based on the member being totally incapacitated for continued employment with a PSERS employer and leaving that employment as a result of the disability. The disability allowance is 2 percent of the average final compensation (AFC) for each year of service. AFC is based on the member's 60 consecutive highest creditable months of service. Service credit is the total years and months of service credit at the time the member separates from employment. Benefits are actuarially reduced for each year that the member's age is less than 60 (with ten or more service credit years in PSERS), or less than 65 (with fewer than ten service credit years).

PSERS members may purchase up to 24 consecutive months of service credit (up from 12 months) for each period of temporary duty disability.

Beneficiaries of a PSERS member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not at normal retirement age at death. This provision applies to any member killed in the course of employment, if found eligible by the Director of the Department of Labor and Industries.

A $150,000 death benefit is provided to the estate (or duly designated nominee) of a PSERS member who dies as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of their covered employment, or duty related illness if found eligible by the Director of the Department of Labor and Industries.

The optional lump sum payment payable upon remarriage is increased for PSERS Plan 2 survivors of a member killed in the course of employment from 24 times the monthly allowance that the member was receiving at the time or remarriage to an amount equal to 36 times the monthly allowance.

Portability of retirement benefits allows for PSERS members' compensation that is reportable in all dual members' systems, except in WSPRS, to be included in the calculation of all dual members' benefits, and removing the "maximum benefit rule" for dual members who have less than 15 years of service in one capped plan and service in one uncapped plan.

Material changes, if any, to PSERS benefit provisions for the fiscal year ended June 30, 2011, are listed in the table at the end of this section.

Judicial Retirement System

The Judicial Retirement System (JRS) was established by the Legislature in 1971. Membership includes judges elected or appointed to the Supreme Court, Court of Appeals, and Superior Courts on or after August 9, 1971. The system was closed to new entrants on July 1, 1988, with new judges joining PERS Plan 2. JRS retirement benefit provisions are established in chapter 2.10 RCW and may be amended only by the state Legislature.

JRS is an agent multiple-employer retirement system comprised of a single defined benefit plan. JRS retirement benefits are financed on a pay-as-you-go basis from a combination of investment earnings, employer contributions, employee contributions, and a special funding situation in which the state pays the remaining contributions.

During fiscal year 2011, the DRS established rate on employee contributions was 5.5 percent, compounded quarterly. JRS employees who are vested in the plan may not elect to withdraw their contributions upon termination.

However, any JRS member that left the system before July 1, 1988, or his/her spouse, who was ineligible to receive a benefit at that time, may apply and receive a refund of such contributions from DRS, if said contributions have not been already refunded via a sundry claims appropriation from the state Legislature.

JRS members are eligible for retirement at the age of 60 with 15 years of service, or at the age of 60 after 12 years of service (if the member left office involuntarily) with at least 15 years after beginning judicial service.

The benefit per year of service calculated as a percent of average final compensation (AFC) is the table below. This benefit is capped at 75 percent of AFC, exclusive of cost of living increases.

Term of Service	Percent of AFC
15+	3.5%
10-14	3.0%

Death and disability benefits are also provided. Eligibility for death benefits while on active duty requires ten or more years of service. A monthly spousal benefit is provided which is equal to 50 percent of the benefit a member would have received if retired.

If the member is retired, the surviving spouse receives the greater of 50 percent of the member's retirement benefit or 25 percent of the AFC. For members with ten or more years of service, a disability benefit of 50 percent of AFC is provided.

Material changes, if any, in JRS benefit provisions for the fiscal year ended June 30, 2011, are listed in the table at the end of this section.

Judges' Retirement Fund

The Judges' Retirement Fund was created by the Legislature on March 22, 1937, to provide retirement benefits to judges of the Supreme Court, Court of Appeals, or Superior Courts of the state of Washington.

Subsequent legislation required that all judges, first appointed or elected to office on or after August 1, 1971, enter the Judicial Retirement System. Judges' retirement benefit provisions are established in chapter 2.12 RCW and may be amended only by the state Legislature.

The Judges' Retirement Fund is an agent multiple-employer retirement system comprised of a single defined benefit plan. There are currently no active members in this plan.

Retirement benefits were financed on a pay-as-you-go basis from a combination of past employee contributions, past employer contributions, and a special funding situation in which the state paid the remaining contributions. Retirees did not earn interest on their contributions, nor could they elect to withdraw their contributions upon termination.

Judges' members are eligible for retirement at the age of 70 with ten years of service, or at any age with 18 years of service. Members are eligible to receive a partial retirement allowance after 12 years of credited service as a judge. With the exception of a partial retirement allowance, the member receives a benefit equal to one-half of the monthly salary being received as a judge at the time of retirement, or at the end of the term immediately prior to retirement if retirement occurs after the expiration of the member's term in office. A partial retirement allowance is based on the proportion of the member's 12 or more years of service in relation to 18 years of service.

Material changes, if any, in benefit provisions for Judges for the fiscal year ended June 30, 2011, are listed in the table at the end of this section.

The Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund

The Volunteer Fire Fighters' Relief Act was created by the Legislature in 1935 and the pension portion of the act was added in 1945. Membership in the system requires volunteer firefighter service with a fire department of an electing municipality of Washington State, emergency work as an emergency medical technician with an emergency medical service district, or work as a commissioned reserve law enforcement officer.

Retirement benefits are established in chapter 41.24 RCW and may be amended only by the state Legislature.
The Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund (VFFRPF) is a cost-sharing multiple-employer retirement system that provides death and active duty disability benefits to all members, and optional defined benefit pension plan payments. VFFRPF retirement benefits are financed from a combination of investment earnings, member contributions, municipality contributions, and a special funding situation where the state pays the remaining contributions. Since retirement benefits cover volunteer service, benefits are paid based on years of service not salary. Members are vested after ten years of service. VFFRPF members accrue no interest on contributions and may elect to withdraw their contributions upon termination.

After 25 years of active membership, members having reached the age of 65 and who have paid their annual retirement fee for 25 years are entitled to receive a monthly benefit of $50 plus $10 per year of service. The maximum monthly benefit is $300. Reduced pensions are available for members under the age of 65 or with less than 25 years of service.

Death and active duty disability benefits are provided at no cost to the member. Death benefits in the line of duty consist of a lump sum of $152,000. Funeral and burial expenses are also paid in a lump sum of $2,000 for members on active duty. Members receiving disability benefits at the time of death shall be paid $500.

Members on active duty shall receive disability payments of $2,550 per month for up to six months; thereafter, payments are reduced. Disabled members receive $1,275 per month, their spouse $255, and dependent children $110.

Effective June 10, 2010, members of the VFFRPF retirement system with vested pensions who have reached age 65 may, under certain conditions, retire from service, draw their pensions, and return to service. Additional service does not count toward the pension, and members cannot draw disability compensation.

Departments opting to allow their members to participate in the retire-rehire program agree to pay for annual physicals and an additional surcharge.

Effective July 22, 2007, vocational rehabilitation may be paid for disabled members who are unable to return to their previous employment. Members that qualify are subject to a $4,000 maximum limit and are required to follow certain conditions established by the board and authorized by chapter 41.24 RCW.
Effective July 1, 2001, the disability income benefits and the maximum survivor benefits under the Relief Plan are increased for increases in the Consumer Price Index.

Material changes, if any, in VFFRPF benefit provisions for the fiscal year ended June 30, 2011, are listed in the table at the end of this section.

Material Legislative Changes to Pension Plans
For the Fiscal Year Ended June 30, 2011

System/Plan Affected	Effective Date	Description of the changes
PERS Plan 3, TRS Plan 3, and SERS Plan 3	6/30/10 - 6/30/11	The Employee Retirement Benefits Board was abolished and its former duties were transferred to the Department of Retirement Systems (DRS) Director. Said duties include providing recommendations to the WSIB on self-directed investment options for defined contribution plans, determining the payment options for plan 3 members, ratifying administrative charges assessed to members who participate in self-directed investment options and providing recommendations on investment options for the Deferred Compensation Plan (Chapter 7, Laws of 2010).
PERS Plan 1 and TRS Plan 1	6/30/11	The automatic annual benefit increase for retirees/beneficiaries in PERS Plan 1 and TRS Plan 1 is eliminated. Additionally, the minimum employer contribution rates for the unfunded liability of both of these plans are lowered, and the Adjusted Minimum Benefit limit is increased to $1,545 per month (Chapter 362, Laws of 2011).

C. FUNDING POLICIES

With the exception of LEOFF Plan 2, the Legislature provided for minimum contribution rates for all retirement plans (Chapter 561, Laws of 2009). The LEOFF Plan 2 Retirement Board provided for minimum contribution rates for the LEOFF Plan 2. These minimum rates will go into effect beginning with the 2011-13 biennium.

As part of Substitute House Bill 2021, the Legislature reduced the Plan 1 UAAL minimum rates starting in 2015 to 3.5 percent in PERS and to 5.75 percent in TRS.

The table at the end of this section provides the required contribution rates for all plans (expressed as a percentage of current year covered payroll) at the close of fiscal year 2011.

Public Employees' Retirement System

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and at 7.5 percent for state government elected officials.

The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature. Under the Public Employees' Retirement System (PERS) Plan 3, employer contributions finance the defined benefit portion of the plan and member contributions finance the defined contribution portion.

The Director of DRS sets Plan 3 employee contribution rates. Six rate options are available ranging from 5 to 15 percent; two of the options are graduated rates dependent on the employee's age.

As a result of the implementation of the Judicial Benefit Multiplier (JBM) Program in January 2007, a second tier of employer and employee rates were developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program.

The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.40 and 41.45 RCW.

Teachers' Retirement System

Each biennium the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and at 7.5 percent for state elected officials.

The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature.

Under the Teachers' Retirement System (TRS) Plan 3, employer contributions finance the defined benefit portion of the plan and member contributions finance the defined contribution portion.

The Director of DRS sets Plan 3 employee contribution rates. Six rate options are available ranging from 5 to 15 percent; two of the options are graduated rates dependent on the employee's age.

As a result of the implementation of the Judicial Benefit Multiplier (JBM) Program in January 2007, a second tier of employee rates were developed to fund, along with investment earnings, the increased retirement benefits of those judges that participate in the program.

The required employer contribution rate for a TRS employer of Supreme Court Justices, Court of Appeals Judges and Superior Court Judges equals the TRS contribution rate. The required member contribution rate of TRS Plan 1 Supreme Court Justices, Court of Appeals Judges and Superior Court Judges is the TRS Plan 1 rate of 6 percent plus 3.76 percent of pay. These higher rates, along with investment earnings, are intended to fund the increased retirement benefits of those judges that choose to participate in the JBM program.

The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.32 and 41.45 RCW.

School Employees' Retirement System

Each biennium the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 employer contribution rates. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature. Under the School Employees' Retirement System (SERS) Plan 3, employer contributions finance

the defined benefit portion of the plan and member contributions finance the defined contribution portion.

The Director of DRS sets Plan 3 employee contribution rates. Six rate options are available ranging from 5 to 15 percent; two of the options are graduated rates dependent on the employee's age.

The methods used to determine the contribution requirements are established under state statute in chapters 41.35 and 41.45 RCW.

Law Enforcement Officers' and Fire Fighters' Retirement System

Beginning July 1, 2000, Plan 1 employers and employees are not required to contribute as long as the plan remains fully funded. Employer and employee contribution rates are developed by the Office of the State Actuary to fully fund the plan. Plan 2 employers and employees are required to pay at the level adopted by the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2 Retirement Board. All employers are required to contribute at the level required by state statute.

The Legislature, by means of a special funding arrangement, appropriated money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 1 and Plan 2 in accordance with the requirements of the Pension Funding Council and the LEOFF Plan 2 Retirement Board.

However, this special funding situation is not mandated by the State Constitution and this funding requirement could be returned to the employers by a change of statute. For fiscal year 2011, the state contributed $52.0 million to LEOFF Plan 2.

Washington State Patrol Retirement System

Each biennium, the state Pension Funding Council adopts the employee and the state contribution rates. The employee and the state contribution rates are developed by the Office of the State Actuary to fully fund the plan. State statute also requires employees to contribute at a rate of at least 4.85 percent.

The methods used to determine the contribution requirements are established under state statute in accordance with chapters 43.43 and 41.45 RCW.

Public Safety Employees' Retirement System

Each biennium the state Pension Funding Council adopts Plan 2 employers and employee contribution rates. The employer and employee contribution rates for Plan 2 are developed by the Office of the State Actuary to fully fund Plan 2. All employers are required to contribute at the level established by the Legislature.

The methods used to determine the contribution requirements are established under state statute in chapters 41.37 and 41.45 RCW.

Judicial Retirement System

Contributions made are based on rates set in chapter 2.10 RCW. By statute, employees are required to contribute 7.5 percent with an equal amount contributed by the state. In addition, the state guarantees the solvency of the Judicial Retirement System on a pay-as-you-go basis. Each biennium, the Legislature, through biennial appropriations from the state General Fund, contributes amounts sufficient to meet benefit payment requirements. For fiscal year 2011, the state contributed $10.9 million.

Judges' Retirement Fund

Contributions made are based on rates set in chapter 2.12 RCW. By statute, employees are required to contribute 6.5 percent with an equal amount contributed by the state. In addition, the state guarantees the solvency of the Judges' Retirement Fund on a pay-as-you-go basis. As of June 30, 2008, there are no active members remaining in the Judges Retirement Fund and member contributions are no longer collected. Each biennium, the Legislature, through biennial appropriations from the state General Fund, contributes amounts sufficient to meet benefit payment requirements. For fiscal year 2011, however, no appropriations or contributions were made.

The Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund

The retirement provisions of Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund (VFFRPF) are funded through member contributions of $30 per year, varying employer contributions, and 40 percent of the Fire Insurance Premium Tax, as per chapter 41.24 RCW.

Employers consist of fire departments, emergency medical service districts and law enforcement agencies. The contribution rate for fire districts is set by the Legislature and was $30 per member for the years 2010 and 2011. The rate for emergency medical service districts and law enforcement agencies is set each year by the State Board for Volunteer Fire Fighters' and Reserve Officers' Relief and Pension, based on the actual cost of participation as determined by the Office of the State Actuary. For the year 2011, the rate was $90 per member. Employers may opt to pay the member's fee on their behalf.

VFFRPF members earn no interest on contributions and may elect to withdraw their contributions upon termination.

Administrative expenses are funded through fire insurance premium taxes and are maintained in a separate fund. Amounts not needed for administrative expenses are transferred to VFFRPF.

Required contribution rates (expressed as a percentage of current year covered payroll) for all retirement plans at the close of fiscal year 2011 were as follows:

Actual Contribution Rates	Employer			Employee		
	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 3
PERS						
Members Not Participating in JBM						
State agencies*	5.31%	5.31%	5.31%**	6.00%	3.90%	***
Local governmental units*	5.31%	5.31%	5.31%	6.00%	3.90%	***
State govt elected officials*	7.89%	5.31%	5.31%**	7.50%	3.90%	***
Members Participating in JBM						
State agencies*	7.81%	7.81%	7.81%**	9.76%	7.25%	7.50%****
Local governmental units*	5.31%	5.31%	5.31%**	12.26%	9.75%	7.50%****
TRS						
Members Not Participating in JBM						
State agencies*	6.14%	6.14%	6.14%**	6.00%	3.36%	***
Local governmental units*	6.14%	6.14%	6.14%**	6.00%	3.36%	***
State govt elected officials*	6.14%	6.14%	6.14%**	7.50%	3.36%	***
Members Participating in JBM						
State agencies*	6.14%	N/A	N/A	9.76%	N/A	N/A
SERS						
State agencies*	N/A	5.45%	5.45%**	N/A	3.15%	***
Local governmental units*	N/A	5.45%	5.45%**	N/A	3.15%	***
LEOFF						
Ports and universities*	N/A	8.62%	N/A	N/A	8.46%	N/A
Local governmental units*	0.16%	5.24%	N/A	N/A	8.46%	N/A
State of Washington	N/A	3.38%	N/A	N/A	N/A	N/A
WSPRS						
State agencies*	6.57%	6.57%	N/A	5.09%	5.09%	N/A
PSERS						
State agencies*	N/A	7.85%	N/A	N/A	6.55%	N/A
Local governmental units*	N/A	7.85%	N/A	N/A	6.55%	N/A

N/A indicates data not available.

* Includes an administrative expense rate of 0.16%.

** Plan 3 defined benefit portion only.

*** Variable from 5% to 15% based on rate selected by the member.

**** Minimum rate.

D. EMPLOYER CONTRIBUTIONS REQUIRED AND PAID

The following table presents the state of Washington's required contributions in millions of dollars to cost-sharing plans in accordance with the funding policy. All contributions required by the funding method were paid.

	2011	2010	2009
PERS Plan 1	$ 72.3	$ 78.2	$ 169.0
PERS Plan 2/3	158.0	160.4	217.6
TRS Plan 1	4.4	5.6	8.0
TRS Plan 2/3	0.7	0.8	0.8
SERS Plan 2/3	0.0	0.0	0.0
PSERS Plan 2	8.0	7.8	7.7
LEOFF Plan 1	0.0	0.0	0.0
LEOFF Plan 2	52.9	52.2	52.0
VFFRPF	5.7	5.7	5.2

There are no long-term contracts for contributions for any of the retirement plans administered by the state.

E. FUNDED STATUS AND FUNDING PROGRESS

The funded status of each plan as of June 30, 2010, the most recent actuarial valuation date, is as follows (dollars in millions):

	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
PERS Plan 1	$ 9,293.0	$ 12,538.1	$ 3,245.1	74%	$ 507.3	640%
PERS Plan 2/3*	19,474.1	20,028.8	554.7	97%	8,206.2	7%
TRS Plan 1	7,791.3	9,201.3	1,410.0	85%	344.0	410%
TRS Plan 2/3*	6,593.3	6,557.8	(35.5)	101%	3,965.5	0%
SERS Plan 2/3*	2,664.1	2,705.5	41.4	98%	1,475.0	3%
LEOFF Plan 1	5,560.9	4,393.3	(1,167.6)	127%	29.1	0%
LEOFF Plan 2*	6,042.7	5,163.6	(879.1)	117%	1,490.1	0%
WSPRS Plan 1/2*	919.6	812.1	(107.5)	113%	82.5	0%
PSERS Plan 2*	102.9	94.1	(8.8)	109%	227.4	0%
JRS	3.8	83.8	80.0	5%	0.7	11,565%
Judges	2.8	3.2	0.4	87%	-	N/A
VFFRPF	165.6	165.6	-	100%	N/A	N/A

N/A indicates data not applicable

* These plans use the aggregate actuarial cost method which does not identify or separately amortize unfunded actuarial liabilities. For this reason, the information shown above has been prepared using the entry age actuarial cost method and is intended to serve as a surrogate for the funded status and funding progress of these plans.

Source: Washington State Office of the State Actuary

Defined Benefit Pension Plans Administered by the State

For the Fiscal Year Ended June 30, 2011

The information was determined as part of the actuarial valuations at the dates indicated below. Additional information as of the latest valuation follows.

	PERS Plan 1	PERS Plan 2/3	TRS Plan 1	TRS Plan 2/3	SERS Plan 2/3
Valuation date	6/30/2010	6/30/2010	6/30/2010	6/30/2010	6/30/2010
Actuarial cost method	Entry age normal[1]	Aggregate[2]	Entry age normal[1]	Aggregate[2]	Aggregate[2]
Amortization method					
Funding	Level %[4]	N/A	Level %[4]	N/A	N/A
GASB	Level $	N/A	Level $	N/A	N/A
Remaining amortization years (closed)	10-year rolling	Open plan	10-year rolling	Open plan	Open plan
Remaining amortization period (closed)	N/A	N/A	N/A	N/A	N/A
Asset valuation method	8-year graded smoothed fair value[6]	8-year graded smoothed fair value[6]	8-year graded smoothed fair value[6]	8-year graded smoothed fair value[6]	8-year graded smoothed fair value[6]
Actuarial assumptions					
Investment rate of return[9]	8.00%	8.00%	8.00%	8.00%	8.00%
Projected salary increases					
Salary inflation at 4.5%, plus the merit increases described below[5]:					
Initial salary merit (grades down to 0%)	6.1%	6.1%	5.8%	5.8%	6.9%
Merit period (years of service)	17 yrs	17 yrs	26 yrs	26 yrs	20 yrs
Includes inflation at	N/A	3.50%	N/A	3.50%	3.50%
Cost of living adjustments	Minimum COLA[7]	CPI increase, maximum 3%	Minimum COLA[7]	CPI increase, maximum 3%	CPI increase, maximum 3%

N/A indicates data not applicable.

[1] PERS and TRS Plans 1 use a variation of the entry age normal (EAN) cost method, whereas LEOFF Plan 1 uses a variation of the frozen initial liability (FIL) cost method.

[2] The aggregate cost method does not identify or separately amortize unfunded actuarial accrued liabilities.

[3] Pay as you go basis for funding.

[4] Level percent of system payroll, including system growth.

[5] LEOFF Plan 2 assumes 4.5% salary inflation.

[6] Asset Valuation Method - 8 year smoothed fair value: The actuarial value of assets is calculated under an adjusted market value method by starting with the market value of assets. For subsequent years, the actuarial value of assets is determined by adjusting the market value of assets to reflect the difference between the actual investment return and the expected investment return during each of the last 8 years or, if fewer, the completed years since adoption, at the following rates per year (annual recognition). The VFFRPF annual gain/loss is centered around a 7% expected rate of return instead of 8%.

Annual Gain/Loss			Annual Gain/Loss		
Rate of Return	Smoothing Period	Annual Recognition	Rate of Return	Smoothing Period	Annual Recognition
15% and up	8 years	12.50%	6-7%	2 years	50.00%
14-15%	7 years	14.29%	5-6%	3 years	33.33%
13-14%	6 years	16.67%	4-5%	4 years	25.00%
12-13%	5 years	20.00%	3-4%	5 years	20.00%
11-12%	4 years	25.00%	2-3%	6 years	16.67%
10-11%	3 years	33.33%	1-2%	7 years	14.29%
9-10%	2 years	50.00%	1% and lower	8 years	12.50%
7-9%	1 year	100.00%			

LEOFF Plan 1	LEOFF Plan 2	PSERS Plan 2	VFFRPF[8]
6/30/2010	6/30/2010	6/30/2010	6/30/2010
Frozen initial liability[1]	Aggregate[2]	Aggregate[2]	Entry age[8]
Level %[4] Level $	N/A N/A	N/A N/A	Level $ Level $
14	Open plan	Open plan	Open plan
6/30/2024	N/A	N/A	15-year rolling
8-year graded smoothed fair value[6]	8-year graded smoothed fair value[6]	8-year graded smoothed fair value[6]	8-year graded smoothed fair value[6]
8.00%	8.00%	8.00%	7.00%
11.0% 21 yrs	11.0% 21 yrs	6.1% 17 yrs	N/A N/A
3.50% CPI increase	3.50% CPI increase maximum 3%	3.50% CPI increase, maximum 3%	N/A None

' The PERS Plan 1 and TRS Plan 1 COLA: Qualifying retirees receive an increase in their monthly benefit once a year. The COLA on minimum benefit levels is calculated as the last unrounded COLA amount increased by 3%, rounded to the nearest penny. These are some historical monthly COLA amount per year of service:

Date	COLA Type	Amount
7/1/2002	Uniform	$1.14
7/1/2003	Uniform	$1.18
7/1/2004	Uniform	$1.21
7/1/2005	Uniform	$1.25
7/1/2006	Uniform	$1.29
7/1/2007	Uniform	$1.33
7/1/2008	Uniform	$1.73
7/1/2009	Uniform	$1.83
7/1/2010	Uniform	$1.88
7/1/2010	Uniform	$1.88
7/1/2011	Uniform	$1.94

[8] VFFRPF uses the entry age funding method for pensions, and the pay-as-you-go method for the relief costs.

[9] The Legislature prescribes the assumed rate of investment return for all plans.

F. ANNUAL PENSION COST AND OTHER RELATED INFORMATION

Current year annual pension cost, net pension obligation (NPO) and related information for the current year for the state's single employer and agent multiple-employer defined benefit plans are as follows (dollars in millions):

	WSPRS	JRS	Judges
Annual pension cost and net pension obligation:			
Annual required contribution	$2.3	$18.6	$0.1
Interest on NPO	(0.9)	5.8	(0.1)
Adjustment to annual required contribution	1.4	(16.7)	0.3
Annual pension cost	6.8	7.7	0.3
Less: Contributions made	5.3	10.9	0.0
Increase (decrease) in NPO	1.5	(3.2)	0.3
NPO at beginning of year	(11.4)	71.8	(1.1)
NPO at end of year	$(9.9)	$68.6	$(0.8)
Actuarial assumptions:			
Valuation date	6/30/2010	6/30/2010	6/30/2010
Actuarial cost method	Aggregate*	Entry age	Entry age
Amortization method	N/A	Level $	Level $
Remaining amortization period (closed)	N/A	5-year rolling	5-year rolling
Asset valuation method	8 year graded smoothed fair value	Market	Market
Investment rate of return***	8%	8%	8%
Projected salary increases	4.0%**	4.0%	N/A
Includes inflation at	3.5%	3.5%	3.5%
Cost-of-living adjustments	CPI increase, maximum 3%	CPI increase, maximum 3%	none

* The aggregate cost method does not identify or separately amortize unfunded actuarial accrued liabilities.

** WSPRS also assumes a variable salary merit increase for a merit period of 25 years.

***The Legislature prescribes the assumed rate of investment return.

G. THREE YEAR HISTORICAL TREND INFORMATION

The following table presents three-year trend information in millions for the plans listed:

	2011	2010	2009
WSPRS			
Annual pension cost	$ 6.8	$ 7.1	$ 5.0
% of APC contributed	77.2	74.2	127.4
NPO	$ (9.9)	$ (11.4)	$(13.4)
JRS			
Annual pension cost	$ 7.7	$ 9.1	$ 9.8
% of APC contributed	141.6	127.5	105.1
NPO	$ 68.6	$ 71.8	$ 74.3
Judges			
Annual pension cost	$ 0.3	$ 0.2	$ 0.2
% of APC contributed	0.0	0.0	0.0
NPO	$ (0.8)	$ (1.1)	$ (1.3)

There are no long-term contracts for contributions for any of the retirement plans administered by the state.

H. CHANGES IN ACTUARIAL ASSUMPTIONS AND METHODS

There were no changes in actuarial assumptions for the fiscal year 2011 reporting period.

The method for estimating WSPRS Plan 1 standard survivor benefit liabilities was improved by replacing an estimated survivor benefit reduction with factors found in WAC 415-103-215.

I. CHANGES IN BENEFIT PROVISIONS

Effective June 30, 2011, the automatic annual benefit increase for retirees/beneficiaries in PERS Plan 1 and TRS Plan 1 is eliminated. Additionally, the minimum employer contribution rates for the unfunded liability of both of these plans are lowered, and the Adjusted Minimum Benefit limit is increased to $1,545 per month.

J. DEFINED CONTRIBUTION PLANS

Public Employees' Retirement System Plan 3

The Public Employees' Retirement System (PERS) Plan 3 is a combination defined benefit/defined contribution plan administered by the state through the Department of Retirement Systems (DRS).

Eligible employees include: elected officials; state employees; employees of the Supreme, Appeals, and Superior Courts (other than judges currently in a judicial retirement system); employees of legislative committees; community and technical colleges, college and university employees not in national higher education retirement programs; judges of district and municipal courts; and employees of local governments.

PERS participants who joined on or after October 1, 1977, and by either, February 28, 2002, for state and higher education employees, or August 31, 2002, for local government employees, are Plan 2 members unless they exercise an option to transfer their membership to Plan 3.

PERS participants who joined the system on or after March 1, 2002, for state and higher education employees, or September 1, 2002, for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or PERS Plan 3.

The option must be exercised within 90 days of employment. An employee is reported in Plan 2 until a choice is made. Employees who fail to choose within 90 days default to PERS Plan 3. Refer to section B of this note for PERS plan descriptions.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance the defined contribution component. As established by chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 to 15 percent of salaries based on member choice. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are solely dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions as authorized by the Employee Retirement Benefits Board. Any expenses incurred in conjunction with self-directed investments are to be paid by members. Absent a member's self-direction, PERS Plan 3 investments are made in the same portfolio as that of the PERS Plan 2/3 defined benefit plan.

For fiscal year 2011, employee contributions required and made were $94.1 million, and plan refunds paid out were $59.1 million.

Teachers' Retirement System Plan 3

The Teachers' Retirement System (TRS) Plan 3 is a combination defined benefit/defined contribution plan administered by the state through the Department of Retirement Systems (DRS).

Eligibility for membership requires service as a certificated public school employee working in an instructional, administrative or supervisory capacity. TRS participants who joined on or after October 1, 1977, and by June 30, 1996, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. TRS participants joining the system on or after July 1, 1996, and those who exercised their transfer option, are members of TRS Plan 3. Refer to section B of this note for TRS plan descriptions.

TRS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance the defined contribution component. As established by chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 to 15 percent of salaries based on member choice. There are currently no requirements for employer contributions to the defined contribution component of TRS Plan 3.

TRS Plan 3 defined contribution retirement benefits are solely dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions as authorized by the Employee Retirement Benefits Board. Any expenses incurred in conjunction with self-directed investments are to be paid by members. Absent a member's self-direction, TRS Plan 3 investments are made in the same portfolio as that of the TRS Plan 2/3 defined benefit plan.

For fiscal year 2011, employee contributions required and made were $257.7 million and plan refunds paid out were $115.6 million.

School Employees' Retirement System Plan 3

The School Employees' Retirement System (SERS) Plan 3 is a combination defined benefit/defined contribution plan administered by the state through the Department of Retirement Systems (DRS).

Eligible employees include classified employees of school districts and educational service districts who joined PERS Plan 2 on or after October 1, 1977, and by August 31, 2000, and were transferred to SERS Plan 2 on September 1, 2000.

Members transferred from PERS Plan 2 to SERS Plan 2 may exercise an option to transfer their membership to SERS Plan 3. SERS participants joining the system on or after September 1, 2000, and before July 1, 2007, are also members of SERS Plan 3. SERS members hired on or after July 1, 2007, have 90 days to choose between SERS Plan 2 and SERS Plan 3. Individuals who fail to make a choice will default to SERS Plan 3. Refer to section B of this note for SERS plan descriptions.

SERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance the defined contribution component. As established by chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 to 15 percent of salaries based on member choice. There are currently no requirements for employer contributions to the defined contribution component of SERS Plan 3.

SERS Plan 3 defined contribution retirement benefits are solely dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions as authorized by the Employee Retirement Benefits Board. Any expenses incurred in conjunction with self-directed investments are to be paid by members. Absent a member's self-direction, SERS Plan 3 investments are made in the same portfolio as that of the SERS Plan 2/3 defined benefit plan.

For fiscal year 2011, employee contributions required and made were $60.3 million and plan refunds paid out were $53.2 million.

Judicial Retirement Account

The Judicial Retirement Account (JRA) Plan was established by the Legislature in 1988 to provide supplemental retirement benefits. It is a defined contribution plan administered by the state Administrative Office of the Courts, under the direction of the Board for Judicial Administration.

Membership includes judges elected or appointed to the Supreme Court, Court of Appeals, and Superior Courts, and who are members of PERS for their services as a judge. Vesting is full and immediate. There are three participating employers in JRA.

Member contributions equal 2.5 percent of covered salary and the state, as employer, matches this amount. Contributions are collected by the Administrative Office of the Courts. The employer and employee obligations to contribute are established per chapter 2.14 RCW. Plan provisions and contribution requirements are established in state statute and may be amended only by the state Legislature.

Beginning January 1, 2007, through December 31, 2007, any judicial members of the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) eligible to participate in JRA were able to make a one-time irrevocable election to discontinue future contributions to JRA, in lieu of prospective contributions to the Judicial Benefit Multiplier Program (JBM).

Beginning January 1, 2007, any newly elected or appointed Supreme Court justice, Court of Appeals judge or Superior Court judge is no longer able to participate in JRA and is enrolled in the JBM (enacted in 2006). As of June 30, 2008, 189 JRA member judges have elected to enroll in JBM.

Current-year covered payroll for JRA employees was $1.5 million for the fiscal year ended June 30, 2011. For fiscal year 2011, the contribution requirement for JRA was $86 thousand. Actual employer and employee contributions were $43 and $43 thousand respectively. Plan benefits paid out for fiscal year 2011 totaled $445 thousand.

A JRA member who separates from judicial service for any reason is entitled to receive a lump-sum distribution of the accumulated contributions. The administrator of JRA may adopt rules establishing other payment options. If a member dies, the amount of accumulated contributions standing to the member's credit at the time of the member's death shall be paid to the member's estate, or such person or persons, trust or organization as the member has nominated by written designation.

The Administrator of JRA has entered an agreement with DRS for accounting and reporting services, and the Washington State Investment Board (SIB) for investment services. DRS is responsible for all record keeping, accounting, and reporting of member accounts. As of April 2006, DRS also became responsible for collection of JRA contributions.

The SIB has the full power to establish investment policy, develop participant investment options, and manage the investment funds from the JRA plan, consistent with the provisions of RCW 2.14.080 and RCW 43.84.150.

Higher Education Retirement Plans

The Higher Education Retirement Plans are privately administered defined contribution plans with a supplemental plan component. As authorized by RCW 28B.10, the plans cover higher education faculty and other positions as designated by each institution. The state and regional universities, the state college, and the state community and technical colleges each participate in a plan. Effective June 2010, eligible employees of the Higher Education Coordinating Board have the ability to participate in the Higher Education Retirement Plan instead of the Public Employees' Retirement System.

Contributions to the plans are invested in annuity contracts or mutual fund accounts offered by one or more fund sponsors. Benefits from fund sponsors are available upon separation or retirement at the member's option. Employees have, at all times, a 100 percent vested interest in their accumulations.

RCW 28.B.10.400 et. seq. assigns the authority to establish and amend benefit provisions to: the board of regents of the state universities, the boards of trustees of the regional universities and the state college, and the state board for community colleges.

Employee contribution rates, based on age, range from 5 to 10 percent of salary. The employers match the employee contributions. The employer and employee obligations to contribute are established per chapter 28B.10 RCW.

Effective July 29, 2009, domestic partners registered with the state will be treated the same as married spouses, to the extent that treatment is not in conflict with federal laws.

For fiscal year 2011, covered payroll was $1.9 billion. Employer and employee contributions were $162.4 and $162.4 million respectively, for a total of $324.8 million. These contribution amounts represent approximately 8.4 percent each of covered payroll for employers and employees.

The plans have a supplemental payment component which guarantees a minimum retirement benefit based upon a one-time calculation at each employee's retirement date. Institutions make direct payments to qualifying retirees when the retirement benefits provided by the fund sponsors do not meet the benefit goals. The supplemental component is financed on a pay-as-you-go basis.

An actuarial valuation of the supplemental component of the Higher Education Retirement plans was done at the end of fiscal year 2011. The previous valuation was performed in 2009.

The Unfunded Actuarial Accrued Liability (UAAL) calculated as of June 30, 2011, and 2009, was $352.3 million and $314.0 million, respectively, and is amortized over a 13 year period.

The Annual Required Contribution (ARC) of $49.8 million consists of amortization of the UAL ($28.9 million) and normal cost (or current cost) ($19.9 million).

The UAL and ARC were established using the entry age normal cost method. The actuarial assumptions included an investment rate of return of 4.3 to 8 percent and projected salary increases ranging from 2 to 4 percent. Approximately $1.9 billion and $1.8 billion of payroll were covered under these plans during 2011 and 2009, respectively.

The following table reflects the activity in the Net Pension Obligation (NPO) for the years ended June 30 (expressed in millions):

	2011	2010	2009
Annual required contribution	$ 49.8	$ 43.5	$43.1
Payments to beneficiaries	(3.7)	(3.7)	(1.9)
Increase (decrease) in NPO	46.1	39.8	41.2
NPO at beginning of year	119.6	79.8	38.6
NPO at end of year	$165.7	$119.6	$79.8

K. PLAN NET ASSETS AND CHANGES IN PLAN NET ASSETS

The Combining Statement of Plan Net Assets that follows presents the principal components of receivables, investments, and liabilities. The Combining Statement of Changes in Plan Net Assets presents the additions and deductions to plan net assets.

Combining Statement of Plan Net Assets
Pension and Other Employee Benefit Funds

June 30, 2011
(expressed in thousands)

continued

	PERS Plan 1	PERS Plan 2/3 Defined Benefit	PERS Plan 3 Defined Contribution	TRS Plan 1	TRS Plan 2/3 Defined Benefit	TRS Plan 3 Defined Contribution
ASSETS						
Cash and pooled investments	$ 45,767	$ 118,442	$ 145	$ 38,971	$ 57,952	$ 4,304
Receivables:						
Employer accounts receivable	3,783	36,611	4,409	2,777	18,385	22,112
Member accounts receivable (net of allowance)	662	169	-	404	7	-
Due from other funds	2	4	316	2	730	-
Due from other pension and other employee benefit funds	171	-	-	-	610	-
Interest and dividends	24,218	59,300	2,863	20,436	20,144	8,886
Investment trades pending	411,624	1,032,905	24,345	347,344	418,141	75,553
Total Receivables	440,460	1,128,989	31,933	370,963	458,017	106,551
Investments, Noncurrent:						
Public equity	3,135,972	7,683,762	1,085,286	2,646,265	2,610,026	3,143,195
Fixed income	1,545,494	3,786,772	182,816	1,304,152	1,286,293	567,346
Private equity	2,051,011	5,025,389	242,613	1,730,728	1,707,027	752,920
Real estate	1,129,487	2,767,471	133,606	953,108	940,056	414,631
Security lending	357,169	875,135	42,249	301,394	297,266	131,116
Liquidity	245,190	620,298	34,905	209,537	213,123	104,785
Tangible assets	94,416	231,339	11,168	79,672	78,581	34,660
Total Investments, Noncurrent	8,558,739	20,990,166	1,732,643	7,224,856	7,132,372	5,148,653
Total Assets	9,044,966	22,237,597	1,764,721	7,634,790	7,648,341	5,259,508
LIABILITIES						
Obligations under security lending agreements	357,169	875,135	42,249	301,394	297,267	131,115
Accrued liabilities	509,700	1,264,282	33,120	430,658	511,449	95,288
Due to other funds	41	935	-	28	306	732
Due to other pension and other employee benefit funds	176	158	-	610	-	-
Unearned revenues	109	361	-	140	121	-
Total Liabilities	867,195	2,140,871	75,369	732,830	809,143	227,135
NET ASSETS						
Net assets held in trust for:						
Pension Benefits (Schedule of Funding Progress by Plan begins on Page 161)	8,177,771	20,096,726	1,689,352	6,901,960	6,839,198	5,032,373
Deferred compensation participants	-	-	-	-	-	-
Total Net Assets	$ 8,177,771	$ 20,096,726	$ 1,689,352	$ 6,901,960	$ 6,839,198	$ 5,032,373

Combining Statement of Plan Net Assets
Pension and Other Employee Benefit Funds

June 30, 2011
(expressed in thousands)

continued

	SERS Plan 2/3 Defined Benefit	SERS Plan 3 Defined Contribution	LEOFF Plan 1	LEOFF Plan 2	WSPRS Plan 1/2	PSERS Plan 2
ASSETS						
Cash and pooled investments	$ 23,244	$ 1,038	$ 28,890	$ 35,823	$ 5,385	$ 1,106
Receivables:						
Employer accounts receivable	6,822	5,141	-	15,524	407	1,860
Member accounts receivable (net of allowance)	5	-	76	51	5	-
Due from other funds	203	-	-	1	-	1
Due from other pension and other employee benefit funds	176	-	-	-	-	10
Interest and dividends	8,091	2,760	15,343	18,744	2,644	410
Investment trades pending	161,076	23,470	260,856	318,776	44,958	6,960
Total Receivables	176,373	31,371	276,275	353,096	48,014	9,241
Investments, Noncurrent:						
Public equity	1,048,350	687,292	1,987,346	2,428,607	342,514	53,032
Fixed income	516,656	176,242	979,418	1,196,884	168,801	26,136
Private equity	685,649	233,890	1,299,777	1,588,374	224,014	34,685
Real estate	377,586	128,803	715,784	874,714	123,364	19,101
Security lending	119,401	40,730	226,347	276,604	39,011	6,040
Liquidity	84,265	32,135	156,534	205,124	27,516	6,722
Tangible assets	31,563	10,767	59,834	73,119	10,312	1,597
Total Investments, Noncurrent	2,863,470	1,309,859	5,425,040	6,643,426	935,532	147,313
Total Assets	3,063,087	1,342,268	5,730,205	7,032,345	988,931	157,660
LIABILITIES						
Obligations under security lending agreements	119,401	40,730	226,347	276,604	39,010	6,040
Accrued liabilities	197,123	31,967	319,181	389,698	55,163	8,506
Due to other funds	176	131	7	138	9	18
Due to other pension and other employee benefit funds	-	-	-	-	-	23
Unearned revenues	17	-	-	145	-	-
Total Liabilities	316,717	72,828	545,535	666,585	94,182	14,587
NET ASSETS						
Net assets held in trust for:						
Pension Benefits (Schedule of Funding Progress by Plan begins on Page 161)	2,746,370	1,269,440	5,184,670	6,365,760	894,749	143,073
Deferred compensation participants	-	-	-	-	-	-
Total Net Assets	$ 2,746,370	$ 1,269,440	$ 5,184,670	$ 6,365,760	$ 894,749	$ 143,073

Combining Statement of Plan Net Assets
Pension and Other Employee Benefit Funds

June 30, 2011
(expressed in thousands)

concluded

	JRS	JRA	Judges	VFFRPF	Deferred Compensation	Total
ASSETS						
Cash and pooled investments	$ 213	$ 8	$ 2,335	$ 18,825	$ 2,687	$ 385,135
Receivables:						
Employer accounts receivable	3	-	-	-	-	117,834
Member accounts receivable (net of allowance)	-	3	-	-	1,302	2,684
Due from other funds	-	1	-	5	189	1,454
Due from other pension and other employee benefit funds	-	-	-	-	1	968
Interest and dividends	1	-	-	439	1	184,280
Investment trades pending	-	-	-	7,464	-	3,133,472
Total Receivables	4	4	-	7,908	1,493	3,440,692
Investments, Noncurrent:						
Public equity	-	13,016	-	56,868	2,937,363	29,858,894
Fixed income	-	-	-	28,026	-	11,765,036
Private equity	-	-	-	37,193	-	15,613,270
Real estate	-	-	-	20,481	-	8,598,192
Security lending	-	-	-	6,477	-	2,718,939
Liquidity	4,874	-	-	4,403	-	1,949,411
Tangible assets	-	-	-	1,712	-	718,740
Total Investments, Noncurrent	4,874	13,016	-	155,160	2,937,363	71,222,482
Total Assets	5,091	13,028	2,335	181,893	2,941,543	75,048,309
LIABILITIES						
Obligations under security lending agreements	-	-	-	6,477	-	2,718,938
Accrued liabilities	31	-	-	9,140	2,462	3,857,768
Due to other funds	-	-	1	4	1	2,527
Due to other pension and other employee benefit funds	-	1	-	-	-	968
Unearned revenues	-	-	-	-	-	893
Total Liabilities	31	1	1	15,621	2,463	6,581,094
NET ASSETS						
Net assets held in trust for:						
Pension Benefits (Schedule of Funding Progress by Plan begins on Page 161)	5,060	13,027	2,334	166,272	-	65,528,135
Deferred compensation participants	-	-	-	-	2,939,080	2,939,080
Total Net Assets	$ 5,060	$ 13,027	$ 2,334	$ 166,272	$ 2,939,080	$ 68,467,215

Combining Statement of Changes in Plan Net Assets
Pension and Other Employee Benefit Funds

For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

continued

	PERS Plan 1	PERS Plan 2/3 Defined Benefit	PERS Plan 3 Defined Contribution	TRS Plan 1	TRS Plan 2/3 Defined Benefit	TRS Plan 3 Defined Contribution
ADDITIONS						
Contributions:						
Employers	$ 145,585	$ 328,258	$ -	$ 96,803	$ 168,264	$ -
Members	38,315	282,292	94,129	25,758	22,714	257,718
State	-	-	-	-	-	-
Participants	-	-	-	-	-	-
Total Contributions	183,900	610,550	94,129	122,561	190,978	257,718
Investment Income:						
Net appreciation (depreciation) in fair value	1,335,975	3,035,259	259,223	1,121,993	1,029,044	802,515
Interest and dividends	216,284	499,579	23,678	181,753	169,235	75,051
Less: investment expenses	(28,852)	(66,402)	(3,677)	(24,240)	(22,998)	(11,389)
Net investment income (loss)	1,523,407	3,468,436	279,224	1,279,506	1,175,281	866,177
Transfers from other pension plans	90	4,036	1,546	1	847	650
Other additions	-	-	-	-	-	-
Total Additions	1,707,397	4,083,022	374,899	1,402,068	1,367,106	1,124,545
DEDUCTIONS						
Pension benefits	1,149,523	310,942	164	899,818	72,138	542
Pension refunds	3,471	33,686	59,143	1,822	2,281	115,571
Transfers to other pension plans	174	8,027	612	-	119	1,367
Administrative expenses	332	658	-	258	94	-
Distributions to participants	-	-	-	-	-	-
Total Deductions	1,153,500	353,313	59,919	901,898	74,632	117,480
Net Increase (Decrease)	553,897	3,729,709	314,980	500,170	1,292,474	1,007,065
Net Assets - Beginning	7,623,874	16,367,017	1,374,372	6,401,790	5,546,724	4,025,308
Net Assets - Ending	$ 8,177,771	$ 20,096,726	$ 1,689,352	$ 6,901,960	$ 6,839,198	$ 5,032,373

Combining Statement of Changes in Plan Net Assets
Pension and Other Employee Benefit Funds

For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

continued

	SERS Plan 2/3 Defined Benefit	SERS Plan 3 Defined Contribution	LEOFF Plan 1	LEOFF Plan 2	WSPRS Plan 1/2	PSERS Plan 2
ADDITIONS						
Contributions:						
Employers	$ 62,316	$ -	$ 3	$ 79,733	$ 5,250	$ 15,591
Members	19,415	60,313	1,128	136,548	5,207	15,422
State	-	-	-	52,024	-	-
Participants	-	-	-	-	-	-
Total Contributions	81,731	60,313	1,131	268,305	10,457	31,013
Investment Income:						
Net appreciation (depreciation) in fair value	414,369	189,039	821,548	948,683	138,884	18,532
Interest and dividends	67,942	23,598	133,750	156,267	22,702	3,138
Less: investment expenses	(9,201)	(3,270)	(17,796)	(20,717)	(3,016)	(415)
Net investment income (loss)	473,110	209,367	937,502	1,084,233	158,570	21,255
Transfers from other pension plans	415	500	-	2,936	415	5
Other additions	-	-	-	-	-	-
Total Additions	555,256	270,180	938,633	1,355,474	169,442	52,273
DEDUCTIONS						
Pension benefits	43,338	182	338,775	61,876	38,387	35
Pension refunds	2,492	53,242	48	8,181	316	1,778
Transfers to other pension plans	332	597	211	1	1	-
Administrative expenses	69	-	66	1,069	41	32
Distributions to participants	-	-	-	-	-	-
Total Deductions	46,231	54,021	339,100	71,127	38,745	1,845
Net Increase (Decrease)	509,025	216,159	599,533	1,284,347	130,697	50,428
Net Assets - Beginning	2,237,345	1,053,281	4,585,137	5,081,413	764,052	92,645
Net Assets - Ending	$ 2,746,370	$ 1,269,440	$ 5,184,670	$ 6,365,760	$ 894,749	$ 143,073

Combining Statement of Changes in Plan Net Assets
Pension and Other Employee Benefit Funds

For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

concluded

	JRS	JRA	Judges	VFFRPF	Deferred Compensation	Total
ADDITIONS						
Contributions:						
Employers	$ 46	$ 43	$ -	$ 963	$ -	$ 902,855
Members	46	43	-	93	-	959,141
State	10,860	-	-	5,815	-	68,699
Participants	-	-	-	-	186,734	186,734
Total Contributions	10,952	86	-	6,871	186,734	2,117,429
Investment Income:						
Net appreciation (depreciation) in fair value	(2)	1,769	(13)	22,627	417,798	10,557,243
Interest and dividends	17	191	25	3,882	37,664	1,614,756
Less: investment expenses	(8)	(20)	-	(494)	(4,440)	(216,935)
Net investment income (loss)	7	1,940	12	26,015	451,022	11,955,064
Transfers from other pension plans	-	-	-	-	-	11,441
Other additions	-	5	-	-	1,457	1,462
Total Additions	10,959	2,031	12	32,886	639,213	14,085,396
DEDUCTIONS						
Pension benefits	9,737	445	500	10,932	-	2,937,334
Pension refunds	-	-	-	33	-	282,064
Transfers to other pension plans	-	-	-	-	-	11,441
Administrative expenses	-	-	-	30	-	2,649
Distributions to participants	-	-	-	-	149,010	149,010
Total Deductions	9,737	445	500	10,995	149,010	3,382,498
Net Increase (Decrease)	1,222	1,586	(488)	21,891	490,203	10,702,898
Net Assets - Beginning	3,838	11,441	2,822	144,381	2,448,877	57,764,317
Net Assets - Ending	$ 5,060	$ 13,027	$ 2,334	$ 166,272	$ 2,939,080	$ 68,467,215

Note 12
Other Postemployment Benefits

Plan Description and Funding Policy

In addition to pension benefits as described in Note 11, the state, through the Health Care Authority (HCA), administers an agent multiple-employer other postemployment benefit plan (OPEB). Per RCW 41.05.065, the Public Employees Benefits Board (PEBB) created within the Health Care Authority, is authorized to design benefits and determine the terms and conditions of employee and retired employee participation and coverage, including establishment of eligibility criteria for both active and retired employees. PEBB programs include medical, dental, life and long-term disability.

Employers participating in the PEBB plan include the state (which includes general government agencies and higher education institutions), 58 of the state's K-12 schools and educational service districts (ESDs) and 206 political subdivisions and tribal governments. Additionally, the PEBB plan is available to the retirees of the remaining 246 K-12 schools and ESDs. As of June 2011, membership in the PEBB plan consisted of the following:

	Active Employees	Retirees[1]	Total
State	108,251	28,385	136,636
K-12 schools and ESDs[2]	2,009	27,159	29,168
Political subdivisions	11,753	1,188	12,941
Total	122,013	56,732	178,745

[1]Retirees include retired employees, surviving spouses, and terminated members entitled to a benefit.
[2]In fiscal year 2011, there were 99,896 full-time equivalent active employees in the 246 K-12 schools and ESDs that elected to limit participation in PEBB only to their retirees.

For fiscal year 2011, the estimated monthly cost for PEBB benefits for active employees (average across all plans and tiers) is as follows:

Required Premium[3]	
Medical	$805
Dental	81
Life	5
Long-term disability	2
Total	$893
Employer contribution	$799
Employee contribution	94
Total	$893

[3]Per 2011 Index Rate Model 7.20.

The relationship between the PEBB OPEB plan and its member employers and their employees and retirees is not formalized in a contract or plan document. Rather, the benefits are provided in accordance with a substantive plan. A substantive plan is one in which the plan terms are understood by the employers and plan members. This understanding is based on communications between the HCA, employers and plan members and the historical pattern of practice with regard to the sharing of benefit costs.

The PEBB retiree OPEB plan is available to employees who elect to continue coverage and pay the administratively established premiums at the time they retire under the provisions of the retirement system to which they belong. Retirees' access to PEBB plans depends on the retirement eligibility of their respective retirement system. PEBB members are covered in the following retirement systems: PERS, PSERS, TRS, SERS, WSPRS, and Higher Education.

Per RCW 41.05.022, retirees who are not yet eligible for Medicare benefits may continue participation in the state's non-Medicare community-rated health insurance risk pool on a self-pay basis. Retirees in the non-Medicare risk pool receive an implicit subsidy. The implicit subsidy exists because retired members pay a premium based on a claims experience for active employees and other non-Medicare retirees. The subsidy is valued using the difference between the age-based claims costs and the premium. In calendar year 2010, the average weighted implicit subsidy was valued at $272 per member per month, and in calendar year 2011, the average weighted implicit subsidy is projected to be $301 per member per month.

Retirees who are enrolled in both Parts A and B of Medicare may participate in the state's Medicare community-rated health insurance risk pool. Medicare retirees receive an explicit subsidy in the form of reduced premiums. Annually, the Health Care Authority administrator recommends an amount for the next calendar year's explicit subsidy for inclusion in the Governor's budget. In calendar year 2010, the explicit subsidy was $183 per member per month, and in calendar year 2011, the explicit subsidy is $183 per member per month.

Retirees participating in the PEBB life insurance program received an explicit subsidy of $5 per member per month in calendar year 2010. The explicit subsidy is also $5 per member per month in calendar year 2011.

Administrative costs as well as implicit and explicit subsidies are funded by required contributions from participating employers. The subsidies provide monetary assistance for medical and life insurance benefits.

Contributions are set each biennium as part of the budget process. In fiscal year 2011, the cost of the subsidies was approximately 6.8 percent of the cost of benefits for active employees. The benefits are funded on a pay-as-you-go basis.

Each participating employer in the plan is required to disclose additional information with regard to funding policy, the employer's annual OPEB costs and contributions made, the funded status and funding progress of the employers individual plan and actuarial methods and assumptions used.

The PEBB OPEB plan is accounted for as an agency fund on an accrual basis. The plan has no investments or other assets. The PEBB OPEB plan does not issue a publicly available financial report.

For information on the results of an actuarial valuation of the employer provided subsidies associated with the PEBB plan, refer to: http://osa.leg.wa.gov/Actuarial_services/OPEB/OPEB.htm.

Annual OPEB Cost and Net OPEB Obligation

The state's (general government agencies and higher education institutions) annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the state as the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45.

The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following tables show the components of the state's annual OPEB cost for fiscal year 2011, the amount contributed to the plan, and changes in the state's Net OPEB Obligation (NOO) (expressed in thousands):

Annual required contribution	$320,991
Interest on Net OPEB Obligation	35,004
Amortization of Net OPEB Obligation	(27,427)
Annual OPEB cost (expense)	328,568
Contributions made	(78,673)
Increase in Net OPEB Obligation	249,895
Net OPEB Obligation - beginning of year	777,872
Net OPEB Obligation - end of year*	$1,027,767
*estimated	

The state's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years 2009, 2010 and 2011 were as follows (expressed in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/11	$328,568	23.9%	$1,027,767
6/30/10	354,420	19.8%	777,872
6/30/09	334,374	25.9%	493,551

Funded Status and Funding Progress

The funded status of the plan as of January 1, 2011, the latest date for which information is available, was as follows (expressed in thousands):

Actuarial accrued liability (AAL)	$3,491,970
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	$3,491,970
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	$5,937,061
UAAL as a percentage of covered payroll	58.8%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the terms of the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Significant methods and assumptions were as follows:

Actuarial valuation date	January 1, 2011
Actuarial cost method	Projected Unit Credit (PUC)
Amortization method	Closed, level percentage of projected payroll amortization method
Remaining amortization period	30 years
Asset valuation method	N/A - no assets
Actuarial assumptions:	
Investment rate of return	4.5%
Projected salary increases	4.0%
Health care inflation rate	7.0% initial rate, 5% ultimate rate in 2083
Inflation rate	3.5%

In addition to the assumptions above, several factors also significantly contributed to the actuarial results. The PEBB voted to permanently eliminate the subsidy paid for life insurance premiums beginning in January 2012. Also in January 2012, explicit subsidies for retirees enrolled in Medicare Parts A and B will be reduced from $183 per month to $150 per month. These changes caused the net liabilities to decrease.

Note 13
Commitments and Contingencies

A. CONSTRUCTION AND OTHER COMMITMENTS

Capital commitments

Outstanding commitments related to state infrastructure and facility construction, improvement, and/or renovation totaled $9.1 billion at June 30, 2011.

Encumbrances

Encumbrances, which represent commitments related to unperformed contracts for goods or services, are included in restricted, committed or assigned fund balance, as appropriate. Operating encumbrances lapse at the end of the applicable appropriation. Capital outlay encumbrances lapse at the end of the biennium unless reappropriated by the Legislature in the ensuing biennium. Encumbrances outstanding against continuing appropriations at the end of fiscal year 2011 are (in thousands):

General Fund	$ 32,901
Higher Education Special Revenue Fund	2,597
Nonmajor Governmental Funds	274,432

B. SUMMARY OF SIGNIFICANT LITIGATION

Pending Litigation

The state and its agencies are parties to numerous routine legal proceedings that normally occur in governmental operations. At any given point, there may be numerous lawsuits involving the implementation, reduction, or elimination of specific state programs that could significantly impact expenditures, revenues, and potentially have future budgetary impact.

The state is the defendant in a number of cases alleging inadequate funding of state programs or services. Claims include: funding inadequacies and inequities in both basic and special education; inadequate funding for care of foster children, the disabled and elderly; and inadequate funding for the provision of mental health services to children. Collective claims in these programmatic and service cases exceed $400 million exclusive of the basic education case, which could be substantial but is difficult to quantify at this juncture. Adverse rulings in these cases could result in significant future costs.

The Department of Revenue routinely has claims for refunds in various stages of administrative and legal review. Claims for refunds are approximately $234 million. In addition, the state is defending cases challenging the constitutionality of certain taxes that fund discrete state programs.

The state is a defendant in a number of lawsuits related to: habitat restoration and environmental clean-up arising out of highway/roadway construction and maintenance and historic mining activity. While estimates are not available for all lawsuits, claims for damages equate to approximately $200 million.

The state is the defendant in numerous lawsuits by employees alleging various infractions of law or contract. These suits claim back pay and damages in

excess of $62 million. Pursuant to the legislative repeal, replacement retirement benefits were offered in lieu of the elimination of gain sharing. It is estimated that if the gain sharing benefit is restored and replacement benefits are retained, the biennial cost to the public employers participating in the plans would be approximately $244 million for the 2013-15 biennium.

The state is contesting these lawsuits and the outcomes are uncertain at this time.

Tobacco Settlement

In November 1998, Washington joined 45 other states in a Master Settlement Agreement (MSA) with the nation's largest tobacco manufacturers to provide restitution for monies spent under health care programs for the treatment of smoking-related illnesses. Washington's share of the settlement was approximately $110.7 million in fiscal year 2011 and is subject to various offsets, reductions, and adjustments. Beginning in 2008, Washington received the first of ten "strategic contribution payments" under the MSA. This payment is subject to the same offsets, reductions, and adjustments as are applicable to the base payment. The 2011 strategic contribution payment was approximately $37.1 million.

In 2006, 2007, 2008, and 2009, determinations were made under a process established by the MSA that disadvantages experienced by manufacturers as a result of participating in the MSA were a significant factor contributing to market share losses by those manufacturers. These determinations related to sales data for the years 2003, 2004, 2005, and 2006. Washington faces a potential "nonparticipating manufacturer (NPM) adjustment" in its share of between $0 and $130 million for the year 2003, $0 and $137 million for the year 2004, $0 and $131 million for the year 2005, and $0 and $119 million for the year 2006.

In addition, the states and the participating manufacturers have entered into an agreement under which the states will not contest that the disadvantages experienced by manufacturers as a result of participating in the MSA were a significant factor contributing to market share losses for the years 2007, 2008 and 2009, respectively. Washington faces a potential NPM adjustment of between $0 and $123 million for the year 2007, $0 and $173 million for the year 2008, and $0 and $176 million for the year 2009.

Washington and 37 other states each filed court actions seeking declarations that they had diligently enforced their escrow statutes – a defense to the adjustment claim. The participating manufacturers oppose having the diligent enforcement issue decided by numerous state courts. They believe the issue is governed by an arbitration clause in the MSA that they claim requires a panel of arbitrators to decide, in a single national proceeding, whether individual states diligently enforced their own statutes. This issue was resolved in favor of the manufacturers. With the exception of Montana, all states will participate in a single national arbitration of the NPM adjustment dispute.

The dispute will be presented to a three-member panel of retired judges. The panel is in place and some preliminary hearings have been held. The arbitration will comprise some presentations made by the states collectively, but each state will also have to respond to claims by the participating manufacturers that the state was not diligent in enforcing its Qualifying Statute and present its individual case for diligence in enforcing its Qualifying Statute. The panel will not issue its decision as to any individual state until the entire arbitration with all states has been completed. A two week hearing has been scheduled for April 2012 to address issues of general applicability. Individual state hearings will begin in May 2012. A specific hearing date has not yet been set for Washington.

C. FEDERAL ASSISTANCE

The state has received federal financial assistance for specific purposes that are generally subject to review or audit by the grantor agencies.

Entitlement to this assistance is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of assistance for allowable purposes. Any disallowance resulting from a review or audit may become a liability of the state.

The state does estimate and recognize a claims and judgments liability for disallowances when determined by the grantor agency or for probable disallowances based on experience pertaining to these grants; however, these recognized liabilities and any unrecognized disallowances are considered immaterial to the state's overall financial condition.

D. ARBITRAGE REBATE

Rebatable arbitrage is defined by the Internal Revenue Service Code Section 148 as earnings on investments purchased from the gross proceeds of a bond issue that are in excess of the amount that would have been earned if the investments were invested at a yield equal to the yield on the bond issue.

The rebatable arbitrage must be paid to the federal government. State agencies and universities responsible

for investments from bond proceeds carefully monitor their investments to restrict earnings to a yield less than the bond issue, and therefore limit any state arbitrage liability. The state estimates that rebatable arbitrage liability, if any, will be immaterial to its overall financial condition.

E. OTHER COMMITMENTS AND CONTINGENCIES

School Bond Guarantee Program

Washington voters passed a constitutional amendment in November 1999, creating the Washington State School Bond Guarantee Program.

The program's purpose is to provide savings to state taxpayers by pledging the full faith and credit of the state of Washington to the full and timely payment of voter-approved school district general obligation bonds in the event a school district is unable to make a payment.

The issuing school district remains responsible for the repayment of the bonds, including any payment the state makes under the guarantee.

The State Treasurer introduced the School Bond Guarantee Program in March 2000. At the end of fiscal year 2011, the state had guaranteed 212 school districts' voter-approved general obligation debt with 190 districts having a total outstanding principal of $8.35 billion. The state estimates that school bond guarantee liability, if any, will be immaterial to its overall financial condition.

Local Option Capital Asset Lending Program

On September 1, 1998, the state lease-purchase program was extended to local governments seeking low cost financing of essential equipment. The Local Option Capital Assets Lending (LOCAL) program allows local governments to pool their financing requests together with Washington State agencies in Certificates of Participation (COPs). Refer to Note 7.B for the state's COP disclosure.

These COPs do not constitute a debt or pledge of the faith and credit of the state; rather, local governments pledge their full faith and credit in a general obligation pledge.

In the event that any local government fails to make any payment, the state is obligated to withhold an amount sufficient to make such payment from the local government's share, if any, of state revenues or other amounts authorized or required by law to be distributed by the state to such local government, if otherwise legally permissible.

Upon failure of any local government to make a payment, the state is further obligated, to the extent of legally available appropriated funds to make such payment on behalf of such local government. The local government remains obligated to make all COP payments and reimburse the state for any conditional payments.

As of June 30, 2011, outstanding certificates of participation notes totaled $78 million for 170 local governments participating in LOCAL. The state estimates that LOCAL program liability, if any, will be immaterial to its overall financial condition.

Office Building Lease

The 2009 Legislature authorized the state to lease-develop an office building in Olympia, Washington (1500 Jefferson Street). On June 29, 2009, the state entered into a ground lease and a lease agreement with FYI Properties (FYI), a Washington nonprofit corporation. The agreements called for FYI to design and construct an office building and to finance it with tax-exempt obligations that met the requirements of Revenue Ruling 63-20 and Revenue Procedure 82-26 issued by the Internal Revenue Service. The state is required to make monthly payments that equal the required debt service on the bonds upon substantial completion of the project. Additional amounts may also be due per the terms of the lease agreement. The lease agreements provide the state with options to purchase the building during the term of the lease and transfer ownership of the building to the state at the end of the lease. The office building was occupied starting in early fiscal year 2012.

Note 14
Subsequent Events

A. BOND ISSUES

In July 2011, the University of Washington issued $211.4 million in general revenue bonds. The purpose of the bonds was to refund $74.5 million in long-term debt, convert $75 million in commercial paper to long-term debt and use $61.8 million to fund various capital projects.

In August 2011, the state issued:

- $390.8 million in various purpose general obligation bonds to fund various state capital projects, state buildings and facilities for institutions of higher education and state programs for Columbia River Basin water supply development, farmland preservation, riparian protection and outdoor recreation.

- $327.7 million in motor vehicle fuel tax general obligation bonds to provide funds to pay for and reimburse state expenditures for state and local highway improvements or the construction of two ferries and improvements to state ferry facilities.

- $27.7 million in taxable bonds to fund certain non-transportation related projects and purposes that cannot be financed with tax exempt bonds.

In October 2011, the state issued:

- $518.8 million in motor vehicle fuel tax and general obligation bonds to cover preliminary costs of the State Route 520 Bridge.

- $461.4 million in various purpose general obligation refunding bonds.

- $42.3 million in motor vehicle fuel tax general obligation refunding bonds.

B. CERTIFICATES OF PARTICIPATION

In August 2011, the state issued $16.5 million to refund Certificates of Participation.

C. U.S. CREDIT RATING

On August 5, 2011, the credit rating agency Standard & Poor's downgraded the United States' credit rating for the first time in history from AAA to AA+. Moody's and Fitch, however, maintained the country's triple A credit rating and have issued statements about their outlook on the U.S. credit standing. The state's investment holdings include U.S. Government Securities. The state continuously monitors the credit ratings of its entire portfolio and manages investments according to established policies.

D. LITIGATION

During the 2011 legislative session, the Washington State Legislature suspended the payment of an annual increase to most retirees of the Public Employees' Retirement System (PERS) Plan 1 and the Teachers' Retirement System (TRS) Plan 1. This payment is often referred to as the Uniform COLA, although the payment is not based on the cost of living. The state estimated that by suspending the COLAs to PERS and TRS Plan 1 members, public employers of the state would save $501 million in employer pension contributions in the 2011-2013 biennium. In October, two public employee unions filed lawsuits challenging the suspension of the COLA, and another union is seeking intervention in those lawsuits. The state will vigorously contest the lawsuits. The outcome is uncertain at this time.

E. GENERAL ELECTION

There were measures on the state's November 8, 2011, general election ballot that addressed state laws related to state expenditures on transportation, requirements for long-term care workers and providers, and the distribution and sale of wine and spirits. These measures, if passed, could impact the state fiscally.

Election results are not final or official until certified. By law December 8, 2011, is the last day for the Office of the Secretary of State to certify General Election returns.

Information is posted as available on the Secretary of State's website at: http://www.sos.wa.gov.

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RSI
Required Supplementary Information

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BUDGETARY COMPARISON SCHEDULE
General Fund

Budgetary Comparison Schedule
General Fund
For the Biennium Ended June 30, 2011
(expressed in thousands)

	Original Budget 2009-11 Biennium	Final Budget 2009-11 Biennium	Actual 2009-11 Biennium	Variance with Final Budget
Budgetary Fund Balance, July 1, as restated	$ 509,169	$ 509,169	$ 509,169	$ -
Resources				
Taxes	29,336,378	27,409,554	27,388,974	(20,580)
Licenses, permits, and fees	187,670	174,449	174,387	(62)
Other contracts and grants	359,882	423,759	376,645	(47,114)
Timber sales	5,698	8,892	8,892	-
Federal grants-in-aid	15,488,080	17,322,490	16,237,599	(1,084,891)
Charges for services	132,086	131,906	115,542	(16,364)
Investment income (loss)	22,897	(13,139)	(7,835)	5,304
Miscellaneous revenue	204,808	413,964	345,016	(68,948)
Unclaimed property	95,773	114,455	114,455	-
Transfers from other funds	2,655,194	3,595,242	3,279,428	(315,814)
Total Resources	48,997,635	50,090,741	48,542,272	(1,548,469)
Charges To Appropriations				
General government	3,571,046	3,615,275	3,426,306	188,969
Human services	23,462,921	24,318,584	23,891,845	426,739
Natural resources and recreation	598,387	678,786	633,404	45,382
Transportation	104,550	99,945	91,038	8,907
Education	18,860,255	19,064,258	18,656,007	408,251
Capital outlays	831,066	976,968	665,737	311,231
Transfers to other funds	1,133,145	1,656,540	1,436,016	220,524
Total Charges To Appropriations	48,561,370	50,410,356	48,800,353	1,610,003
Excess Available For Appropriation Over (Under) Charges To Appropriations	436,265	(319,615)	(258,081)	61,534
Reconciling Items				
Bond sale proceeds	431,442	397,355	466,691	69,336
Bond issue premiums	-	2,114	5,804	3,690
Refunding other debt issued	-	-	(69)	(69)
Changes in reserves (net)	-	-	(176,025)	(176,025)
Entity adjustments (net)	-	-	24,030	24,030
Total Reconciling Items	431,442	399,469	320,431	(79,038)
Budgetary Fund Balance, June 30	$ 867,707	$ 79,854	$ 62,350	$ (17,504)

BUDGETARY COMPARISON SCHEDULE
Budget to GAAP Reconciliation

General Fund
For the Biennium Ended June 30, 2011
(expressed in thousands)

	General Fund
Sources/Inflows of Resources	
Actual amounts (budgetary basis) "Total Resources" from the Budgetary Comparison Schedule	$ 48,542,272
Differences - budget to GAAP:	
The following items are inflows of budgetary resources but are not revenue for financial reporting purposes:	
Transfers from other funds	(3,279,428)
Budgetary fund balance at the beginning of the biennium	(509,169)
Appropriated loan principal repayment	(2,292)
The following items are not inflows of budgetary resources but are revenue for financial reporting purposes:	
Noncash commodities and electronic food stamp benefits	2,965,582
Revenues collected for other governments	204,483
Unanticipated receipts	47,401
Noncash revenues	46,091
Other	5,991
Biennium total revenues	48,020,931
Fiscal year 2010 total revenues, as restated	(23,372,813)
Nonappropriated activity	2,117
Total Revenues (GAAP Basis) as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	$ 24,650,235
Uses/Outflows of Resources	
Actual amounts (budgetary basis) "Total Charges to Appropriations" from the Budgetary Comparison Schedule	$ 48,800,353
Differences - budget to GAAP:	
The following items are outflows of budgetary resources but are not expenditures for financial reporting purposes:	
Appropriated transfers to other funds	(2,515,560)
Other transfers to other funds	(1,436,016)
Appropriated loan disbursements	(572)
The following items are not outflows of budgetary resources but are recorded as current expenditures for financial reporting purposes:	
Noncash commodities and electronic food stamp benefits	2,965,582
Distributions to other governments	204,483
Expenditures related to unanticipated receipts	47,401
Certificates of participation and capital lease acquisitions	15,727
Other	5,991
Biennium total expenditures	48,087,389
Fiscal year 2010 total expenditures, as restated	(24,361,201)
Nonappropriated activity	477,189
Total expenditures (GAAP basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	$ 24,203,377

BUDGETARY INFORMATION
Notes to Required Supplementary Information

GENERAL BUDGETARY POLICIES AND PROCEDURES

The Governor is required to submit a budget to the state Legislature no later than December 20 of the year preceding odd-numbered year sessions of the Legislature.

The budget is a proposal for expenditures in the ensuing biennial period based upon anticipated revenues from the sources and rates existing by law at the time of submission of the budget. The Governor may additionally submit, as an appendix to the budget, a proposal for expenditures in the ensuing biennium from revenue sources derived from proposed changes in existing statutes.

The appropriated budget and any necessary supplemental budgets are legally required to be adopted through the passage of appropriation bills by the Legislature and approved by the Governor. Operating appropriations are generally made at the fund/account and agency level; however, in a few cases, appropriations are made at the fund/account and agency/program level. Operating appropriations cover either the entire biennium or a single fiscal year within the biennium. Capital appropriations are biennial and are generally made at the fund/account, agency, and project level.

The legal level of budgetary control is at the fund/account, agency, and appropriation level, with administrative controls established at lower levels of detail in certain instances. The accompanying budgetary schedule is not presented at the legal level of budgetary control. This is due to the large number of appropriations within individual agencies that would make such a presentation in the accompanying financial schedule extremely cumbersome. Section 2400.121 of the GASB Codification of Governmental Accounting and Financial Reporting Standards provides for the preparation of a separate report in these extreme cases.

For the state of Washington, a separate report has been prepared for the 2009-11 biennium to illustrate legal budgetary compliance. Appropriated budget versus actual expenditures, and estimated versus actual revenues and other financing sources (uses) for appropriated funds at agency and appropriation level are presented in the Budget-to-Actual Detail Report for governmental funds. A copy of this report is available at the Office of Financial Management, PO Box 43113, Olympia, Washington 98504-3113.

Legislative appropriations are strict legal limits on expenditures/expenses, and over-expenditures are prohibited. All appropriated and certain nonappropriated funds are further controlled by the executive branch through the allotment process. This process allocates the expenditure/expense plan into monthly allotments by program, source of funds, and object of expenditure. Because allotments are not the strict legal limit on expenditures/expenses, the accompanying budgetary schedule is shown on an appropriation versus actual comparison rather than an allotment versus actual comparison.

Proprietary funds typically earn revenues and incur expenses (i.e., depreciation or budgeted asset purchases) not covered by the allotment process. Budget estimates are generally made outside the allotment process according to prepared business plans. These proprietary fund business plan estimates are adjusted only at the beginning of each fiscal year.

Additional fiscal control is exercised through various means. OFM is authorized to make expenditure/expense allotments based on availability of unanticipated receipts, mainly federal government grant increases made during a fiscal year. State law does not preclude the over-expenditure of allotments.

Operating encumbrances lapse at the end of the applicable appropriation. Capital outlay encumbrances lapse at the end of the biennium unless reappropriated by the Legislature in the ensuing biennium. Encumbrances outstanding against continuing appropriations at fiscal year-end are reported as restricted, committed or assigned fund balance.

Budgetary Reporting vs. GAAP Reporting

Governmental funds are budgeted materially in conformance with GAAP. However, the presentation in the accompanying budgetary schedules is different in certain respects from the corresponding Statements of Revenues, Expenditures, and Changes in Fund Balance (governmental operating statement). In the accompanying budgetary schedules, budget and actual expenditures are reported only for appropriated activities. Expenditures are classified based on whether the appropriation is from the operating or capital budget. Expenditures funded by operating budget appropriations are reported as current expenditures classified by the function of the agency receiving the appropriation. Expenditures funded by capital budget appropriations are reported as capital outlays.

However, in the governmental operating statements, all governmental funds are included and expenditures are classified according to what was actually purchased. Capital outlays are capital asset acquisitions such as land, buildings, and equipment. Debt service expenditures are principal and interest payments. Current expenditures are

all other governmental fund expenditures classified based on the function of the agency making the expenditures.

Additionally, certain governmental activities are excluded from the budgetary schedules because they are not appropriated. These activities include activities designated as nonappropriated by the Legislature, such as the Higher Education Special Revenue Fund, Higher Education Endowment Fund, Tobacco Settlement Securitization Bond Debt Service Fund, federal surplus food commodities, electronic food stamp benefits, capital leases, note proceeds, and resources collected and distributed to other governments.

Further, certain expenditures are appropriated as operating transfers. These transfers are reported as operating transfers on the budgetary schedules and as expenditures on the governmental operating statements. The factors contributing to the differences between the Budgetary Comparison Schedule and the Statement of Revenues, Expenditures, and Changes in Fund Balance are noted in the previous Budget to GAAP Reconciliation.

Budgetary Fund Balance generally includes the following as reported on the Governmental Funds Balance Sheet: restricted, committed, assigned, and unassigned fund balances. The General Fund Basic Account Budgetary Fund Balance only includes unassigned fund balance.

Fiscal Year 2010 Restatement

As described in Note 2 to the financial statements on pages B50 and B51, GASB Statement No. 54 was implemented in fiscal year 2011. To enhance comparability, all amounts presented for fiscal year 2010 in these budgetary schedules were revised, where applicable, to reflect the implementation of GASB Statement No. 54 as if it had been made in fiscal year 2010.

continued

Schedule of Funding Progress
Public Employees' Retirement System - Plan 1
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	9/30/2006	9/30/2005
Actuarial value of plan assets	$ 9,293	$ 9,776	$ 9,853	$ 9,715	$ 9,591	$ 9,707
Actuarial accrued liability	12,538	13,984	13,901	13,740	13,129	13,704
Unfunded actuarial liability	3,245	4,208	4,048	4,025	3,538	3,997
Percentage funded	74%	70%	71%	71%	73%	71%
Covered payroll	507	580	638	676	725	786
Unfunded actuarial liability as a percentage of covered payroll	640%	726%	634%	595%	488%	509%

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Public Employees' Retirement System - Plan 2/3
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	N/A	N/A
Actuarial value of plan assets	$ 19,474	$ 18,260	$ 16,693	$ 14,888	N/A	N/A
Actuarial accrued liability	20,029	18,398	16,508	14,661	N/A	N/A
Unfunded actuarial liability	555	138	(185)	(227)	N/A	N/A
Percentage funded	97%	99%	101%	102%	N/A	N/A
Covered payroll	8,206	8,132	7,869	7,157	N/A	N/A
Unfunded actuarial liability as a percentage of covered payroll	7%	0%	0%	0%	N/A	N/A

PERS Plan 2/3 uses the aggregate actuarial cost method. Effective for reporting year 2007, this Schedule of Funding Progress is prepared using the entry age actuarial cost method and is intended to serve as a surrogate for the funded status and funding progress information of this plan as required by GASB Statement No. 50.

N/A indicates data not available.

Source: Washington State Office of the State Actuary.

 continued

Schedule of Funding Progress
Teachers' Retirement System - Plan 1
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	9/30/2006	9/30/2005
Actuarial value of plan assets	$ 7,791	$ 8,146	$ 8,262	$ 8,302	$ 8,275	$ 8,450
Actuarial accrued liability	9,201	10,820	10,754	10,826	10,359	10,894
Unfunded actuarial liability	1,410	2,674	2,492	2,524	2,084	2,444
Percentage funded	85%	75%	77%	77%	80%	78%
Covered payroll	344	389	432	426	478	546
Unfunded actuarial liability as a percentage of covered payroll	410%	687%	577%	592%	436%	448%

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Teachers' Retirement System - Plan 2/3
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	N/A	N/A
Actuarial value of plan assets	$ 6,593	$ 6,160	$ 5,681	$ 5,277	N/A	N/A
Actuarial accrued liability	6,558	6,048	5,264	4,682	N/A	N/A
Unfunded (assets in excess of) actuarial liability	(36)	(112)	(417)	(595)	N/A	N/A
Percentage funded	101%	102%	108%	113%	N/A	N/A
Covered payroll	3,966	3,957	3,621	3,318	N/A	N/A
Unfunded actuarial liability as a percentage of covered payroll	0%	0%	0%	0%	N/A	N/A

TRS Plan 2/3 uses the aggregate actuarial cost method. Effective for reporting year 2007, this Schedule of Funding Progress is prepared using the entry age actuarial cost method and is intended to serve as a surrogate for the funded status and funding progress information of this plan as required by GASB Statement No. 50.

N/A indicates data not available.

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
School Employees' Retirement System - Plan 2/3
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	N/A	N/A
Actuarial value of plan assets	$ 2,664	$ 2,503	$ 2,303	$ 2,133	N/A	N/A
Actuarial accrued liability	2,706	2,493	2,207	1,998	N/A	N/A
Unfunded (assets in excess of) actuarial liability	41	(10)	(96)	(135)	N/A	N/A
Percentage funded	98%	100%	104%	107%	N/A	N/A
Covered payroll	1,475	1,467	1,379	1,283	N/A	N/A
Unfunded actuarial liability as a percentage of covered payroll	3%	0%	0%	0%	N/A	N/A

SERS Plan 2/3 uses the aggregate actuarial cost method. Effective for reporting year 2007, this Schedule of Funding Progress is prepared using the entry age actuarial cost method and is intended to serve as a surrogate for the funded status and funding progress information of this plan as required by GASB Statement No. 50.

N/A indicates data not available.

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Law Enforcement Officers' and Fire Fighters' Retirement System - Plan 1
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	9/30/2006	9/30/2005
Actuarial value of plan assets	$ 5,561	$ 5,612	$ 5,592	$ 5,298	$ 5,018	$ 4,800
Actuarial accrued liability	4,393	4,492	4,368	4,340	4,309	4,243
Unfunded (assets in excess of) actuarial liability	(1,168)	(1,120)	(1,224)	(958)	(709)	(557)
Percentage funded	127%	125%	128%	122%	116%	113%
Covered payroll	29	33	37	43	48	56
Unfunded actuarial liability as a percentage of covered payroll	0%	0%	0%	0%	N/A	N/A

N/A indicates data not available.

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Law Enforcement Officers' and Fire Fighters' Retirement System - Plan 2
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	N/A	N/A
Actuarial value of plan assets	$ 6,043	$ 5,564	$ 5,053	$ 4,360	N/A	N/A
Actuarial accrued liability	5,164	4,641	3,998	3,626	N/A	N/A
Unfunded (assets in excess of) actuarial liability	(879)	(923)	(1,055)	(734)	N/A	N/A
Percentage funded	117%	120%	126%	120%	N/A	N/A
Covered payroll	1,490	1,442	1,345	1,234	N/A	N/A
Unfunded actuarial liability as a percentage of covered payroll	0%	0%	0%	0%	N/A	N/A

LEOFF Plan 2 uses the aggregate actuarial cost method. Effective for reporting year 2007, this Schedule of Funding Progress is prepared using the entry age actuarial cost method and is intended to serve as a surrogate for the funded status and funding progress information of this plan as required by GASB Statement No. 50.

N/A indicates data not available.

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Washington State Patrol Retirement System - Plan 1/2
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	N/A	N/A
Actuarial value of plan assets	$ 920	$ 900	$ 870	$ 800	N/A	N/A
Actuarial accrued liability	812	790	745	702	N/A	N/A
Unfunded (assets in excess of) actuarial liability	(108)	(110)	(125)	(98)	N/A	N/A
Percentage funded	113%	114%	117%	114%	N/A	N/A
Covered payroll	83	83	79	72	N/A	N/A
Unfunded actuarial liability as a percentage of covered payroll	0%	0%	0%	0%	N/A	N/A

WSPRS Plan 1/2 uses the aggregate actuarial cost method. Effective for reporting year 2007, this Schedule of Funding Progress is prepared using the entry age actuarial cost method and is intended to serve as a surrogate for the funded status and funding progress information of this plan as required by GASB Statement No. 50.

N/A indicates data not available.

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Public Safety Employees' Retirement System - Plan 2
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	N/A	N/A
Actuarial value of plan assets	$ 103	$ 69	$ 39	$ 14	N/A	N/A
Actuarial accrued liability	94	64	37	19	N/A	N/A
Unfunded (assets in excess of) actuarial liability	(9)	(5)	(2)	6	N/A	N/A
Percentage funded	109%	108%	106%	74%	N/A	N/A
Covered payroll	227	223	200	134	N/A	N/A
Unfunded actuarial liability as a percentage of covered payroll	0%	0%	0%	0%	N/A	N/A

PSERS Plan 2 uses the aggregate actuarial cost method. Effective for reporting year 2007, this Schedule of Funding Progress is prepared using the entry age actuarial cost method and is intended to serve as a surrogate for the funded status and funding progress information of this plan as required by GASB Statement No. 50.

N/A indicates data not available.

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Judicial Retirement System
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	9/30/2006	9/30/2005
Actuarial value of plan assets	$ 4.0	$ 2.0	$ 1.0	$ 1.0	$ 0.3	$ 2.0
Actuarial accrued liability	84	89	92	85	88	89
Unfunded actuarial liability	80	87	91	84	88	87
Percentage funded	5%	2%	1%	1%	0%	2%
Covered payroll	0.7	0.9	1.3	1.3	1.4	1.7
Unfunded actuarial liability as a percentage of covered payroll	11565%	9667%	7000%	6462%	6286%	5118%

Source: Washington State Office of the State Actuary.

Schedules of Funding Progress

concluded

Schedule of Funding Progress
Judges' Retirement Fund
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	9/30/2006	9/30/2005
Actuarial value of plan assets	$ 2.8	$ 3.3	$ 3.6	$ 4.0	$ 4.1	$ 4.2
Actuarial accrued liability	3.2	3.4	3.5	3.9	4.0	4.5
Unfunded (assets in excess of) actuarial liability	0.4	0.1	(0.1)	(0.1)	(0.1)	0.3
Percentage funded	87%	97%	103%	103%	103%	93%
Covered payroll	-	-	-	-	-	-
Unfunded actuarial liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A

N/A indicates data not available.

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund
Valuation Years 2010 through 2005
(dollars in millions)

	2010	2009	2008	2007	2006	2005
Actuarial valuation date	6/30/2010	6/30/2009	6/30/2008	6/30/2007	12/31/2006	12/31/2005
Actuarial value of plan assets***	$ 166	$ 166	$ 161	$ 151	$ 140	$ 127
Actuarial accrued liability*	166	163	153	141	142	140
Unfunded (assets in excess of) actuarial liability	-	(3)	(8)	(10)	2	13
Percentage funded	100%	102%	105%	107%	99%	91%
Covered payroll**	N/A	N/A	N/A	N/A	N/A	N/A
Unfunded actuarial liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A

* Pension plan liability only - excludes relief benefits.

**Covered payroll is not presented because it is not applicable since this is a volunteer organization.

*** Board for Volunteer Fire Fighters adopted a new funding policy as of 2010 where assets above the accrued pension liability are allocated to fund relief benefits.

N/A indicates data not available.

Source: Washington State Office of the State Actuary.

Schedules of Contributions from Employers and Other Contributing Entities (cont'd)

Schedules of Contributions from Employers and Other Contributing Entities
For the Fiscal Years Ended June 30, 2011 through 2006
(dollars in millions)

	2011	2010	2009	2008	2007	2006
PUBLIC EMPLOYEES' RETIREMENT PLAN SYSTEM - PLAN 1						
Employers' annual required contribution	$ 439.3	$ 627.8	$ 620.2	$ 453.1	$ 397.3	$ 438.5
Employers' actual contribution	145.6	154.0	325.2	221.8	118.7	29.6
Percentage contributed	33%	25%	52%	49%	30%	7%
PUBLIC EMPLOYEES' RETIREMENT PLAN SYSTEM - PLAN 2/3						
Employers' annual required contribution	$ 408.6	$ 383.1	$ 369.7	$ 363.3	$ 331.3	$ 307.6
Employers' actual contribution	328.3	327.5	439.7	318.7	242.5	149.6
Percentage contributed	80%	85%	119%	88%	73%	49%
TEACHERS' RETIREMENT SYSTEM - PLAN 1						
Employers' annual required contribution	$ 205.9	$ 406.1	$ 391.0	$ 294.7	$ 249.8	$ 287.5
Employers' actual contribution	96.8	112.7	178.9	113.1	60.5	15.1
Percentage contributed	47%	28%	46%	38%	24%	5%
TEACHERS' RETIREMENT SYSTEM - PLAN 2/3						
Employers' annual required contribution	$ 232.3	$ 221.1	$ 186.9	$ 208.9	$ 167.7	$ 166.4
Employers' actual contribution	168.3	165.0	160.8	109.5	102.2	75.4
Percentage contributed	72%	75%	86%	52%	61%	45%
SCHOOL EMPLOYEES' RETIREMENT SYSTEM - PLAN 2/3						
Employers' annual required contribution	$ 88.6	$ 82.3	$ 71.5	$ 75.8	$ 71.5	$ 81.4
Employers' actual contribution	62.3	62.1	63.5	52.1	45.9	30.4
Percentage contributed	70%	75%	89%	69%	64%	37%

The Annual Required Contribution (ARC) changes each year with the experience of the plans. Factors influencing the experience include changes in funding methods, assumptions, plan provisions, and economic and demographic gains and losses. The methods used to derive the ARC for this reporting disclosure are different from that used to derive the actual contributions required by law. These differences include the use of different actuarial valuations (actual contributions may be based on an earlier valuation), and different actuarial cost methods. For these reasons the actual contributions will not match the ARCs. Starting in 2009, the ARC for PERS and TRS Plans 1 was calculated using the Entry Age Normal cost method with a rolling 10-year amortization (excluding the temporary rate ceilings). Starting in 2011, the calculation of the ARC reflects the underlying actuarial cost method (excluding minimum contribution rates).

Source: Washington State Office of the State Actuary

Schedules of Contributions from Employers and Other Contributing Entities (cont'd)

Schedules of Contributions from Employers and Other Contributing Entities
For the Fiscal Years Ended June 30, 2011 through 2006
(dollars in millions)

	2011	2010	2009	2008	2007	2006
LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM - PLAN 1						
Employers' annual required contribution	$ -	$ -	$ -	$ -	$ 0.1	$ -
Employers' actual contribution	-	-	-	-	0.1	0.1
Percentage contributed	N/A	N/A	N/A	N/A	100%	N/A
State annual required contribution	$ -	$ -	$ -	$ -	$ -	$ -
State actual contribution	-	-	-	-	-	-
Percentage contributed	N/A	N/A	N/A	N/A	N/A	N/A
LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM - PLAN 2						
Employers' annual required contribution*	$ 84.0	$ 111.1	$ 105.3	$ 61.3	$ 56.9	$ 60.8
Employers' actual contribution	79.7	77.0	77.8	73.4	58.2	48.5
Percentage contributed	95%	69%	74%	120%	102%	80%
State annual required contribution*	$ 33.6	$ 44.4	$ 42.1	$ 40.8	$ 38.0	$ 40.5
State actual contribution	52.0	51.4	51.1	45.9	37.9	31.7
Percentage contributed	155%	116%	121%	113%	100%	78%
WASHINGTON STATE PATROL RETIREMENT SYSTEM						
Employers' annual required contribution	$ 2.3	$ 6.6	$ 5.0	$ 6.8	$ 5.3	$ 6.1
Employers' actual contribution	5.3	5.3	6.4	6.1	3.3	3.1
Percentage contributed	230%	80%	128%	90%	62%	51%

N/A indicates data not available.

*The Annual Required Contribution (ARC) for the LEOFF Plan 2 presented is the Office of the State Actuary's recommended figure.

The Annual Required Contribution (ARC) changes each year with the experience of the plans. Factors influencing the experience include changes in funding methods, assumptions, plan provisions, and economic and demographic gains and losses. The methods used to derive the ARC for this reporting disclosure are different from that used to derive the actual contributions required by law. These differences include the use of different actuarial valuations (actual contributions may be based on an earlier valuation), and different actuarial cost methods. For these reasons the actual contributions will not match the ARCs. Starting in 2009, the ARC for PERS and TRS Plans 1 was calculated using the Entry Age Normal cost method with a rolling 10-year amortization (excluding the temporary rate ceilings). Starting in 2011, the calculation of the ARC reflects the underlying actuarial cost method (excluding minimum contribution rates).

Source: Washington State Office of the State Actuary

Schedules of Contributions from Employers and Other Contributing Entities (concl'd)

Schedules of Contributions from Employers and Other Contributing Entities
For the Fiscal Years Ended June 30, 2011 through 2006
(dollars in millions)

	2011	2010	2009	2008	2007	2006
PUBLIC SAFETY EMPLOYEES' RETIREMENT PLAN SYSTEM - PLAN 2						
Employers' annual required contribution	$ 14.7	$ 14.8	$ 14.3	$ 12.4	$ 7.1	N/A
Employers' actual contribution	15.6	15.2	14.5	11.7	6.6	N/A
Percentage contributed	106%	103%	101%	94%	93%	N/A
JUDICIAL RETIREMENT SYSTEM						
Employers' annual required contribution	$ 18.6	$ 20.4	$ 21.2	$ 26.6	$ 37.3	$ 27.7
Employers' actual contribution	10.9	11.6	10.2	9.6	9.6	6.7
Percentage contributed	59%	57%	48%	36%	26%	24%
JUDGES' RETIREMENT FUND						
Employers' annual required contribution	$ 0.1	$ -	$ -	$ -	$ -	$ 0.1
Employers' actual contribution	-	-	-	-	0.3	0.3
Percentage contributed	0%	N/A	N/A	N/A	N/A	300%
VOLUNTEER FIRE FIGHTERS' AND RESERVE OFFICERS' RELIEF AND PENSION FUND						
Employers' annual required contribution	$ 1.1	$ 1.0	$ 1.1	$ 1.0	$ 1.0	$ 1.0
Employers' actual contribution	1.1	1.0	1.0	1.0	1.0	1.0
Percentage contributed	100%	100%	91%	100%	100%	100%
State annual required contribution	$ 4.2	$ 1.8	$ 1.4	$ 0.9	$ 2.0	$ 3.6
State actual contribution	5.8	5.7	5.2	5.0	6.0	4.6
Percentage contributed	138%	317%	371%	556%	300%	128%

N/A indicates data not available.

The Annual Required Contribution (ARC) changes each year with the experience of the plans. Factors influencing the experience include changes in funding methods, assumptions, plan provisions, and economic and demographic gains and losses. The methods used to derive the ARC for this reporting disclosure are different from that used to derive the actual contributions required by law. These differences include the use of different actuarial valuations (actual contributions may be based on an earlier valuation), and different actuarial cost methods. For these reasons the actual contributions will not match the ARCs. Starting in 2009, the ARC for PERS and TRS Plans 1 was calculated using the Entry Age Normal cost method with a rolling 10-year amortization (excluding the temporary rate ceilings). Starting in 2011, the calculation of the ARC reflects the underlying actuarial cost method (excluding minimum contribution rates).

Source: Washington State Office of the State Actuary

OTHER POSTEMPLOYMENT BENEFITS INFORMATION

Schedule of Funding Progress

Schedule of Funding Progress
Other Postemployment Benefits
Valuation Years 2011 through 2008
(dollars in millions)

	2011	2009	2008
Actuarial valuation date	1/1/2011	1/1/2009	1/1/2008
Actuarial value of plan assets	$ -	$ -	$ -
Actuarial accrued liability (AAL)*	3,492	3,787	4,014
Unfunded actuarial accrued liability (UAAL)	3,492	3,787	4,014
Funded ratio	0%	0%	0%
Covered payroll	5,937	5,678	5,170
UAAL as a percentage of covered payroll	59%	67%	78%

* Based on projected unit credit actuarial cost method.

Source: Washington State Office of the State Actuary

INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH

Condition Assessment

The state's highway system is divided into three main categories: pavement, bridges, and rest areas. Condition information about each of these areas as well as state managed airports follows.

PAVEMENT CONDITION

The Washington State Department of Transportation (WSDOT) owns and maintains 20,587 lane miles of highway, including ramps, collectors and special use lanes. Special use lanes include High Occupancy Vehicle (HOV), climbing, chain-up, holding, slow vehicle turnout, two-way turn, weaving/speed change, bicycle, transit, truck climbing shoulder, turn and acceleration lanes. Special use and ramp/collector lane miles make up 1,956 of the total lane miles.

WSDOT has been rating pavement condition since 1969. Pavement rated in *good* condition is smooth and has few defects. Pavement in *poor* condition is characterized by cracking, patching, roughness and rutting. Pavement condition is rated using three factors: Pavement Structural Condition (PSC), International Roughness Index (IRI), and Rutting.

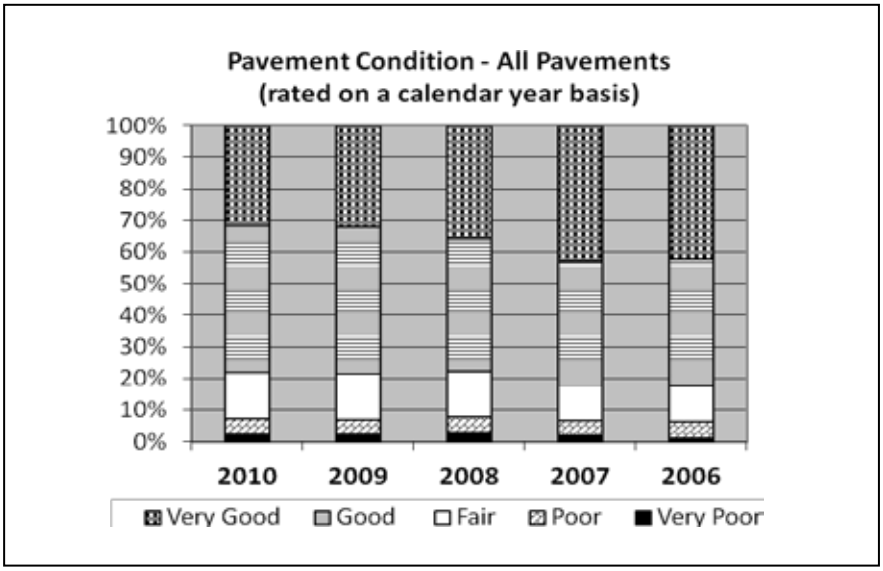
In 1993, the Legislature required WSDOT to rehabilitate pavements at the Lowest Life Cycle Cost (LLCC), which has been determined to occur at a PSC range between 40 and 60, or when triggers for roughness or rutting are met.

The trend over the last five years has shown that the percent of pavements in poor or very poor condition was fairly stable at 7 to 10 percent. WSDOT uses LLCC analysis to manage its pavement preservation program.

The principles behind LLCC are basic – if rehabilitation is done too early, pavement life is wasted; if rehabilitation is done too late, very costly repair work may be required, especially if the underlying structure is compromised. WSDOT continually looks for ways to best strike a balance between these two basic principles.

While the goal for pavements is zero miles in 'poor' condition, marginally good pavements may deteriorate into poor condition during the lag time between assessment and actual rehabilitation. As a result, a small percentage of marginally good pavements will move into the 'poor' condition category for any given assessment period.

WSDOT manages state highways targeting the LLCC per the Pavement Management System due date. While the Department has a long-term goal of no pavements in poor condition (a pavement condition index less than 40, on a 100 point scale), the current policy is to maintain 90 percent of all highway pavement types at a pavement condition index of 40 or better with no more than 10 percent of its highways at a pavement condition below 40. The most recent assessment, conducted in 2010, found that state highways were within the prescribed parameters with only 7.3 percent of all pavement types with a pavement condition index below 40.



WSDOT uses the following scale for Pavement Structural Condition (PSC):

Category	PSC Range	Description
Very Good	80 – 100	Little or no distress. Example: Flexible pavement with 5 percent of wheel track length having "hairline" severity alligator cracking will have a PSC of 80.
Good	60 – 80	Early stage deterioration. Example: Flexible pavement with 15 percent of wheel track length having "hairline" alligator cracking will have a PSC of 70.
Fair	40 – 60	This is the threshold value for rehabilitation. Example: Flexible pavement with 25 percent of wheel track length having "hairline" alligator cracking will have a PSC of 50.
Poor	20 – 40	Structural deterioration. Example: Flexible pavement with 25 percent of wheel track length having "medium (spalled)" severity alligator cracking will have a PSC of 30.
Very Poor	0 – 20	Advanced structural deterioration. Example: Flexible pavement with 40 percent of wheel track length having "medium (spalled)" severity alligator cracking will have a PSC of 10. May require extensive repair and thicker overlays.

The PSC is a measure based on distresses such as cracking and patching, which are related to the pavement's ability to carry loads. Pavements develop structural deficiencies due to truck traffic and cold weather. WSDOT attempts to program rehabilitation for pavement segments when they are projected to reach a PSC of 50. A PSC of 50 can occur due to various amounts and severity of distress. For rigid pavements (such as Portland cement concrete), a PSC of 50 represents 50 percent of the concrete slabs exhibiting joint faulting with a severity of 1/8 to 1/4 inch (faulting is the elevation difference at slab joints and results in a rough ride – particularly in large trucks). Further, a PSC of 50 can also be obtained if 25 percent of concrete slabs exhibit two to three cracks per panel.

The International Roughness Index (IRI) uses a scale in inches per mile. WSDOT considers pavements with a ride performance measure of greater than 220 inches per mile to be in poor condition. For example, new asphalt overlays typically have ride values below 75 inches per mile, which is very smooth.

Rutting is measured in inches: a pavement with more than 0.58 inches of rutting is considered in poor condition.

The three indices (PSC, IRI, and Rutting) are combined to rate a section of pavement, which is assigned the lowest category of any of the three ratings.

The following table shows the combined explanatory categories and the ratings for each index.

Category	PSC	IRI	Rutting
Very Good	100 – 80	< 95	< 0.23
Good	80 – 60	95 – 170	0.23 – 0.41
Fair	60 – 40	170 – 220	0.41 – 0.58
Poor	40 – 20	220 – 320	0.58 – 0.74
Very Poor	0 – 20	> 320	> 0.74

WSDOT uses a semi-automated pavement distress survey procedure. In the automated survey, high-resolution video images are collected at highway speed and these video images are then rated on special workstations at 3-6 mph speed. Use of the semi-automated procedure has resulted in a more detailed classification and recording of various distresses that are rated.

In 2010, WSDOT rated pavement condition on 17,178 of the 20,587 lane miles of highway. The following chart shows recent pavement condition ratings for the state highway system, using the combination of the three indices described on the preceding page.

Percentage of Pavement Lane Miles in Fair or Better Condition*					
	2010	2009	2008	2007	2006
Statewide - Chip seals	95%	95%	95%	91%	91%
Statewide - Asphalt	92%	93%	92%	94%	94%
Statewide - Concrete	91%	90%	87%	93%	93%
Statewide - All Pavements	93%	93%	92%	93%	94%

Percentage of Pavement Lane Miles in Poor or Very Poor Condition*					
	2010	2009	2008	2007	2006
Statewide - Chip seals	5%	5%	5%	9%	9%
Statewide - Asphalt	8%	7%	8%	6%	6%
Statewide - Concrete	9%	10%	13%	7%	7%
Statewide - All Pavements	7%	7%	8%	7%	6%

*Calendar year data. Assessments are typically physically conducted in the summer and fall of each year, and processed during the winter and spring, with final results released in July. Years indicated are when the physical assessment was conducted.

Note: The All Pavement percentages are calculated from total database averages, not a statistical average of the three pavement type percentages. IRI and rutting are not used for sections identified as under construction in rating distress.

More information about pavement management at WSDOT may be obtained at:
http://www.wsdot.wa.gov/Business/MaterialsLab/Pavements/Default.htm.

BRIDGE CONDITION

During fiscal year 2011, there were 3,205 state-owned vehicular structures over 20 feet in length with a total area of 45,818,813 square feet. In addition to bridges, the 3,205 structures include 111 culverts.

There was a net increase of 21 bridge structures in fiscal year 2011 due to new construction, asset exchanges, and demolition. Special emphasis is given to the ongoing inspection and maintenance of major bridges representing a significant public investment due to size, complexity or strategic location. All bridges are inspected every two years and underwater bridge components at least once every five years in accordance with Federal Highway Administration (FHWA) requirements.

Information related to public bridges is maintained in the Washington State Bridge Inventory System. This system is used to develop preservation strategies and comprehensive recommendations for maintenance and construction, and for reporting to the FHWA.

WSDOT uses a performance measure which classifies a bridge as good, fair, or poor using the National Bridge Inspection Standards (NBIS) bridge superstructure, substructure, and deck codes. Prior to fiscal year 2011, WSDOT only used superstructure and substructure codes. For fiscal year 2011, the deck code was included as part of the performance measure as WSDOT made improvements in the measurement and consistency of this data and the bridge deck is a primary load-carrying element. Prior to fiscal year 2011, deck area codes were excluded due to data quality issues, which WSDOT has resolved. In order for a deck rating to be classified as "poor," 2 percent or more of the total bridge deck area must have been temporarily repaired by maintenance crews and/or there is active concrete deterioration. The inclusion of the NBIS deck code in fiscal year 2011 is the main reason the percentage of bridges in the poor condition category increased. Bridge deck condition ratings could not be retroactively applied to years prior to 2011. The data is presented for 2011 in two columns, one without and the other with the impact of the deck condition data.

WSDOT's policy is to maintain 95 percent of its bridges at a structural condition of at least fair, meaning that all primary structural elements are sound.

The most recent assessments over the last two years found that state-owned bridges were within the prescribed parameters with 95.2 percent having a condition rating of fair or better and only 4.8 percent of bridges having a condition rating of poor. Bridges rated as poor may have structural deficiencies that restrict the weight and type of traffic allowed. No bridges that are currently rated as poor are unsafe for public travel. Any bridges determined to be unsafe are closed to traffic.

WSDOT's Bridge Seismic Retrofit Program prioritizes state bridges for seismic retrofit, and performs these retrofits as funding permits. Retrofit priorities are based on seismic risk of a site, structural detail deficiencies, and route importance.

The Seismic Retrofit Program includes 900 bridges that have been classified as needing retrofitting. Seismic analysis has determined that 43 bridges do not require a retrofit. WSDOT has fully or partially retrofitted 394 bridges. Of those, 259 are completely retrofitted, 135 are partially retrofitted. There are 16 bridges currently under contract to be retrofitted.

The following condition rating data is based on the structural sufficiency standards established in the FHWA "Recording and Coding Guide for the Structural Inventory and Appraisal of the Nation's Bridges." This structural rating relates to the evaluation of bridge superstructure, deck, substructure, structural adequacy and waterway adequacy.

Three categories of condition were established in relation to the FHWA criteria as follows:

Category	National Bridge Inventory Code	Description
Good	6, 7, or 8	A range from no problems noted to some minor deterioration of structural elements.
Fair	5	All primary structural elements are sound but may have deficiencies such as minor section loss, deterioration, cracking, spalling or scour.
Poor	4 or less	Advanced deficiencies such as section loss, deterioration, cracking, spalling, scour or seriously affected primary structural components.

Note: Bridges rated in poor condition may be restricted for the weight and type of traffic allowed.

The following charts show the most recent condition rating of Washington State bridges:

Percentage of Bridges in Fair or Better Condition						
Bridge Type	**2011(1)**	**2011(2)**	**2010**	**2009**	**2008**	**2007**
Reinforced concrete (1,299 bridges in FY 2011)	95.0%	97.9%	98.1%	98.0%	98.0%	98.3%
Prestressed concrete (1,386 bridges in FY 2011)	97.6%	99.3%	99.3%	99.0%	98.9%	99.3%
Steel (368 bridges in FY 2011)	91.4%	96.1%	96.6%	95.0%	93.9%	94.7%
Timber (79 bridges in FY 2011)	79.8%	79.8%	80.2%	80.4%	71.7%	66.3%
Statewide - All bridges (3,132 out of 3,205 bridges in FY 2011)	95.2%	97.7%	97.9%	97.5%	97.0%	97.4%

Percentage of Bridges in Poor Condition(3)						
Bridge Type	**2011(1)**	**2011(2)**	**2010**	**2009**	**2008**	**2007**
Reinforced concrete (28 bridges in FY 2011)	5.0%	2.1%	1.9%	2.0%	2.0%	1.7%
Prestressed concrete (10 bridges in FY 2011)	2.4%	0.7%	0.7%	1.0%	1.1%	0.7%
Steel (15 bridges in FY 2011)	8.6%	3.9%	3.4%	5.0%	6.1%	5.3%
Timber (20 bridges in FY 2011)	20.2%	20.2%	19.8%	19.6%	28.3%	33.7%
Statewide - All bridges (73 out of 3,205 bridges in FY 2011)	4.8%	2.3%	2.1%	2.5%	3.0%	2.6%

(1) Data in this column reflects the condition of bridges based on three condition measurement criteria, deck condition as well as superstructure and substructure. It is presented here to fairly report the condition of bridges as a group under the additional rating measurement as well as for comparison to the 2011 conditions without the addition of deck measurements.

(2) Data in this column reflects the condition of bridges based on two condition measurement criteria, superstructure and substructure only which are the measurements used for the previous four years of inspections. It is presented here for comparison to the previous four years.

(3) Bridges rated as poor may have structural deficiencies that restricted the weight and type of traffic allowed. WSDOT currently has 17 posted bridges and 125 restricted bridges for a total of 142 load posted and restricted bridges. Posted bridges have signs posted which inform of legal weight limits. Restricted bridges are those permits where overweight will not be issued for travel by overweight vehicles.

For more information on overweight restrictions, refer to http://www.wsdot.wa.gov/commercialVehicle/Restrictions/. Any bridges determined to be unsafe are closed to traffic.

Additional information regarding the WSDOT's bridge inspection program may be obtained at:
http://www.wsdot.wa.gov/eesc/bridge/index.cfm.

SAFETY REST AREA CONDITION

The WSDOT owns, operates, and maintains 47 developed safety rest area (SRA) facilities. Within these facilities, the Department manages the following assets: 100 buildings, 706 acres, 31 on-site public drinking water systems, 41 on-site sewage pre-treatment/treatment systems, and 20 recreational vehicle sanitary disposal facilities.

WSDOT performs SRA building and site condition assessments in odd-numbered calendar years, to determine the facility deficiencies. This biennial process, which began in 2003, helps prioritize renovation and replacement projects. Sites and buildings are divided into functional components that are assessed with a numerical rating of 1 to 5 based on guideline criteria (1 meets current standards, 5 is poor).

In addition, a weighting multiplier is applied based on the criticality of the individual component. For instance, a safety deficiency adds a weighting multiplier of ten while a department image deficiency has a weighting multiplier of two. The combined total building and site ratings are used to determine each facility's overall condition, and fall into one of five categories. WSDOT will conduct the next condition assessment in 2011 to be reported in the 2012 annual report.

WSDOT SRA condition assessment rating parameters are not based on other state or national guidelines for safety rest areas. The model used is based on the WSDOT capital facility program software already in use, with minor modifications to the rating parameters to better match the unique needs of SRA facilities. The SRA program goal is to have no more than 5 percent of the facilities rated poor.

The following charts show the most recent condition rating of Washington State safety rest areas:

Category	2009*	2007	2005
Percentage of facilities in fair or good condition	97.6%	95.2%	95.2%
Percentage of facilities in poor condition	2.4%	4.8%	4.8%

*2009 percentages are based on 43 inspected SRA sites.

Category	Description	Number of Safety Rest Areas in Category		
		2009	2007	2005
Good Condition	Facility is new construction and/or meets current standards.	8	8	11
Fair-High Condition	Facility meets current standards and/or is in adequate condition with minimal component deficiencies.	7	6	2
Fair-Mid Condition	Facility is functional, and in adequate condition with minor component deficiencies.	11	6	9
Fair-Low Condition	Facility has multiple system deficiencies.	16	20	18
Poor	Facility is at or beyond its service life, with multiple major deficiencies.	1	2	2
No Condition Assessment Data	No data in 2009 (Iron Goat, Dodge Junction, Keller Ferry, Dusty)	4	5	0
	Total	47	47	42

STATE MANAGED AIRPORT CONDITION

The WSDOT Aviation Division is authorized by RCW 47.68.100 to acquire, manage and maintain airports.

Under this authority, WSDOT manages 17 airports, eight of which the Department owns. The airports are used primarily for access to small communities and emergency purposes such as fire fighting, search and rescue, and medical evacuation (one airport is used only for helicopter and search and rescue operations). The airports are also used for recreational flying activities. Most are located near or adjacent to state highways and their runways range in character from paved, to gravel or turf.

Three airports are in operational condition 12 months of the year, and the remaining 14 are operational from June to October each year. Opening and closing dates may vary depending on weather conditions. In accordance with WSDOT aviation policy, ongoing routine maintenance is performed on each airport and inspections occur a minimum of three times per year.

The definitions below represent the classification category for state managed airports within the Washington Aviation System Plan. The system plan was adopted in 2009 as part of the Long-Term Air Transportation Study and represents the state-interest component of the statewide multimodal transportation plan.

The system plan fulfills the statewide aviation planning requirements of federal government, coordinates statewide aviation planning, and identifies the program needs for public use of state airports.

Category	Definition
Local service airport	An airport with a paved runway capable of handling aircraft with a maximum gross certificated takeoff weight of 12,500 pounds.
Rural essential airport	An airport with a turf, gravel or sand (unpaved) runway near access to recreational opportunities with capacity for aircraft less than 12,500 pounds.

The following chart shows the most recent condition rating of Washington State managed airports:

Washington Aviation System Plan

Airport Classification	WSDOT Aviation Owned	WSDOT Aviation Managed
Local Airports	2	-
Rural Essential Airports	-	-
Paved runway	-	1
Turf runway	5	3
Gravel runway	-	4
Sand	-	1
Helicopter only	1	-
Total Airports	8	9

	2011	2010	2009	2008	2007
Percentage of airports acceptable for general recreational use or better	94%	94%	94%	88%	88%
Percentage of airports not acceptable for general recreational use or better	6%	6%	6%	12%	12%

For more information about the airports which are acceptable for general recreational use or better, refer to WSDOT's website at: http://www.wsdot.wa.gov/aviation/Airports/.

Comparison of Planned-to-Actual Preservation and Maintenance

For the Fiscal Years Ended June 30, 2011 through 2007
(expressed in thousands)

	2011			2010		
PAVEMENT	**Planned**	**Actual**	**Variance**	**Planned**	**Actual**	**Variance**
Preservation	$ 100,272	$ 98,123	$ 2,149	$ 147,424	$ 137,952	$ 9,472
Maintenance	21,931	19,688	2,243	20,780	21,489	(709)
Total	$ 122,203	$ 117,811	$ 4,392	$ 168,204	$ 159,441	$ 8,763
BRIDGES						
Preservation	$ 33,201	$ 30,586	$ 2,615	$ 40,958	$ 30,904	$ 10,054
Maintenance	13,507	13,123	384	13,532	13,532	-
Total	$ 46,708	$ 43,709	$ 2,999	$ 54,490	$ 44,436	$ 10,054
REST AREAS						
Preservation	$ 616	$ 624	$ (8)	$ 162	$ 144	$ 18
Maintenance	5,643	5,890	(247)	5,653	5,781	(128)
Total	$ 6,259	$ 6,514	$ (255)	$ 5,815	$ 5,925	$ (110)
AIRPORTS						
Preservation & maintenance	$ 148	$ 192	$ (44)	$ 183	$ 159	$ 24

In addition to increasing and improving the state highway system, WSDOT places a high priority on preserving and maintaining the current highway system. WSDOT breaks out preservation and maintenance into two separate functions. Preservation can be described as projects that maintain the structural integrity of the existing highway system including roadway pavements, safety features, bridges, and other structures/facilities. The maintenance function handles the day-to-day needs that occur such as guardrail replacement, patching pot holes, installing signs, and vegetation control.

WSDOT uses outcome based performance measures for evaluating the effectiveness of the maintenance program. The Maintenance Accountability Process (MAP) is a comprehensive planning, measuring and managing process that provides a means for communicating the impacts of policy and budget decisions on program service delivery. WSDOT uses it to identify investment choices and the effects of those choices in communicating with the Legislature and other stakeholders. The MAP measures and communicates the outcomes of 32 distinct highway maintenance activities. Maintenance results are measured via field condition surveys and reported as Level of Service (LOS) ratings, which range from A to F. LOS targets are defined in terms of the condition of various highway features (i.e. percent of guardrail on the highway system that is damaged) and are set commensurate with the level of funding provided for the WSDOT highway maintenance program. More information about MAP may be obtained at:
http://www.wsdot.wa.gov/maintenance/accountability/default.htm.

WSDOT's legally authorized budgets are biennial with the even year being the first fiscal year of the biennium. Planned amounts in this schedule are not the legal legislative authorizations but are the planned expenditures for the year within the legal authorizations. Therefore, a negative variance is not an indication of overspending the WSDOT's legal authorization but indicates that more expenditure activity occurred than was initially planned. Actual expenditures may vary from the budgeted or planned amounts for a variety of reasons which include, but are not limited to, management's decision to accelerate or defer preservation or maintenance activity or reduce planned activity in response to economic forecasts.

2009			2008			2007		
Planned	Actual	Variance	Planned	Actual	Variance	Planned	Actual	Variance
$ 125,246	$ 109,279	$ 15,967	$ 118,886	$ 130,375	$ (11,489)	$ 111,195	$ 99,416	$ 11,779
19,651	19,170	481	18,329	16,994	1,335	19,152	16,255	2,897
$ 144,897	$ 128,449	$ 16,448	$ 137,215	$ 147,369	$ (10,154)	$ 130,347	$ 115,671	$ 14,676
$ 63,436	$ 16,586	$ 46,850	$ 11,260	$ 23,407	$ (12,147)	$ 21,055	$ 20,138	$ 917
13,365	13,406	(41)	12,427	12,601	(174)	11,553	11,051	502
$ 76,801	$ 29,992	$ 46,809	$ 23,687	$ 36,008	$ (12,321)	$ 32,608	$ 31,189	$ 1,419
$ 199	$ 193	$ 6	$ 77	$ 77	$ -	$ 188	$ 173	$ 15
5,808	5,631	177	5,590	5,778	(188)	5,056	5,359	(303)
$ 6,007	$ 5,824	$ 183	$ 5,667	$ 5,855	$ (188)	$ 5,244	$ 5,532	$ (288)
$ 146	$ 168	$ (22)	$ 146	$ 134	$ 12	$ 83	$ 200	$ (117)

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Washington State Auditor
Brian Sonntag

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

November 22, 2011

The Honorable Christine Gregoire
Governor, State of Washington

Dear Governor Gregoire:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of the State of Washington, as of and for the year ended June 30, 2011, which collectively comprise the State's basic financial statements and have issued our report thereon dated November 22, 2011. Our report includes a reference to other auditors. During the year ended June 30, 2011, the State implemented Governmental Accounting Standards Board *Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions* and *Statement No. 59 – Financial Instruments Omnibus.*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Department of Retirement Systems, Washington's Lottery, Local Government Investment Pool, University of Washington, and the funds managed by the State Investment Board, as described in our report on the State of Washington's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Department of Retirement Systems, Washington's Lottery, Local Government Investment Pool, University of Washington, and the funds managed by the State Investment Board were not audited in accordance with *Government Auditing Standards*.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of the State is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the State's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the state's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the state's internal control over financial reporting.

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A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the State's financial statements will not be prevented, or detected and corrected on a timely basis.

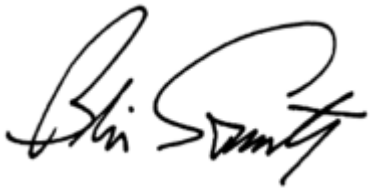
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the State's financial statements are free of material misstatement, we performed tests of the State's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



BRIAN SONNTAG, CGFM
STATE AUDITOR

Washington State Auditor
Brian Sonntag

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

March 13, 2012

The Honorable Christine Gregoire
Governor, State of Washington

Dear Governor Gregoire:

Compliance

We have audited the compliance of the State of Washington with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the State's major federal programs for the year ended June 30, 2011. The State's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the State's management. Our responsibility is to express an opinion on the State's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the State's compliance with those requirements.

As described in Findings 11-17, 11-18, 11-19 and 11-20, in the accompanying Schedule of Findings and Questioned Costs, the State did not comply with requirements regarding Sub-recipient Monitoring, Cash Mangement, Reporting, Allowable Costs/Cost Principles, Matching and Level of Effort that are applicable to the National Bioterrorism Hospital Preparedness and Public Health Emergency Preparedness programs. In addition, as described in Finding 11-49 the State did not comply with requirements regarding Period of Availability that are applicable to

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the National Bioterrorism Hospital Preparedness Program. Compliance with such requirements is necessary, in our opinion, for the State to comply with requirements applicable to the programs.

In our opinion, except for the noncompliance described in the preceding paragraph, the State complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The results of our auditing procedures also disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as Findings 11-2, 11-3, 11-4, 11-5, 11-6, 11-7, 11-8, 11-9, 11-10, 11-12, 11-13, 11-14, 11-15, 11-16, 11-21, 11-22, 11-24, 11-26, 11-28, 11-29, 11-30, 11-31, 11-32, 11-34, 11-44, 11-45, 11-50, 11-51.

Internal Control Over Compliance

The management of the State is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the State's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over* compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Findings 11-7, 11-8, 11-9, 11-11, 11-17, 11-18, 11-20, 11-40, 11-50, 11-51 to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Findings 11-1, 11-5, 11-6, 11-13, 11-14, 11-15,

11-23, 11-24, 11-25, 11-27, 11-29, 11-33, 11-35, 11-36, 11-37, 11-38, 11-39, 11-41, 11-42, 11-43, 11-45, 11-46, 11-47, 11-48 to be significant deficiencies.

The State's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the State's responses and, accordingly, we express no opinion on them.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the State of Washington as of and for the year ended June 30, 2011, and have issued our report thereon dated November 22, 2011. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the State of Washington's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of the State's management and federal awarding agencies. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

BRIAN SONNTAG, CGFM

STATE AUDITOR

March 13, 2012, except for the Schedule of Expenditures of Federal Awards, as to which the date is November 22, 2011

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

CFDA	PROGRAM
	Highway Planning and Construction Cluster
20.205	Highway Planning and Construction
20.205- ARRA	Highway Planning and Construction ARRA
20.219	Recreational Trails Program
20.933	Surface Transportation Infrastructure – Discretionary Grants
23.003	Appalachian Development Highway System
23.003-ARRA	Appalachian Development Highway System ARRA
66.458	Capitalization Grants for Clean Water State Revolving Funds
66.458- ARRA	Capitalization Grants for Clean Water State Revolving Funds ARRA
66.468	Capitalization Grants for Drinking Water State Revolving Funds
66.468-ARRA	Capitalization Grants for Drinking Water State Revolving Funds ARRA
81.041	State Energy Program
81.041-ARRA	State Energy Program ARRA
81.042	Weatherization Assistance for Low-Income Persons
81.042-ARRA	Weatherization Assistance for Low-Income Persons ARRA
81.127 – ARRA	Energy Appliance Rebate Program ARRA
	Title I, Part A Cluster
84.010	Title I Grants to Local Educational Agencies Cluster
84.389-ARRA	Title I Grants to Local Educational Agencies Cluster ARRA
	Special Education Cluster
84.027	Special Education – Grants to States (IDEA, Part B)
84.173	Special Education – Preschool Grants (IDEA Preschool)
84.391-ARRA	Special Education – Grants to States (IDEA, Part B) ARRA
84.392-ARRA	Special Education – Preschool Grants (IDEA Preschool) ARRA
	Vocational Rehabilitation Cluster
84.126	Rehabilitation Services – Vocational Rehabilitation Grants to States
84.390-ARRA	Rehabilitation Services – Vocational Rehabilitation Grants to States ARRA
	Early Intervention Services (IDEA) Cluster
84.181	Special Education – Grants for Infants and Families
84.393	Special Education – Grants for Infants and Families ARRA

CFDA	PROGRAM
	State Fiscal Stabilization Fund Cluster
84.394-ARRA	State Fiscal Stabilization Fund (SFSF) - Education State Grants ARRA
84.397-ARRA	State Fiscal Stabilization Fund (SFSF) – Government Services, ARRA
84.410	Education Jobs Fund
93.069	Public Health Emergency Preparedness
	TANF Cluster
93.558	Temporary Assistance for Needy Families (TANF) State Programs
93.714-ARRA	Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Programs - ARRA
93.716-ARRA	Temporary Assistance for Needy Families (TANF) Supplemental Grants - ARRA
93.563	Child Support Enforcement
93.563-ARRA	Child Support Enforcement ARRA
	Community Services Block Grant Cluster
93.569	Community Services Block Grants
93.710-ARRA	Community Services Block Grants ARRA
	CCDF Cluster
93.575	Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.713-ARRA	Child Care and Development Block Grant ARRA
93.658	Foster Care – Title IV-E
93.658- ARRA	Foster Care – Title IV-E ARRA
93.659	Adoption Assistance
93.659-ARRA	Adoption Assistance ARRA
	Medicaid Cluster
93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection Prevention Initiative
93.775	State Medicaid Fraud Control Units
93.776	Hurricane Katrina Relief Program
93.777	State Survey and Certification of Health Care Providers and Suppliers
93.778	Medical Assistance Program (Medicaid)
93.778-ARRA	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	Disability Insurance / SSI Cluster 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.

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Summary of Federal Findings

Finding Number	Finding
11-01	The Department of Social and Health Services, Economic Services Administration did not have controls in place to comply with federal regulations regarding costs of salaries charged to federal grants.
11-02	The Department of Social and Health Services, Economic Services Administration did not issue retroactive food assistance payments in accordance with federal law.
11-03	The Recreation and Conservation Office did not support more than $220,000 in payroll costs as required by federal regulations for the Pacific Coast Salmon Recovery-Pacific Salmon Treaty Program.
11-04	The Recreation and Conservation Office did not support more than $62,000 in administrative costs as required by federal regulations for the Pacific Coast Salmon Recovery Pacific Salmon Treaty Program.
11-05	The Military Department did not support $155,647 in payroll costs in accordance with federal regulations for its National Guard Operations and Maintenance grant.
11-06	The Military Department does not have controls to ensure it complies with Davis-Bacon (prevailing wage) requirements.
11-07	The Washington Housing Finance Commission did not ensure funding it provided to sub-recipients of the Tax Credit Assistance Program was reported and audited in accordance with federal regulations.
11-08	The Employment Security Department did not comply with U.S. Department of Labor requirements for determining the accuracy of Unemployment Insurance benefit payments.
11-09	The Department of Transportation did not support over $768,000 in payroll costs in accordance with federal regulations for the Formula Grants for Other Than Urbanized Areas.
11-10	The Department of Commerce does not ensure the funding it provides to sub-recipients is reported and audited in accordance with federal regulations.
11-11	The Office of Superintendent of Public Instruction's internal controls over sub-recipient monitoring is not adequate to ensure only proper and allocable costs are charged to the Title I program.
11-12	The University of Washington did not comply with the eligibility requirements of federal student financial aid programs.
11-13	The Department of Social and Health Services is not complying with federal requirements for suspension and debarment for its federal Vocational Rehabilitation Program.
11-14	The Department of Services for the Blind is not complying with federal requirements for suspension and debarment for its federal Vocational Rehabilitation Program.
11-15	The Department of Services for the Blind did not comply with federal requirements regarding services charged to the Vocational Rehabilitation Program.
11-16	The Department of Early Learning did not comply with time and effort requirements for its Special Education Grants for Infants and Families for the Early Support for Infants and Toddlers Program.
11-17	The Department of Health does not monitor sub-recipients of the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness programs.
11-18	The Department of Health did not comply with federal reporting requirements for the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness Programs.
11-19	The Department of Health did not maintain the federally required documentation for $189,000 in payroll costs charged to the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness Programs.

Finding Number	Finding
11-20	The Department of Health does not have sufficient internal controls to ensure federal requirements for matching and level of effort are met for the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness programs.
11-21	The Department of Social and Health Services, Division of Child Support, did not comply with federal regulations on documentation for employee salaries and wages charged to the Child Support Enforcement Program.
11-22	The Department of Commerce, Community Services and Housing Division, did not comply with period of availability requirements for its Community Services Block Grant program.
11-23	The Department of Early Learning and the Department of Social and Health Services do not have adequate internal controls over direct payments to child care providers.
11-24	The Department of Social and Health Services, Children's Administration, is not ensuring the eligibility of clients receiving Adoption Assistance payments.
11-25	The Department of Health did not survey hospitals in accordance with state law, which could increase the risk of Medicaid clients receiving substandard care services.
11-26	The Department of Social and Health Services paid Medicaid providers for services that were not provided to Medicaid beneficiaries.
11-27	The Department of Social and Health Services, Office of Financial Recovery, did not have adequate controls to ensure the federal share of overpayments made to Medicaid providers is refunded to the federal government in an accurate and timely manner.
11-28	The Department of Social and Health Services did not ensure that all individuals who received Medicaid benefits had valid Social Security numbers.
11-29	The Department of Social and Health Services does not have adequate internal controls to ensure Medicaid payments to in-home service providers are allowable and supported.
11-30	The Department of Social and Health Services, Aging and Disability Services Administration, did not ensure the level of in-home care services is appropriate and clients are still eligible for assistance at least annually.
11-31	The Department of Social and Health Services, Aging and Disability Services Administration, charged approximately $36,000 to the Medicaid program for services provided to ineligible individuals.
11-32	The Department of Social and Health Services does not have an adequate process to identify ineligible Medicaid expenditures for nonqualified aliens at the time of payment, resulting in $52,104 in questionable costs.
11-33	The Department of Social and Health Services, Aging and Disability Services Administration, does not have adequate controls to ensure the accuracy of financial eligibility determinations for Medicaid clients receiving home and community based services.
11-34	The Department of Social and Health Services, Aging and Disability Services Administration, did not perform background checks for some in-home care individual providers in accordance with state law.
11-35	The Department of Social and Health Services, Aging and Disability Services Administration does not have adequate controls to ensure Medicaid recipients have received the services for which Medicaid is billed.
11-36	The Department of Social and Health Services, Aging and Disability Services Administration, does not have adequate controls in place to ensure all applicant-owned assets are counted when Medicaid eligibility is determined.
11-37	The Health Care Authority and the Department of Social and Health Services do not have adequate controls to correctly report all Medicaid expenditures that are eligible for additional Children Health Insurance Program (CHIP) funds.
11-38	The Health Care Authority does not comply with state law and the federal Deficit Reduction Act of 2005, increasing the likelihood that the state is paying claims that should have been paid by liable third parties.
11-39	The Health Care Authority did not investigate information on potential Medicaid fraud or abuse in accordance with federal law, risking the loss of Medicaid resources.

Finding Number	Finding
11-40	The Health Care Authority's internal controls are insufficient to ensure payment rates for its Healthy Options managed care program are accurate.
11-41	The Health Care Authority does not perform a retrospective drug use review of pharmaceutical claims data to identify patterns of fraud or abuse as required by federal law.
11-42	The Health Care Authority did not adequately monitor sub-recipients to ensure Medicaid expenditures are allowable and supported.
11-43	The Health Care Authority does not have adequate controls to ensure Medicaid is the payer of last resort.
11-44	The Health Care Authority improperly claimed $111,108.98 in federal reimbursement for the Medicaid program.
11-45	The Health Care Authority does not have adequate controls to ensure controlled substances prescribed for Medicaid clients are authorized and allowable.
11-46	The Health Care Authority did not have adequate controls to ensure violations of Medicaid laws and regulations by providers are identified and are referred to the Medicaid Fraud Control Unit (MFCU), risking the loss of public resources.
11-47	The Health Care Authority's internal controls are inadequate to ensure non-emergency medical transportation expenditures are allowable and adequately supported.
11-48	The Health Care Authority does not have adequate controls to ensure providers meet initial and ongoing eligibility requirements to participate in the Medicaid program.
11-49	The Department of Health charged the National Bioterrorism Hospital Preparedness Program for activities that occurred after the grant period had ended.
11-50	The Washington Commission for National and Community Service at the Office of Financial Management does not properly monitor subgrantees to ensure expenditures of AmeriCorps grant funding are allowable and adequately supported.
11-51	The Employment Security Department did not ensure all background checks were performed for AmeriCorps members as required by federal regulations.

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Summary of Questioned Costs

Federal Grantor	State Agency	CFDA No.	Federal Program	Questioned Costs	Finding No.
U.S. Department of Agriculture	Department of Social and Health Services	10.551 10.561	Supplemental Nutrition Assistance Program (SNAP) Cluster	$ 11,300.00	11-02
U.S. Department of Commerce	Recreation and Conservation Office	11.438	Pacific Coast Salmon Recovery	$ 283,502.57	11-03 11-04
U.S. Department of Defense	Military Department	12.401 12.401 ARRA	National Guard-Operations and Maintenance	$ 155,647.00	11-05
U.S. Department of Education	Department of Services for the Blind	84.126 84.390 ARRA	Vocational Rehabilitation Grants to States	$ 20,712.00	11-15
U.S. Department of Education	Department of Early Learning	84.181 84.393ARRA	Special Education – Grants for Infants and Families	$ 96,711.00	11-16
U.S. Department of Education	University of Washington	84.007 84.032 84.033 84.037 84.038 84.063 84.063ARRA 84.268 84.375 84.376 84.379 84.408 93.264 93.342 93.364 93.407 93.407ARRA 93.408 93.408ARRA 93.925	Student Financial Assistance Cluster	$ 113,063.00	11-12
U.S. Department of Health and Human Services	University of Washington	93.658 93.658 ARRA	Foster Care	$ 13,562.00	11-12

Federal Grantor	State Agency	CFDA No.	Federal Program	Questioned Costs	Finding No.
U.S. Department of Transportation, Federal Transit Administration	Department of Transportation	20.509 20.509 A	Formula Grants for other than Urbanized Areas	$ 768,777.55	11-09
U.S. Department of Health and Human Services	Department of Health	93.069	Public Health Emergency Preparedness	$ 594,206.06	11-17 11-19
U.S. Department of Health and Human Services	Department of Health	93.889	National Bioterrorism Hospital Preparedness Program	$ 305,092.81	11-17 11-19 11-49
U.S. Department of Health and Human Services	Department of Social and Health Services	93.563 93.563 ARRA	Child Support Enforcement	$ 65,432.56	11-21
U.S. Department of Health and Human Services	Department of Commerce	93.569 93.710ARRA	Community Services Block Grant	$ 147,422.00	11-22
U.S. Department of Health and Human Services	Department of Social and Health Services	93.659 93.659ARRA	Adoption Assistance	$ 33,624.00	11-24
U.S. Department of Health and Human Services	Department of Social and Health Services	93.720 93.775 93.776 93.777 93.778 93.778ARRA	Medicaid Cluster	$ 674,150.25	11-26 11-28 11-29 11-30 11-31 11-32 11-34
U.S. Department of Health and Human Service	Health Care Authority	93.720 93.775 93.776 93.777 93.778 93.778ARRA	Medicaid Cluster	$ 137,160.76	11-44 11-45
U.S. Corporation for National and Community Service	Employment Security Department	94.006 94.006ARRA	AmeriCorps	$ 91,568.39	11-51
			Total	$ 3,511,931.95	

Federal Findings and Questioned Costs

11-01 The Department of Social and Health Services, Economic Services Administration did not have controls in place to comply with federal regulations regarding costs of salaries charged to federal grants.

Federal Awarding Agency:	U.S. Department of Agriculture	
	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	10.551	Supplemental Nutrition Assistance Program
	10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
	93.558	Temporary Assistance for Needy Families (TANF)
	93.714	Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Program American, Recovery and Reinvestment (ARRA) Temporary Assistance for Needy Families
	93.716	Supplemental Grants, American Recovery and Reinvestment Act (ARRA)
	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	Multiple	
Applicable Compliance Component:	Cost Principles	
Questioned Cost Amount:	None	

Background

Federal regulations require the Department of Social and Health Services to maintain appropriate supporting documentation for salaries paid to employees charged to federal awards. For those employees working on multiple funding sources, a personnel activity report or equivalent documentation must be kept in order to meet this requirement. This documentation must be based on actual activity and be prepared at least monthly.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for charges to federal awards. However, this information may be used for interim accounting purposes, provided that estimates are reasonable approximations of activity actually performed, the Department compares actual costs to budgeted distributions quarterly, and revises estimates at least quarterly, if necessary, to reflect changed circumstances. The Department may record differences in costs annually if the differences are less than 10 percent (otherwise they must be recorded at the time of comparison).

The Department's Economic Services Administration estimates expected time to be spent on programs and documents this information on Position Action Requests for each employee charging multiple activities.

These expected amounts are the basis for costs charged to federal grants throughout the year. Employees also keep monthly timesheets documenting the exact time spent on each federal activity. The Department is to complete comparisons of estimates on Position Action Requests to actual time documented on timesheets quarterly.

Description of Condition

The Department did not compare actual costs to budgeted distributions for employees charging multiple federal activities. Costs charged to the federal awards were based upon estimates and were not adjusted to actual time.

Cause of Condition

The Department did not understand that costs charged to federal awards for employees charging multiple federal activities could not be based upon estimates without year-end adjustments to actual costs. The Department revised these estimates when needed and considered this enough to meet the requirements. However, it must adjust costs as well.

Effect of Condition

When grantees do not follow federal requirements for documentation of salaries to multiple activities, grantors cannot ensure charges to federal grants are accurate. Overall questioned costs calculated during our review were minimal due to differences causing both increases and decreases to specific grants. However, this was limited to a selection of employees over a single month period. Without controls in place to meet federal requirements, the risk of material questioned costs still exists.

Recommendation

We recommend the Department establish policies and procedures to comply with appropriate federal requirements involving the use of budget estimates for staff charging multiple federal activities. The Department should ensure these procedures are in place for any Division using estimates for payroll purposes.

Department's Response

The Department concurs with this finding.

ESA will take additional steps to ensure that actual charges to federal activities match actual time worked. We will review al split coded positions and reduce the total number of these positions. We will also consolidate time certification in ESA's headquarters office to a single employee wholely responsible for ensuring time certification policies and procedures comply with federal requirements.

We will assign an employee to perform a monthly review of all split coded positions. This employee will also be responsible for reviewing all PA40/PARs to ensure proper coding and minimize the number of split coded positions, and will be required to transfer costs on a monthly basis, helping to ensure actual expenditures match time worked. ESA will continue to look for and implement ways to improve our future cost allocation methodology.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

U.S. Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* (2 CFR Part 225), states:

> Appendix B, Section 8(h) - Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation.
>
> (4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:
>
> (a) More than one Federal award,
>
> (b) A Federal award and a non-Federal award,
>
> (c) An indirect cost activity and a direct cost activity,
>
> (d) Two or more indirect activities which are allocated using different allocation bases, or
>
> (e) An unallowable activity and a direct or indirect cost activity.
>
> (5) Personnel activity reports or equivalent documentation must meet the following standards:
>
> (a) They must reflect an after-the-fact distribution of the actual activity of each employee,
>
> (b) They must account for the total activity for which each employee is compensated,
>
> (c) They must be prepared at least monthly and must coincide with one or more pay periods, and
>
> (d) They must be signed by the employee.
>
> (e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:
>
> (i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;
>
> (ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and
>
> (iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

11-02 The Department of Social and Health Services, Economic Services Administration did not issue retroactive food assistance payments in accordance with federal law.

Federal Awarding Agency:	U.S. Department of Agriculture
Pass-Through Entity:	None
CFDA Number and Title:	10.551 Supplemental Nutrition Assistance Program 10.561 Supplemental Administrative Matching Grants for the Supplemental Nutrition Assistance Program
Federal Award Number:	Multiple
Applicable Compliance Component:	Activities Allowed / Cost Principles
Questioned Cost Amount:	$11,300 (Approximate)

Background

The Economic Services Administration at the Department of Social and Health Services administers the Supplemental Nutrition Assistance Program for the state. The program provides food assistance benefits to low-income households. It paid more than $1.5 billion in benefits to eligible households in fiscal year 2011.

Federal law requires the Department to restore benefits to households underpaid or denied due to Department error or court action. The Department restores underpaid benefits to clients for any of the 12 months prior to the month the client requests restoration or the month the Department discovers the underpayment. The Department issues a retroactive payment equal to the amount of benefits lost during that time period, regardless of the household's current eligibility status. More than 7,000 retroactive payments totaling about $2.1 million were issued during fiscal year 2011.

In 2009 and 2010, we identified $4,460 and $15,000 in retroactive food assistance payments to clients beyond the 12 months allowed by law.

Description of Condition

We reviewed a list of all retroactive payments issued during fiscal year 2011. We identified 136 instances in which the payment issue date was more than 12 months beyond the first corrected month and selected the 20 largest payments, representing approximately 58 percent of the total dollars at risk, for additional review. We found 17 of the 20 payments were issued improperly, resulting in approximately $11,300 in unallowable benefits. Since we did not review 100 percent of the payments at risk, it is likely the total amount of inappropriate payments is higher.

Cause of Condition

While the Department has taken steps to train employees regarding food assistance payment requirements, low staffing and high workloads have made it difficult for the Department to identify all payment errors. To eliminate errors, the Department has requested a system change to prevent payments beyond the 12-month criteria. This automated control has yet to be put in place.

Effect of Condition and Questioned Costs

Some individuals received food assistance benefits to which they were not entitled. Inappropriate benefit payments related to the files we reviewed totaled approximately $11,300. It was not possible to establish an exact amount of questioned costs as staff did not include underpayment information for each specific month as required by Department policy.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support its expenditures.

Recommendation

We recommend the Department establish controls to ensure retroactive food assistance benefit payments are only made for allowable timeframes. We further recommend the Department review all retroactive payments identified as potentially inappropriate to identify the total unallowable costs.

The Department should consult with its grantor to determine what questioned costs should be repaid.

Department's Response

The Department concurs with this finding.

In April and May of 2011, Community Services Division (CSD) field staff received training on the proper calculation of retroactive payments. The training focused on when a retroactive payment is indicated and allowed, and the time limitations required by law. This training is also required for all new employees who are responsible for issuing benefits.

Training ensures staff understand policy and procedures in this area, however, lower staffing levels and increased workloads are also contributing factors to these errors. As such, CSD has requested a system change to prevent payments beyond the 12-month criteria.

CSD will review the 136 cases cited in this audit to determine the correct supplement amount for which each client was eligible. For cases where unallowable payments were made, the department will follow existing rules and policies for establishing overpayments.

Audit results will be shared with the respective federal agency. If the federal agency determines questionable costs will be repaid, ESA will negotiate these costs with the federal agency.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

The auditee shall:

(c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

Title 7 Code of Federal Regulations Sec. 273.17 states in part:

(a) Entitlement.

(1) The State agency shall restore to households benefits which were lost whenever the loss was caused by an error by the State agency or by an administrative disqualification for intentional Program violation which was subsequently reversed as specified in paragraph (e) of this section, or if there is a statement elsewhere in the regulations specifically stating that the household is entitled to restoration of lost benefits. Furthermore, unless there is a statement elsewhere in the regulations that a household is entitled to lost benefits for a longer period, benefits shall be restored for not more than twelve months prior to whichever of the following occurred first:

(i) The date the State agency receives a request for restoration from a household; or

(ii) The date the State agency is notified or otherwise discovers that a loss to a household has occurred.

(2) The State agency shall restore to households benefits which were found by any judicial action to have been wrongfully withheld. If the judicial action is the first action the recipient has taken to obtain restoration of lost benefits, then benefits shall be restored for a period of not more than twelve months from the date the court action was initiated. When the judicial action is a review of a State agency action, the benefits shall be restored for a period of not more than twelve months from the first of the following dates:
   (i) The date the State agency receives a request for restoration:
   (ii) If no request for restoration is received, the date the fair hearing action was initiated; but
   (iii) Never more than one year from when the State agency is notified of, or discovers, the loss.
(3) Benefits shall be restored even if the household is currently ineligible.

Washington Administrative Code 388-410-0040 states, in part:

(2) All food assistance benefits underpaid are restored when:
   (a) An underpayment was caused by department error;
   (b) An administrative disqualification for intentional program violation was reversed;
   (c) A rule or instruction specifies restoration of unpaid benefits; or
   (d) A court action finds benefits were wrongfully withheld.
(3) A client is eligible for restoration of underpaid benefits for any of the twelve months prior to:
   (a) The month the client requests restoration;
   (b) The month the department discovers an underpayment;
   (c) The date the household makes a fair hearing request when a request for restoration of benefits was not received; or
   (d) The date court action was started when the client has taken no other action to obtain restoration of benefits."

11-03 The Recreation and Conservation Office did not support more than $220,000 in payroll costs as required by federal regulations for the Pacific Coast Salmon Recovery-Pacific Salmon Treaty Program.

Federal Awarding Agency:	U.S. Department of Commerce
Pass-Through Entity:	None
CFDA Number and Title:	11.438 Pacific Coast Salmon Recovery
Federal Award Number:	NA05NMF4381269, NA06NMF4380091 NA07NMF4380301, NA08NMF4380608 NA09NMF4380363, NA10NMF4380435
Applicable Compliance Component:	Allowable Costs / Cost Principles
Questioned Cost Amount:	$220,859.57

Background

The Recreation and Conservation Office is the state agency that manages grants that pay for outdoor recreation opportunities, protect the state's wildlife habitat and farmland, and help restore salmon habitat. The Office received more than $26 million from the U.S. Department of Commerce for salmon recovery efforts during fiscal year 2011. It passed on approximately 97 percent of this money to state agencies, as well as sub-recipients such as cities, towns, counties, special-purpose districts, non-profit organizations, Indian tribes and private landowners to pay for approved projects.

Grants may be used to pay only for costs that are allowable and related to their purpose. Federal regulations specify the documentation grantees must keep to support employee compensation charged to federal grants. If an employee works solely on the grant program and all related payroll costs are charged to that grant, the employee must certify, semi-annually, in writing, that he or she worked solely on that program. In contrast, payroll costs for employees who work on multiple programs or cost objectives must be supported by personnel activity reports or equivalent documentation, such as timesheets. These reports must:

- Reflect how much time the employee worked on each program or cost objective.
- Account for the total activity for which the employee is compensated.
- Be prepared at least monthly and coincide with one or more pay periods.
- Be signed by the employee.

Payroll costs based on an estimate of time worked may be used for interim accounting purposes so long as an adjustment to actual time worked is made at least quarterly. Closely related programs with differing funding sources may be deemed a single cost objective, and therefore are subject only to the semi-annual certifications. This designation must be applied for and approved by the federal grantor. The Office has not applied for approval for this designation for the Pacific Coast Salmon Recovery – Pacific Salmon Treaty Program. The federal requirements are detailed in the federal Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Tribal Governments*.

Description of Condition

The Office administers a number of closely related federal and state programs and administrative and program staff support multiple programs. Employees complete monthly timesheets but the timesheets do not account for the actual activity spent on the program. We determined the Office charged a portion of the payroll costs for 20 employees to the grant based on budgeted percentages. The Office did not have documentation to support the charges and they were not reconciled to actual time employees worked on programs. These payroll costs totaled $220, 859.57.

Cause of Condition

Office management responsible for allocating payroll costs stated they allocated costs to the grant based on a budgeted percentage determined by the agency. They were unaware that this would not meet the requirements of Circular A-87 for allocating costs to federal programs.

Effect of Condition and Questioned Costs

We identified $220,859.57 in direct payroll charges to the Pacific Coast Salmon Recovery – Pacific Salmon Treaty Program grant that were not supported in accordance with federal requirements. We are questioning those costs as unallowable charges for salaries and benefits. The federal grantor could disallow these charges and require the Department to pay back the money.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support its expenditures.

Recommendations

We recommend the Office establish policies and procedures to ensure payroll charges are adequately supported. The Office should consult with its grantor to determine what, if any, of the questioned costs should be repaid.

Office's Response

We agree with the auditors' finding. The following actions will be taken to address the finding: We will base all administrative costs on our federally approved indirect rate. We will work with U.S. Department of Commerce, National Oceanic and Atmospheric Administration to amend our grant agreements to include indirect costs in the grant budget. In the past we incorrectly understood that the three percent administrative limit set the only basis for our administrative charges.

Auditor's Concluding Remarks

We thank the Office for its cooperation and assistance throughout the audit. We will review the status of the Office's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

U.S. Office of Management and Budget Circular A-87 (2 CFR 225), *Cost Principles for State, Local and Indian Tribal Governments,* states in part:

> Appendix B, Section 8(h):
>
> Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation.

(1) Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a reasonable official(s) of the governmental unit.
(2) No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity.
(3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.
(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection 8.h.(5) of this appendix unless a statistical sampling system (see subsection 8.h.(6) of this appendix) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:
    (a) More than one Federal award
    (b) A Federal award and a non Federal award
    (c) An indirect cost activity and a direct cost activity
    (d) Two or more indirect activities which are allocated using different allocation bases, or
    (e) An unallowable activity and a direct or indirect cost activity
(5) Personnel activity reports or equivalent documentation must meet the following standards:
    (a) They must reflect an after the fact distribution of the actual activity of each employee.
    (b) They must account for the total activity for which each employee is compensated
    (c) They must be prepared at least monthly and must coincide with one or more pay periods, and
    (d) They must be signed by the employee
    (e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:
        (i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;
        (ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and
        (iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.
(6) Substitute systems for allocating salaries and wages to Federal awards may be used in place of activity reports. These systems are subject to approval if required by the cognizant agency. Such systems may include, but are not limited to, random moment sampling, case counts, or other quantifiable measures of employee effort.
    (a) Substitute systems which use sampling methods (primarily for Temporary Assistance to Needy Families (TANF), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:
        (i) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in subsection 8.h.(6)(c) of this appendix;
        (ii) The entire time period involved must be covered by the sample; and
        (iii) The results must be statistically valid and applied to the period being sampled.

(b) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.

(c) Less than full compliance with the statistical sampling standards noted in subsection 8.h.(6)(a) of this appendix may be accepted by the cognizant agency if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the governmental unit will result in lower costs to Federal awards than a system which complies with the standards.

(7) Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards.

11-04 The Recreation and Conservation Office did not support more than $62,000 in administrative costs as required by federal regulations for the Pacific Coast Salmon Recovery Pacific Salmon Treaty Program.

Federal Awarding Agency:	U.S. Department of Commerce
Pass-Through Entity:	None
CFDA Number and Title:	11.438 Pacific Coast Salmon Recovery
Federal Award Number:	NA05NMF4381269, NA06NMF4380091 NA07NMF4380301, NA08NMF4380608 NA09NMF4380363, NA10NMF4380435
Applicable Compliance Component:	Allowable Costs / Cost Principles
Questioned Cost Amount:	$62,643

Background

The Recreation and Conservation Office manages grants that pay for outdoor recreation opportunities, protect the state's wildlife habitat and farmland, and helps restore salmon habitat. The Office received more than $26 million from the U.S. Department of Commerce for salmon recovery efforts during fiscal year 2011. It passed on approximately 97 percent of this money to state agencies and sub-recipients such as cities, towns, counties, special-purpose districts, non-profit organizations, Indian tribes and private landowners to pay for approved projects.

Description of Condition

The Office administers a number of closely related federal and state programs. We found administrative costs were charged to the grant based on budgeted percentages. For example, 40 percent of the Office's administrative costs were charged to the grant, but the Office did not have documentation supporting this methodology and could not show how the costs were directly related to actual program activity. These administrative costs totaled $62,643.

Cause of Condition

Office management responsible for allocating administrative costs to federal programs stated they were unaware allocations based on budgeted amounts does not meet federal requirements.

Effect of Condition and Questioned Costs

We identified $62,643 in administrative charges to the Pacific Coast Salmon Recovery Pacific Salmon Treaty Program grant that were not supported in accordance with federal requirements. We are questioning those costs as unallowable charges. The federal grantor could disallow these charges and require the Department to pay back the money.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support its expenditures.

Recommendations

We recommend the Office work with its grantor to determine a method to charge administrative expenditures to the grant and to establish policies and procedures to ensure administrative charges are adequately supported. The Office should consult with its grantor to determine what, if any, of the questioned costs should be repaid. We recommend the Office provide adequate training to ensure all staff responsible for allocating administrative costs to federal programs understand federal requirements.

Office's Response

We agree with the auditors' finding. The following actions will be taken to address the finding: We will base all administrative costs on our federally approved indirect rate. We will work with U.S. Department of Commerce, National Oceanic and Atmospheric Administration to amend our grant agreements to include indirect costs in the grant budget. In the past we incorrectly understood that the three percent administrative limit set the only basis for our administrative charges.

Auditor's Concluding Remarks

We thank the Office for its cooperation and assistance throughout the audit. We will review the status of the Office's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

(c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

U.S. Office of Management and Budget Circular A-87 (2 CFR 225), *Cost Principles for State, Local and Indian Tribal Governments,* states in part:

Appendix A

C. *Basic Guidelines*

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
   - b. Be allocable to Federal awards under the provisions of 2 CFR part 225…
   - j. Be adequately documented.
3. Allocable costs.
   - a. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.
   - b. All activities which benefit from the governmental unit's indirect cost, including unallowable activities and services donated to the governmental unit by third parties, will receive an appropriate allocation of indirect costs.
   - c. Any cost allocable to a particular Federal award or cost objective under the principles provided for in 2 CFR part 225 may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms of the Federal awards, or for other reasons.
   - d. Where an accumulation of indirect costs will ultimately result in charges to a Federal award, a cost allocation plan will be required as described in Appendices C, D, and E to this part.

F. *Indirect Costs*

1. General. Indirect costs are those: Incurred for a common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. The term "indirect costs," as used herein, applies to costs of this type originating in the grantee department, as well as those incurred by other departments in supplying goods, services, and facilities. To facilitate equitable distribution of indirect expenses

to the cost objectives served, it may be necessary to establish a number of pools of indirect costs within a governmental unit department or in other agencies providing services to a governmental unit department. Indirect cost pools should be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.

2. Cost allocation plans and indirect cost proposals. Requirements for development and submission of cost allocation plans and indirect cost rate proposals are contained in Appendices C, D, and E to this part.

Appendix B, Section 8

h. Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation.

(1) Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a responsible official(s) of the governmental unit.

(2) No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity.

(3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection 8.h.(5) of this appendix unless a statistical sampling system (see subsection 8.h.(6) of this appendix) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

(a) More than one Federal award,

(b) A Federal award and a non-Federal award,

(c) An indirect cost activity and a direct cost activity,

(d) Two or more indirect activities which are allocated using different allocation bases, or

(e) An unallowable activity and a direct or indirect cost activity.

(5) Personnel activity reports or equivalent documentation must meet the following standards:

(a) They must reflect an after-the-fact distribution of the actual activity of each employee,

(b) They must account for the total activity for which each employee is compensated,

(c) They must be prepared at least monthly and must coincide with one or more pay periods, and

(d) They must be signed by the employee.

(e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:

(i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;

(ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and

(iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

11-05 The Military Department did not support $155,647 in payroll costs in accordance with federal regulations for its National Guard Operations and Maintenance grant.

Federal Awarding Agency:	U.S. Department of Defense
Pass-Through Entity:	None
CFDA Number and Title:	12.401 National Guard – Operations and Maintenance 12.401A National Guard – Operations and Maintenance – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	W91K23-06-2-1000; W91K23-11-2-1000; W912K3-09-2-9006
Applicable Compliance Component:	Allowable Costs / Cost Principles
Questioned Cost Amount:	$155,647

Background

The Military Department administers the National Guard Operations and Maintenance grant to provide support to the Army National Guard and Air National Guard for the construction of military facilities, real property improvements, design services and other projects authorized and directed by Congress or the U.S. Department of Defense. The Department spent $18.1 million from this grant in fiscal year 2011, including $381,009.88 in American Recovery and Reinvestment Act funds.

Grants may be used to pay only for costs that are allowable and related to the grant's purpose. Federal regulations specify documentation must be kept to support employee compensation charged to federal grants. If an employee works solely on the grant program and all related payroll costs are charged to that grant, minimal documentation is required: the employee must certify, semiannually, in writing, that he or she worked solely on that program. In contrast, payroll costs for employees who work on multiple programs or cost objectives must be supported by personnel activity reports or equivalent documentation, such as timesheets. These reports must:

- Reflect how much time the employee worked on each program or cost objective.
- Account for the total activity for which the employee is compensated.
- Be prepared at least monthly and coincide with one or more pay periods.
- Be signed by the employee.

The Department requires employees to complete hourly timesheets semi-monthly or certifications quarterly to meet federal time and effort requirements.

Description of Condition

We obtained all 46 quarterly certifications during fiscal year 2011. We also selected a random sample of 54 timesheets for different employees and time periods during fiscal year 2011.

We found five employees who charged time to the grant were either missing certifications for one or more quarters or did not fill out timesheets semi-monthly. Further, we found two of the employees have been charging to the grant since they became employed with the Department (1989 and 2009) and have never filled out a timesheet or certification.

Cause of Condition

The Department did not have a clear understanding of who is required to submit time and effort documentation. It did not have a system to track employees to ensure it received time sheets or quarterly certifications.

Effect of Condition and Questioned Costs

We identified $155,647.19 in direct payroll charges to the National Guard Operations and Maintenance grant that were not supported in accordance with federal requirements. We are questioning those costs as unallowable charges. We are only questioning the salaries charged in state fiscal year 2011 for the two employees who had unsupported charges to the grant for multiple years. The federal grantor could disallow these charges and require the Department to pay back the money.

We question costs when we find a department has not complied with grant regulations and/or when it does not have adequate documentation to support its expenditures.

Recommendations

We recommend the Department establish policies and procedures to ensure payroll charges are adequately supported. The Department should consult with its grantor to determine what, if any, of the questioned costs should be repaid.

Department's Response

The Military Department concurs with this finding. The following steps will be taken.

1. *The Military Department will change its hiring procedures to include a notation on the Personnel Action Form to include whether or not the employee is required to submit quarterly certifications. This notation will be noted by the hiring program authority.*
2. *The Payroll Section will maintain a listing of employees who are required to submit quarterly certifications.*
3. *The Payroll Section will be responsible for collecting the required certifications on each employee and maintaining records*

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

U.S. Office of Management and Budget Circular A-87 (2 CFR 225), *Cost Principles for State, Local and Indian Tribal Governments,* states:

> Appendix B, Section 8(h):
>
> Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation.
>
> (1) Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with generally accepted

practice of the governmental unit and approved by a reasonable official(s) of the governmental unit.

(2) No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity.

(3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection 8.h.(5) of this appendix unless a statistical sampling system (see subsection 8.h.(6) of this appendix) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:
   (a) More than one Federal award
   (b) A Federal award and a non Federal award
   (c) An indirect cost activity and a direct cost activity
   (d) Two or more indirect activities which are allocated using different allocation bases, or
   (e) An unallowable activity and a direct or indirect cost activity

(5) Personnel activity reports or equivalent documentation must meet the following standards:
   (a) They must reflect an after the fact distribution of the actual activity of each employee.
   (b) They must account for the total activity for which each employee is compensated
   (c) They must be prepared at least monthly and must coincide with one or more pay periods, and
   (d) They must be signed by the employee
   (e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:
      (i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;
      (ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and
      (iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

(6) Substitute systems for allocating salaries and wages to Federal awards may be used in place of activity reports. These systems are subject to approval if required by the cognizant agency. Such systems may include, but are not limited to, random moment sampling, case counts, or other quantifiable measures of employee effort.
   (a) Substitute systems which use sampling methods (primarily for Temporary Assistance to Needy Families (TANF), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:
      (i) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in subsection 8.h.(6)(c) of this appendix;
      (ii) The entire time period involved must be covered by the sample; and
      (iii) The results must be statistically valid and applied to the period being sampled.
   (b) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.

(c) Less than full compliance with the statistical sampling standards noted in subsection 8.h.(6)(a) of this appendix may be accepted by the cognizant agency if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the governmental unit will result in lower costs to Federal awards than a system which complies with the standards.

(7) Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards.

11-06 The Military Department does not have controls to ensure it complies with Davis-Bacon (prevailing wage) requirements.

Federal Awarding Agency:	U.S. Department of Defense
Pass-Through Entity:	None
CFDA Number and Title:	12.401 National Guard – Operations and Maintenance 12.401A National Guard – Operations and Maintenance – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	W912K3-09-2-9006
Applicable Compliance Component:	Davis Bacon ARRA
Questioned Cost Amount:	None

Background

The National Guard Bureau enters into cooperative agreements with the state for administration of the National Guard Operations and Maintenance program. The program provides support to the Army and Air National Guard in minor construction, maintenance, repair or operation of facilities.

In 2009, the National Guard Bureau awarded operations and maintenance funds to the Military Department under the American Recovery and Reinvestment Act (ARRA). The Department was awarded approximately $2.3 million in Recovery Act money to be used to maintain, restore, and modernize National Guard facilities.

In fiscal year 2011, the Department spent $381,010 in Recovery Act funding.

Description of Condition

Construction projects paid for in whole or in part by Recovery Act dollars are subject to the Davis-Bacon Act, a federal law that requires prevailing wages to be paid on federally assisted construction projects that cost more than $2,000. Workers on-site must be paid no less than local prevailing wages and benefits for similar projects. State agencies that pay for construction projects with Recovery Act dollars are required to collect and review weekly certified payrolls from contractors and sub-recipients to ensure prevailing wages are paid.

The Department included the Davis-Bacon requirements as standard language in all Recovery Act funded contracts signed by the contractor and the Department, stating contractors are required to submit the Statement of Intent to pay Prevailing Wages. However, the Department failed to collect the weekly certified payrolls for all contractors reviewed during the fiscal year 2011 audit as required by the Davis-Bacon Act.

We reviewed all contractors who received Recovery Act funds in fiscal year 2011. We found four contractors were required to comply with the Davis-Bacon Act. The total paid to the four contractors was $374,529.61. Further we found the Department failed to comply with the Davis-Bacon Act for these same four contractors during fiscal year 2010.

Cause of Condition

Department staff was not aware of the requirements of the Davis-Bacon Act and failed to collect weekly certified payrolls from contractors.

Effect of Condition

The Department's ineffective controls over Davis-Bacon Act requirements in the Military Department increases the risk that laborers working on federally funded projects will not be paid the proper wages.

Recommendation

The Department should:

- Establish a Department-wide monitoring system to ensure an accurate and consistent understanding of the Davis-Bacon Act, and that it complies with the Act.

- Ensure all employees who oversee Davis Bacon compliance are trained in how to meet federal requirements. It should monitor to ensure staff follows these requirements.

- Collect and review weekly certified payrolls from contractors and sub-recipients to ensure prevailing wages are paid.

Department's Response

The Military Department concurs with this finding. The Military Department has taken the following actions to correct this deficiency.

1. *The responsibility for monitoring compliance with Davis-Bacon (prevailing wage) requirements will be assigned to the Contracting Section of the Military Department.*
2. *The Contracting Section is familiar with Davis-Bacon reporting requirements and will incorporate the collection and review of weekly certified payrolls into contracts requiring such reporting.*
3. *The Contracting Section will be responsible for collecting certified payrolls and will monitor compliance as needed.*

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, Section 300, states in part:

> The auditee shall:
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

Section 1606 of the American Recovery and Reinvestment Act of 2009, Public Law 111–5:

> Notwithstanding any other provision of law and in a manner consistent with other provisions in this Act, all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to this Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

Title 29, Code of Federal Regulations, Sections 3.3 and 3.4 state in part:

> 3.3(b)…Each contractor or subcontractor engaged on the construction, prosecution, completion, or repair of any public building or public work, or building or work financed in whole or in part by loans or grants from the United States, shall furnish each week a statement with respect to the wages paid each of it's employees engaged on work covered by this part 3 and part 5 of this chapter during the preceding weekly payroll period…
>
> 3.4(a)…Each weekly statement required under Sec. 3.3 shall be delivered by the contractor or subcontractor, within seven days after the regular payment date of the payroll period, to a representative of a Federal or State agency in charge at the site of the building or work . . . After such examination and check as may be made, such statement, or a copy thereof, shall be kept available, or shall be transmitted together with a report of any violation, in accordance with applicable procedures prescribed by the United States Department of Labor…

11-07 The Washington Housing Finance Commission did not ensure funding it provided to sub-recipients of the Tax Credit Assistance Program was reported and audited in accordance with federal regulations.

Federal Awarding Agency:	U.S. Department of Housing and Urban Development
Pass-Through Entity:	None
CFDA Number and Title:	14.258 Tax Credit Assistance Program – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	M09-ES530100
Applicable Compliance Component:	Sub-recipient Monitoring
Questioned Cost Amount:	None

Background

The Tax Credit Assistance Program provides partial funding for eligible low-income housing projects. This federal money is paid to the State Housing Finance Commission. The Commission was awarded more than $43 million in program funds that it passed through to nine housing authorities and non-profit organizations. These sub-recipients used the money to construct or rehabilitate 652 low-income rental housing units. In fiscal year 2011, federal costs charged to the program totaled $32 million.

Federal regulations require the Commission to notify sub-recipients of federal award information and compliance requirements and to monitor the grant-funded activities. This includes ensuring the organizations receive an audit of these funds in accordance with the federal Office of Management and Budget Circular A-133. This requirement is fundamental to good sub-recipient monitoring activities, and helps ensure that federal awards are used for authorized purposes and in compliance with laws, regulations, and grant and contract provisions. Sub-recipients are required to report grants on a Schedule of Expenditures of Federal Awards (SEFA). This schedule forms the basis for selecting federal programs to audit. The results of these audits, along with the schedule, must be submitted to a federal clearinghouse within nine months of the organization's fiscal year end.

Description of Condition

For all nine sub-recipients, we found the Commission did not:

- Obtain evidence a federal audit was performed if total federal expenditures were $500,000 or more.
- Examine federal audit reports to ensure program funds were accurately reported on the SEFA.
- Adequately communicate the requirement to obtain a federal audit in accordance with federal regulations. In the audit section of the loan agreement, the only mention of audit responsibilities is: "Except as otherwise approved by the Commission, Borrower shall provide the Commission an annual audit that meets the reasonable requirements of the Commission and HUD [Housing and Urban Development]".
- Communicate the Catalog of Federal Domestic Assistance (CFDA) number that pertains to the grant.

Further, we noted the Commission approved a $23,903 reimbursement to a sub-recipient that had paid for estimated land use and permit inspection fees. The payment made by the sub-recipient was based on estimated staff time that would be incurred during the life of the project rather than for services actually received.

Lastly, the U.S. Department of Housing and Urban Development's Office of Inspector General (OIG) reviewed payments made by sub-recipients with program funds from February to August 2010 and found the Commission did not always properly monitor the sub-recipients to ensure only allowable costs are charged to the grant.

Cause of Condition

The Commission was unaware of the federal requirement to ensure its sub-recipients receive an audit in accordance with federal regulations or that federal awards it passes through are properly reported on a Schedule of Expenditures of Federal Awards (SEFA).

The Commission believed the estimated vendor payment submitted by the sub-recipient for reimbursements was allowable since it was an otherwise allowable cost given the nature of the project. According to the OIG audit report, the Commission's monitoring process at the time of the OIG audit was limited to reviewing the eligibility of costs when a project was completed and a final cost certification was submitted by the sub-recipient.

Effect of Condition

Three sub-recipients are housing authorities. Our Office audits these entities when they notify us that one is needed. We reviewed prior audit reports issued by our Office and found:

- One did not report $500,000 in program funds on its SEFA and did not receive the required audit. Two reported the program funds in their SEFA totaling $25 million. During a previous audit, we reported a finding for one of these sub-recipients regarding inadequate financial reporting

The Commission is required to follow up on sub-recipient audit findings. The Commission did not follow up on findings because it was not aware it needed to ensure sub-recipients received a federal audit.

The remaining six sub-recipients were non-profit organizations, which are not within our audit authority. The Commission requested federal audit reports for the remaining sub-recipients as a result of our audit. We found three did not report their Recovery Act program expenditures on their SEFAs.

Audits are designed to provide transparency to the public about how tax dollars are spent and to provide assurance to federal grantors that funds are being spent appropriately.

The Commission reimbursed one sub-recipient for payment of services not actually received at the time the bill was submitted for payment. The amount reimbursed was $23,903. We have since obtained documentation from the vendor that the billed service will be provided by the end of the project and will not question this cost.

The OIG audit identified $187,104 in questioned costs. Of that amount, $170,036 was for ineligible loan fees, appraisal fees and legal fees. The remaining $17,068 was for legal fees that did not have adequate support to show how they were related to the program. The Commission has reimbursed HUD for the questioned costs.

Recommendation

We recommend the Commission:

- Ensure its sub-recipients receive audits as required and accurately report program expenditures on the SEFA.
- Communicate federal grant information to sub-recipients and clarify the sub-recipient's responsibility to obtain federal audits.

  Monitor its sub-recipient's costs that are submitted for reimbursement to ensure they are allowable and meet federal regulations.

Commission's Response

The Commission agrees with the determination of the SAO that we did not assure our sub-recipients received federal audits as required. As noted by the auditor, we subsequently corrected our error by receiving and reviewing such audits and will continue to do so for any subsequent years in which the Commission provides TCAP funds to a sub-recipient.

The CFDA number was not published online at CFDA.gov nor was it available from HUD website for this grant until after contracts and agreements were executed with the sub-recipients. The Commission will increase our diligence in communicating the federal grant information to sub-recipients, including adding clarity on the specific requirements of the sub-recipient to receive a federal audit as appropriate, and providing the CFDA number.

OIG Finding: The Commission continues to take exception to the characterization by the OIG that no eligibility review existed until final cost certification. Rather, each draw presented by the sponsor was subject to a review by a project management consultant for appropriateness, reviewed by our program staff for compliance with the approved budget and then reviewed by finance staff for completeness prior to the draw's approval in IDIS for payment. During the period of the OIG audit, these reviews did not identify the noted items and program staff did rely on the final cost certification to correct any such oversights. However, subsequent to the OIG's audit, program staff enhanced the review to improve confidence that draws did meet the program eligibility guidelines. We therefore believe that we properly remedied the OIG finding and no further action on this recommendation is necessary.

Auditor's Concluding Remarks

We thank the Commission for its cooperation and assistance throughout the audit. We will review the status of the Commission's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* states:

Section .300-Auditee responsibilities.

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

(c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

Section .400, states in part:

(d) <u>Pass-through entity responsibilities</u>. A pass-through entity shall perform the following for the Federal awards it makes:

(1) Identify Federal awards made by informing each subrecipient of CFDA title and number, award name and number, award year, if the award is R&D, and name of Federal agency. When some of this information is not available, the pass-through entity shall provide the best information available to describe the Federal award.

(2) Advise subrecipients of requirements imposed on them by Federal laws, regulations, and the provisions of contracts or grant agreements as well as any supplemental requirements imposed by the pass-through entity.

(3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.
(4) Ensure that subrecipients expending $300,000 *($500,000 for fiscal years ending after December 31, 2003)* or more in Federal awards during the subrecipient's fiscal year have met the audit requirements of this part for that fiscal year.
(5) Issue a management decision on audit findings within six months after receipt of the subrecipient's audit report and ensure that the subrecipient takes appropriate and timely corrective action.
(6) Consider whether subrecipient audits necessitate adjustment of the pass-through entity's own records.

11-08 The Employment Security Department did not comply with U.S. Department of Labor requirements for determining the accuracy of Unemployment Insurance benefit payments.

Federal Awarding Agency:	U.S. Department of Labor
Pass-Through Entity:	None
CFDA Number and Title:	17.225 Unemployment Insurance 17.225A Unemployment Insurance – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	UI-21133-11-55-A-53; UI-19616-10-55-A-53; UI-18054-09-55-A-53
Applicable Compliance Component:	Special Tests – U.I. Benefit Payments
Questioned Cost Amount:	None

Background

The Employment Security Department administers the Unemployment Insurance program that provides benefits to workers for periods of involuntary unemployment. The federal government and employers in Washington State primarily fund the program. In fiscal year 2011, Employment Security paid approximately $1.4 billion in benefits paid for by employers and more than $2.3 billion with money from the federal government.

Federal regulations require the Department to operate a Benefits Accuracy Measurement (BAM) program to estimate the number and amount of claims properly paid or denied by projecting results from investigations of small, random samples to all claims.

The U.S. Department of Labor requires Employment Security to draw a weekly sample of payments and denied claims, review the records, and contact claimants, employers and third parties to verify information related to the claim. If a claim was incorrectly paid, the investigator determines the cause and amount of the error. For erroneously denied claims, the investigator reports on the potential eligibility of the claimant; the cause of and who was responsible for the error; when the error was detected; and actions taken by the agency and employer prior to the payment or denial decision that were in error.

Federal guidelines for the BAM program state: "Regardless of the method used, it is intended that states obtain the information needed to complete their BAM cases. States must attempt to obtain the information required for investigations using any and all of the following methods: in-person, telephone, FAX, mail or e-mail. States have the option of using any of these methods that it determines to be the most efficient and effective based on the circumstances of each case. States are to document all attempts made in procuring needed information in each case's summary. Within this framework, it is important to note that the audit process differs substantially from normal UI operations in terms of cost, time, and effort. **BAM investigators must exhaust all avenues in obtaining information."** The Department has created a BAM Procedures Manual that establishes written procedures to ensure federal guidelines are met.

Employment Security's procedures manual directs investigators to document at least six attempts to contact claimants. At least two of the attempts must be done by mail. If unsuccessful, the investigator is to document the attempts and may close the investigation. The Department provides minimum requirements for investigations, but gives investigators wide latitude to pursue the investigation beyond the minimum.

Investigators are required to verify employer data, job search contacts and third-party information for each case. Federal regulations do not provide any option other than verifying the data directly and specifically states "BAM investigators must exhaust all avenues in obtaining information." Because federal guidelines also require at least 70 percent of cases to be closed within 60 days, and 95 percent within 90 days, the state procedures manual allows investigators to cease attempting to make contact with employers if they have documented a minimum of six attempts to contact employers for data, at least two by mail or fax.

Federal guidelines require the Department to examine 480 paid claims and 450 denied claims each year. According to the U.S. Department of Labor, for the three-year period ending June 30, 2011, Washington had an average improper payment error rate of 13.5 percent. This improper payment rate is based on the percentage of payments determined to be improper by the BAM program.

We reported a finding for the fiscal year 2009 and 2010 audits, noting that the Department did not comply with Department of Labor requirements for the BAM program. Specifically, Employment Security investigators did not obtain all information needed to complete their cases and did not use all required methods to do so. The Labor Department requires states to try to collect information using all of the following methods: in-person, telephone, facsimile or mail. Employment Security does not require investigators to collect information from a claimant if he or she cannot be contacted or chooses not to respond. However, if a claimant does not respond, the case is to be forwarded to a local employment center for a job search review to be scheduled which could result in benefit denial.

Description of Condition

The Department still is not complying with Labor Department requirements for the BAM Program. For this audit we randomly selected 78 claims the Department had investigated: 41 paid claims and 37 denied claims, and found:

- In 11 cases, the investigator did not verify wage or other data with prior employers or third parties. When contact was not made with the employer, the case file stated that the investigator was using previously reported data assumed to be accurate. In five of the 11 cases, the investigator contacted the employer who provided data conflicted with the Department's wage and hour records for the employer. However, the investigator did not resolve this issue.
- In five cases from the 41 paid claims, the investigator did not verify reported job searches.
- In two cases, the investigator accepted wage data from employers that did not match the Department's records. The summary of investigation did not document that the records did not match.
- In four cases, the investigator should have coded a payment as improper in the federal reporting system but did not. In one of those cases, the investigator determined the whole claim should have been disallowed but did not report the error.
- Files for seven of the cases did not document enough attempts to contact the claimant.

Employment Security does not have sufficient internal controls to ensure compliance with federal regulations. The primary opportunity to detect noncompliant investigations is during the supervisory review of the BAM investigation. Employment Security did this for approximately 31 percent of the investigations we examined. Among those cases, 30 percent did not comply with BAM requirements. Of the cases we examined that no one reviewed, 27 percent did not comply. Having a higher noncompliance rate for cases receiving a supervisory review show the review process is not effective.

Cause of Condition

During the audit period the Department adopted several procedural improvements. It

- Hired a new supervisor with BAM experience in another state.
- Updated job expectations for BAM investigators to more precisely convey the expectations of properly completing BAM cases.
- Began a weekly control review meeting to help ensure consistent standards are used throughout the unit.
- Revised the documentation used for investigations to include more details on what work the investigator performed.

Management stated the new procedures took effect on January 1, 2011. We determined the rate of improperly conducted BAM investigations was 37 percent prior to January 1, 2011, and 19 percent after that date.

The Department's supervisory reviews of BAM investigations did not detect noncompliance because the reviews performed were not always thorough. The reviews ranged from a cursory review to a review taking one to two hours. Because the Department does not have an established policy or procedure to specify what is required for a review to be adequate, supervisors performing the reviews determine how extensive they will be.

Effect of Condition

The Department may not be identifying potential issues with benefit claim approvals and denials. The Department could be paying invalid claims or denying valid claims.

In September of 2011 the Labor Department designated the state as an improper payment "High Priority" state for fiscal year 2012. The designation was based on improper payment rates as reported by the BAM unit during the last three years. This will require Employment Security to commit significant resources to address the Labor Department's concerns.

Recommendation

We again recommend Employment Security ensure all BAM program investigations include contacting the claimant, prior employers, job search contacts and third parties as required by the Department of Labor. We also recommend Employment Security ensure investigators properly identify and address all issues. Additionally, we recommend the Department ensure supervisors properly review completed cases to ensure procedures were followed.

Department's Response

ESD concurs with the finding and has been making improvements in unit processes to ensure all BAM program investigations are compliant with U.S. Department of Labor requirements. These improvements will ensure BAM investigations include all required contact information; that BAM investigators properly identify and address all issues raised during investigations and supervisory reviews are conducted to confirm proper procedures are followed.

The Employment Security Department appreciates that the auditor acknowledges the significantly increased compliance rate of BAM investigations during the course of the fiscal year audit ending June 30, 2011, but we recognize this effort must be ongoing.

Following is a list of improvements implemented and planned that will result in accurate, complete and fully compliant BAM investigations:

Personnel and Training

- *Revised investigator position descriptions with more rigorous requirements to improve the recruitment and retention of experienced and knowledgeable investigators.*
- *Increased feedback to and training of investigators to develop their knowledge, skills and abilities. This will include a three-day intensive investigator training offered by the Washington State Department of Personnel.*
- *Weekly formal internal peer case reviews.*
- *Regular unit meetings to review and discuss unusual or particularly challenging cases and share best practices.*
- *Increased communication and cooperation with other departments within ESD resulting in quicker turnaround times and resolution of issues.*

- *Increased communication and cooperation with DOL Region VI, National Office and BAM Units in other states.*
- *Increased development of support staff, including cross-training, to better understand and anticipate the needs of investigators.*

Forms and Manuals

- *Substantial revision and updating of the BAM Procedural Manual.*
- *Creation of a detailed contact log form showing time, date and method of contact and fact finding notes.*
- *Emphasis on narrative summaries detailing complexities of the case, identification and resolution of potential issues, unusual coding or other unusual circumstances.*
- *Revision and updating of all BAM forms to improve accuracy, effectiveness and response rate. The non-response rate (claimants not returning the questionnaire) for paid BAM cases has dropped from over 12% in 2010 to 6% during the first half of 2011.*
- *Increased use of all available reference resources within the Department and with DOL including published Questions and Answers and the Minnesota Training Center website.*

Procedures

- *Creation of internal tracking folders on a shared drive capturing unusual investigative issues, recommended procedures to increase consistency and accuracy in coding.*
- *Application of an open-ended denial of benefits for claimants who do not accurately or fully respond to requests for information within 10 days of case assignment and initial contact attempts.*
- *Increased Supervisory Review.*
- *Revision of timelines for each audit including initial contact attempts and follow-up attempts.*
- *More efficient, realistic and consistent case assignment.*

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

Title 20, Code of Federal Regulations, Part 602.21 states in part:

> § 602.21 Standard methods and procedures.
>
> Each State shall:
>
> (a) Perform the requirements of this section in accordance with instructions issued by the Department, pursuant to § 602.30(a) of this part, to ensure standardization of methods and procedures in a manner consistent with this part;
>
> (b) Select representative samples for QC study of at least a minimum size specified by the Department to ensure statistical validity (for benefit payments, a minimum of 400 cases of weeks paid per State per year);

(c) Complete prompt and in-depth case investigations to determine the degree of accuracy and timeliness in the administration of the State UI law and Federal programs with respect to benefit determinations, benefit payments, and revenue collections; and conduct other measurements and studies necessary or appropriate for carrying out the purposes of this part; and in conducting investigations each State shall:

(1) Inform claimants in writing that the information obtained from a QC investigation may affect their eligibility for benefits and inform employers in writing that the information obtained from a QC investigation of revenue may affect their tax liability,

(2) Use a questionnaire, prescribed by the Department, which is designed to obtain such data as the Department deems necessary for the operation of the QC program; require completion of the questionnaire by claimants in accordance with the eligibility and reporting authority under State law,

(3) Collect data identified by the Department as necessary for the operation of the QC program; however, the collection of demographic data will be limited to those data which relate to an individual's eligibility for UI benefits and necessary to conduct proportions tests to validate the selection of representative samples (the demographic data elements necessary to conduct proportions tests are claimants' date of birth, sex, and ethnic classification)

11-09 The Department of Transportation did not support over $768,000 in payroll costs in accordance with federal regulations for the Formula Grants for Other Than Urbanized Areas.

Federal Awarding Agency:	U.S. Department of Transportation, Federal Transit Administration
Pass-Through Entity:	None
CFDA Number and Title:	20.509 Formula Grants for Other Than Urbanized Areas 20.509A Formula Grants for Other Than Urbanized Areas – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	WA-18-X025; WA-18-X039; WA-18-X043; WA-18-X048; WA-85-X001; WA-85-X002; and WA-86-X001
Applicable Compliance Component:	Allowable Costs / Cost Principles
Questioned Cost Amount:	$643,146.33 Non ARRA $125,631.22 ARRA

Background

The Public Transportation Division of the State Department of Transportation administers the federal Formula Grants for Other Than Urbanized Areas grant to help pay for public transportation in rural areas. The Department distributes this grant funding to public and private entities that provide these services and retains 10 percent to 15 percent to pay administrative costs. The Department spent $19,123,310 from this grant in fiscal year 2011, including $9,358,778 in American Recovery and Reinvestment Act funds.

Grants may be used to pay only for costs that are allowable and related to the grant's purpose. Federal regulations specify the documentation that must be kept to support employee compensation charged to federal grants. If an employee works solely on the grant program and all related payroll costs are charged to that grant, minimal documentation is required: the employee must certify, semi-annually, in writing, that he or she worked solely on that program. In contrast, payroll costs for employees who work on multiple programs or cost objectives must be supported by personnel activity reports or equivalent documentation, such as timesheets. These reports must:

- Reflect how much time the employee worked on each program or cost objective.
- Account for the total activity for which the employee is compensated.
- Be prepared at least monthly and coincide with one or more pay periods.
- Be signed by the employee.

Payroll costs based on an estimate of time worked may be used for interim accounting purposes so long as an adjustment to actual time worked is made at least quarterly.

In our fiscal year 2009 and 2010 audits, we reported the Department did not support more than $740,000 and $759,000 respectively, in payroll costs charged to the grant in accordance with federal regulations. The Public Transportation Division administers a number of closely related federal and state programs and the work performed by administrative and program staff supports multiple programs. We determined the Division charged a portion of the payroll costs for 16 employees to the grant based on budgeted percentages. The Division did not have documentation to support the charges and they were not reconciled to actual time employees worked on programs.

Description of Condition

The Division charged a portion of the payroll costs for 16 employees to the Formula Grants for Other Than Urbanized Areas based on budgeted percentages. The Division did not have documentation to support the

charges and they were not reconciled to actual time employees worked on programs. The Division did not change how it allocates salaries and benefits to the grant until June 16, 2011.

Cause of Condition

Public Transportation Division management responsible for allocating payroll costs stated it had not changed the method of allocating payroll costs because they had not received approval of a modified version of its current allocation method. The Division was instructed not to use the modified allocation method until it had been reviewed and approved. The Department submitted its request to the Federal Transit Administration in June 2010 and was informed in June of 2011 that it would not be approved.

Effect of Condition and Questioned Costs

We identified $768,777.55 in direct payroll charges to the Formula Grants for Other Than Urbanized Areas grant that were not supported in accordance with federal requirements, including $125,631.22 funded through the American Recovery and Reinvestment Act. We are questioning those costs as unallowable charges for salaries and benefits. The federal grantor could disallow these charges and require the Department to pay back the money.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support its expenditures.

Recommendations

We recommend the Department establish policies and procedures to ensure payroll charges are adequately supported. The Department should consult with its grantor to determine what, if any, of the questioned costs should be repaid.

Department's Response

The Department appreciates the State Auditor's work regarding the Formula Grants for Other Than Urbanized Areas. At this time, we are awaiting required authorization from the federal grantor to implement our planned correction.

The Department is considered an innovative leader by the Federal Transit Administration (FTA) for its grant administration methods, which include administering a number of closely related grant programs.

After receiving a similar finding in 2009, the Department's Public Transportation Division developed and submitted a formalized direct payroll cost allocation plan, known as a substitute system, to the FTA to meet the federal regulations (OMB Circular A-87). Upon receipt of the plan, the FTA requested that the Department continue to allocate payroll costs under the current FTA approved method until such time as the new plan can be reviewed and approved. The FTA staff conducted fieldwork for their review in January 2011, and provided their results in June 2011. The FTA report offered recommendations that the Department will continue to implement to receive grantor approval of the cost allocation plan. Once approved, the Public Transportation Division will allocate direct payroll costs using the new method and will incorporate the new method into policies and procedures. Until FTA approval is received, allocations are being based on actual time worked, which is in compliance with federal regulations.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

(c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

U.S. Office of Management and Budget Circular A-87 (2 CFR 225), *Cost Principles for State, Local and Indian Tribal Governments,* states in part:

Appendix B, Section 8(h):

Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation.

(1) Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a reasonable official(s) of the governmental unit.

(2) No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity.

(3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection 8.h.(5) of this appendix unless a statistical sampling system (see subsection 8.h.(6) of this appendix) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

(a) More than one Federal award

(b) A Federal award and a non Federal award

(c) An indirect cost activity and a direct cost activity

(d) Two or more indirect activities which are allocated using different allocation bases, or

(e) An unallowable activity and a direct or indirect cost activity

(5) Personnel activity reports or equivalent documentation must meet the following standards:

(a) They must reflect an after the fact distribution of the actual activity of each employee.

(b) They must account for the total activity for which each employee is compensated

(c) They must be prepared at least monthly and must coincide with one or more pay periods, and

(d) They must be signed by the employee

(e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:

(i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;
(ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and
(iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

(6) Substitute systems for allocating salaries and wages to Federal awards may be used in place of activity reports. These systems are subject to approval if required by the cognizant agency. Such systems may include, but are not limited to, random moment sampling, case counts, or other quantifiable measures of employee effort.
   (a) Substitute systems which use sampling methods (primarily for Temporary Assistance to Needy Families (TANF), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:
      (i) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in subsection 8.h.(6)(c) of this appendix;
      (ii) The entire time period involved must be covered by the sample; and
      (iii) The results must be statistically valid and applied to the period being sampled.
   (b) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.
   (c) Less than full compliance with the statistical sampling standards noted in subsection 8.h.(6)(a) of this appendix may be accepted by the cognizant agency if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the governmental unit will result in lower costs to Federal awards than a system which complies with the standards.

(7) Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards.

11-10 The Department of Commerce does not ensure the funding it provides to sub-recipients is reported and audited in accordance with federal regulations.

Federal Awarding Agency:	U.S. Environmental Protection Agency U.S. Department of Energy U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	66.468	Capitalization Grants for Drinking Water State Revolving Funds
	66.468A	Capitalization Grants for Drinking Water State Revolving Funds – American Recovery and Reinvestment Act (ARRA)
	81.042	Weatherization Assistance for Low-Income Persons
	81.042A	Weatherization Assistance for Low-Income Persons – American Recovery and Reinvestment Act (ARRA)
	93.569	Community Services Block Grant
	93.710	Community Services Block Grant – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	Multiple	
Applicable Compliance Component:	Sub-recipient Monitoring Compliance	
Questioned Cost Amount:	None	

Background

Federal regulations require the Department of Commerce to monitor the grant-funded activities of sub-recipients. This includes ensuring the organizations receive an audit of these funds in accordance with the federal Office of Management and Budget Circular A-133. This requirement is fundamental to adequate sub-recipient monitoring, and helps ensure federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements. Sub-recipients also are required to report grant awards on a Schedule of Expenditures of Federal Awards. This schedule forms the basis for selecting federal funds to audit. The results of all such audits, along with the schedule, must be submitted to a federal clearing house within nine months of the organizations' fiscal year end.

The Department uses a database to track audits of sub-recipients. Each program is required to verify in the database that an audit was performed and to complete necessary follow up during site visits at the sub-recipients.

Description of Condition

The Department does not ensure sub-recipients receive an audit in accordance with federal regulations. The Department is not ensuring sub-recipients are reporting the federal program funds in their Schedule of Expenditures of Federal Awards as required. The Department is not ensuring timely and appropriate corrective action for all sub-recipient audit findings.

We reported similar issues with another program at the Department for fiscal year 2010.

Cause of Condition

The Department includes a clause in its award contract that states the sub-recipient is to obtain an audit if required and provide it to the Department. The Department relies on site visits to obtain any missing audits, but these visits do not occur annually, so audits may not be received in a timely manner, if at all. The Department did not review the audits to ensure the pass-through grants were included on Schedules of Expenditures of Federal Awards. The Department does not believe they are required to re-audit the sub-

recipients' audit reports. Program managers did not ensure corrective action plans were received and resolutions were documented for sub-recipient findings.

Effect of Condition

We randomly selected 38 sub-recipients for review and found:

- No evidence the Department verified five sub-recipients received the required audit.
- The Department did not ensure three sub-recipients reported pass through federal funds received in their Schedules of Expenditures of Federal Awards.
- The Department did not ensure four sub-recipients took timely and appropriate corrective action on audit findings.

Program	No Audit of Federal Funds		Pass through not reported on SEFA		Missing Corrective Action on Findings	
	ARRA	Non ARRA	ARRA	Non ARRA	ARRA	Non ARRA
Drinking Water	$ 0	$2,638,961	$ 0	$ 1,389,878	$ 0	$ 0
Weatherization	$151,173	$32,160	$ 0	$ 0	$412,417	$361,002
Community Services Block Grant	$208,061	$76,005	$596,655	$114,124	$950,960	$235,683

Recommendation

We recommend the Department ensure its sub-recipients receive audits as required and take appropriate and timely corrective action for those that receive audit findings. For sub-recipients that did not have an audit or report federal funds, we recommend the Department take appropriate action, up to and including recovery of any funds provided.

Department's Response

We partially concur with the finding. We agree five sub-recipients did not submit audit reports as required and we did not catch the oversight. We will contact those sub-recipients to verify compliance with A-133 and obtain audit copies. Sub-recipient contract terms and conditions identify the requirement that organizations receiving in excess of $500,000 in federal funds must have a Circular A-133 audit and submit copies to Commerce. We intend to increase periodic review of sub-recipients with federal expenditures provided from Commerce in excess of $500,000 by refining specific audit requirements and reporting functionality in our tracking systems to better follow-up on delinquent reports. Since it is possible for sub-recipients to receive less than $500,000 from Commerce plus additional funds from other sources to make them eligible for the A-133 audit report requirement, we intend to remind sub-recipients of this requirement however, we have no method to determine when this threshold is met beyond what Commerce provided. Commerce is satisfied that program funds expended during this period were appropriate and correct through the monthly invoice verification process, the required documentation review and on-site monitoring conducted for each sub-recipient.

Commerce does not agree that it is our responsibility to ensure sub-recipients are reporting all federal program funds in their Schedule of Expenditures of Federal Awards. We do not believe we are required to re-audit an A-133 audit prepared by the auditee's Certified Public Accountant. Generally accepted accounting principles and federal regulations enumerate many financial statement disclosure requirements for which the auditee and their auditor are responsible to comply with. If the State Auditor's Office has concerns about the quality of an audit report, there are procedures for notifying the State Board of Accountancy of those concerns. Commerce does not have the expertise to make those judgments and this is not a responsibility we will assume.

Commerce believes timely and appropriate corrective action was completed for the four sub-recipient audit findings. There are instances where we have made judgment decisions that accept the sub-recipient's original response to the audit finding and have not required any follow-up, which we feel is within our purview. We intend to refine specific corrective action and management decisions documentation and reporting functionality in our tracking systems to better centrally document timely and appropriate corrective action for sub-recipient audit findings.

Auditor's Concluding Remarks

We thank the Department for its response. Federal regulations (cited below) clearly state it is the Department's responsibility to ensure sub-recipients receive audits in accordance with OMB Circular A-133. During our audit, we looked at criteria to determine if the Department complied with A-133: Did the Department receive an audit report from its sub-recipients; did it look at the report to ensure the sub-recipients reported their federal funds received from the Department; and did the Department ensure timely corrective action was taken on sub-recipient audit findings.

We affirm our finding and will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133. *Audits of States, Local Governments, and Non-Profit Organizations*, Section .400, states in part:

(d) Pass-through entity responsibilities. A pass-through entity shall perform the following for the Federal awards it makes: . . .
  (4) Ensure that subrecipients expending $300,000 *($500,000 for fiscal years ending after December 31, 2003)* or more in Federal awards during the subrecipient's fiscal year have met the audit requirements of this part for that fiscal year.
  (5) Issue a management decision on audit findings within six months after receipt of the subrecipient's audit report and ensure that the subrecipient takes appropriate and timely corrective action.
  (6) Consider whether subrecipient audits necessitate adjustment of the pass-through entity's own records.

U.S. Office of Management and Budget Circular A-133. *Audits of States, Local Governments, and Non-Profit Organizations*, Section .405, states in part:

(a) General. The management decision shall clearly state whether or not the audit finding is sustained, the reasons for the decision, and the expected auditee action to repay disallowed costs, make financial adjustments, or take other action. If the auditee has not completed corrective action, a timetable for follow-up should be given. Prior to issuing the management decision, the Federal agency or pass-through entity may request additional information or documentation from the auditee, including a request for auditor assurance related to the documentation, as a way of mitigating disallowed costs. The management decision should describe any appeal process available to the auditee

(c) Pass-through entity. As provided in **§___.400(d)(5)**, the pass-through entity shall be responsible for making the management decision for audit findings that relate to Federal awards it makes to subrecipients.

(d) Time requirements. The entity responsible for making the management decision shall do so within six months of receipt of the audit report. Corrective action should be initiated within six months after receipt of the audit report and proceed as rapidly as possible.

(e) Reference numbers. Management decisions shall include the reference numbers the auditor assigned to each audit finding in accordance with **§___.510(c)**.

U.S. Office of Management and Budget Circular A-133. *Audits of States, Local Governments, and Non-Profit Organizations*, Section .310, states in part:

> (b) Schedule of expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements…
>
> (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.

11-11 The Office of Superintendent of Public Instruction's internal controls over sub-recipient monitoring is not adequate to ensure only proper and allocable costs are charged to the Title I program.

Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	None
CFDA Number and Title:	84.010 Title I, Part A 84.389 Title I, Part A, American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	Unknown
Applicable Compliance Component:	Sub-Recipient Monitoring
Questioned Cost Amount:	None

Background

The Office of Superintendent of Public Instruction administers the Title I program. The program is intended to improve the teaching and learning of children who are at risk of not meeting state academic standards and who reside in areas with high concentrations of children from low-income families.

The Office spent $257 million in Title IA funds in fiscal year 2011, $73 million of which was paid from the American Recovery and Reinvestment Act.

To ensure school districts receiving Title IA grants are spending funds for allowable purposes and complying with program requirements, the Office established a system of consolidated program reviews. This system includes on-site monitoring and desk reviews. The consolidated program review includes review of the following programs:

CFDA	Program	Federal Dollars Received by the Office	Federal Dollars Passed Through to Districts
84.010 and 84.389	Title I A	$257,073,145	$247,037,168
84.213	Title I B – Even Start	832,614	804,996
84.011	Title I, C – Migrant Education	15,738,310	15,255,034
84.013	Title I, D – Neglected and Delinquent	968,739	960,099
84.330	Title I, G – Advanced Placement	1,065,747	66,554
84.367	Title II, A – Highly Qualified Teacher and Principles	46,626,190	45,734,590
84.318 and 84.386	Title II, D – Enhancing Education through Technology	0.00	0.00
84.365	Title III – Limited English Proficient/Immigrant	15,611,911	14,939,087
84.186	Title IV, A – Safe and Drug-Free Schools	1,603,231	1,484,494
84.196 and 84.387	Title X – McKinney-Vento Homeless Education	0.00	0.00
84.048	Carl D. Perkins/Career Technical Education	0.00	0.00
94.004	Learn and Serve America	368,976	238,617
84.358	Reap Flexibility	1,125,664	1,078,153
Total Program Dollars Reviewed by CPR		$341,014,527	$327,598,792

In addition to the federal programs listed above, the Consolidated Program Review also includes a review of the state funded Learning Assistance Program and Highly Capable Program.

School districts claim Title I grant funding electronically from the Office monthly and are not required to submit supporting documentation at the time of the requests. Therefore it is critical that the Office obtain assurance that the districts are spending grant funds for allowable purposes and meeting federal regulations while conducting its on-site visits and desk reviews.

Description of Condition

We obtained a listing of all 27 desk reviews and 45 on-site reviews the Office conducted during state fiscal year 2011. We randomly selected a sample of seven desk reviews and nine on-site reviews. We evaluated the Office's sub-recipient monitoring for payroll.

Employee salaries and benefits typically make up the majority of costs claimed for reimbursement by school districts. School districts are required to maintain monthly time and effort records and semi-annual certifications to support payroll costs for which they seek reimbursement.

When conducting a consolidated program review, the Office requires districts to submit two or three samples of time and effort documentation for one month's salaries. These two or three samples are selected at the discretion of the district from teachers and administrators that could be funded under any of the programs reviewed as part of the consolidated review program. Only two or three samples are submitted, regardless of the size of the district and the dollar amount and number of grants it administers. Because some districts are being reviewed for more than three programs, not all programs at some districts are reviewed.

For the 72 reviews performed, the Office examined approximately 144-216 timesheets, depending if the review was of two or three samples. We requested from the Office the number of teachers and administrative staff being reviewed under programs covered by the consolidated program review. However, the Office was unable to provide this information. Since the review covers more than the Title IA program, and we could not determine the actual number of teachers covered by the review, we are using an estimated population of 60,000 teachers, this represents .02-.036 percent of all timesheets statewide. We believe this amount is not reasonable given the magnitude of federal grant funds used to pay school employee salaries and benefits.

Further, each district is permitted to decide which samples it will provide to the Office, which results in the Office's monitoring not being an effective control for evaluating districts' compliance with time and effort requirements.

Cause of Condition

The Office's monitoring process was not designed to ensure an adequate amount of payroll costs reimbursed to districts are reviewed to ensure the costs are proper and allocable to each federal program.

Effect of Condition and Questioned Costs

Because the amount of payroll expenditures reviewed is limited to two or three samples per district and the distrticts are allowed to select which employees are reviewed, the risk that the Office is reimbursing districts for costs that are unallowable increases.

Recommendation

We recommend the Office revise its method for obtaining time and effort records to a more random and objective system. Also, the Office should increase the amount of coverage it obtains when requesting time and effort samples from districts that administer multiple grants.

Office's Response

We appreciate the opportunity to respond to this finding. We do not concur, as this finding misrepresents the facts regarding our subrecipient monitoring system and we disagree with the auditor's professional judgment that this issue is a non-compliance condition or that this issue is material to the program.
It is our belief this audit finding does not meet the threshold required by auditing standards with regard to when a finding should be issued. Audit standards are clear that findings should be limited to those noncompliance conditions that have occurred or are likely to have occurred and noncompliance or internal control deficiencies that are ***significant or material*** *within the context of the audit objectives. We do not believe the auditor has established the condition is out of compliance or was in any way significant. Our belief is the auditor must be applying the requirements for auditing standards to our subrecipient monitoring process, with the understanding they are the same. This is simply not the case.*

We have provided evidence to your office that we are performing a significant amount of fiscal review during our monitoring efforts. Several times the auditor has stated the documentation submitted "is not good enough". We recognize that we can improve, and we plan to make changes to continue to improve our documentation. But, the federal government has not established standards for monitoring documentation – clearly making this a judgment call. We are open to suggestions about improvement – but believe the auditor is misstating the facts.

There are no minimum standards for sub-recipient monitoring, as quoted in a Department of Education training transcript we provided earlier to your office. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement 2011, Part 3, Compliance Requirements, clearly states "Monitoring activities can take many forms".

This is very important because the fact is the auditor ***only*** *relied on the Consolidated Program Review (CPR) process, and only on his incorrect understanding of how the process is designed.*

Based on all of the subsequent documentation that we have provided to your office, we conclude the auditor failed to consider all of the technical assistance, compliance findings, and other monitoring performed by our office, based on the conclusions made in this finding. We have no requirement to select a sample of time and effort reports or other supporting documentation if we have determined there is low-risk the funds were expended inappropriately. When we determine a higher risk, we have evidence that additional documentation was reviewed.

There are several documents in our files that were completed and show evidence of a significant amount of review of payroll related expenditures completed on-site in addition to follow-up documentation requested for all payroll related non-compliance issues. These documents were available to the auditor and it was expressed by our office that additional material is reviewed on site if there is an issue. The sample the auditor selected contained 11 fiscal findings issued by our office on our subrecipients, including payroll expenditures with documentation supporting appropriate follow-up. We provided your office with two districts' monitoring files to support these statements. Our current procedures work well in identifying non-compliance conditions and ensuring our subrecipients are operating in accordance with grant requirements.

There is no mention of the 52 fiscal findings that were issued by our office in 31 of the 71 districts monitored, which is 44% of the population. These findings covered time and effort, allowable costs, program income, inventory of equipment, combining only allowable funds in schoolwide programs, contracts properly approved and monitored, bid requirements followed, and suspension and debarment. The majority, 25, were related to non-compliance with payroll related expenditures (time and effort). Some of those even required the district to move unallowable costs out of the federal programs. These findings required a significant amount of follow-up documentation for review including additional time and effort documentation. This is clear and convincing evidence that we are not simply checking off a box on a checklist. For the same time period and for the same 71 districts your office issued one time and effort finding in all of the programs included in the CPR process.

Your finding misstates the context of this situation by comparing the 60,000 teachers statewide to conclude only .02 percent of timesheets were reviewed. Our records indicate there are only 1198 teachers charged to all of the programs included in the CPR process statewide. Using your same calculation with the correct population and the actual number of documents that are reviewed, this would be 18 percent of statewide time and effort reviewed.

The auditor's recommendation that we utilize a random sample of timesheets is simply not required, and inappropriate due to the efficient risk based system already in place that meets or exceeds federal compliance. We are open to different methods, but we know that there are better ways to identify risk and to ensure districts know and understand time and effort requirements. Random samples are useful in audits if you want to extrapolate an error rate to a population – as you do in auditing – but they are very ineffective in monitoring. We utilize more than one method in determining compliance and to work with our subrecipients to stay in compliance but random sampling will not be one of them.

Based on all of the evidence provided, we contend that we are meeting or exceeding the standards for federal sub-recipient monitoring of use of funds. We have no intention of increasing unnecessary burden for our staff and districts that is not required. We take our responsibility to be accountable for public funds we administer very seriously and have developed a risk based system of monitoring districts to be efficient and effective with identifying proper use of those funds.

I know the auditor's office takes great pride in its risk based audit approach, and routinely performs desk reviews of its low-risk auditees. It is disappointing that your office does not approve of our use of a risk based approach to monitor subrecipients. Risk based auditing and monitoring is good public policy – it is efficient and effective – and we plan to continue to utilize this approach in the future.

In reviewing the facts presented in our response, I am hopeful your office will reconsider the issuance of this finding or make changes necessary to ensure that it is not a material misstatement of facts.

Auditor's Remarks

We thank the Office for its response.

To clarify, the State Auditor's Office is issuing this finding to report a material weakness in internal controls. While we are not reporting specific noncompliance, by reporting a material weakness in internal controls we are stating OSPI's processes are not sufficient to ensure noncompliance does not occur.

Payroll is the majority of federal grant expenditures that are reviewed during the consolidated review process. Therefore, examination of time and effort documentation is critical to ensuring grant funds are properly spent. Since more than 5 percent of grant funds are at risk, we are reporting this issue as a finding.

During the audit, OSPI consistently referred to the consolidated program review process as its way of monitoring sub-recipients.

As noted in our finding, we requested the number of teachers and administrators whose positions are wholly or partially funded with federal dollars that OSPI reviewed, but were told the Office could not provide that number. Additionally, the Office's response does not consider the number of administrative staff charged to the federal programs.

Our finding recommends the Office use an objective method to determine the samples to be tested. By allowing the districts themselves to choose the samples for testing, the Office reduces the likelihood that issues will be identified.

We reaffirm our finding and will review the status of the Office's corrective action plan during our next audit.

Applicable laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, states in part:

Section 300:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Section 400:

(d) Pass-through entity responsibilities. A pass-through entity shall perform the following for the Federal awards it makes:…
   (2) Advise subrecipients of requirements imposed on them by Federal laws, regulations, and the provisions of contracts or grant agreements as well as any supplemental requirements imposed by the pass-through entity.
   (3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

11-12 The University of Washington did not comply with the eligibility requirements of federal student financial aid programs.

Federal Awarding Agency:	U.S. Department of Education	
Pass-Through Entity:	None	
CFDA Number and Title:	84.063	Pell Grant (This program is part of the Student Financial Assistance Cluster – refer to the complete list of programs at the end of this finding.)
	84.063A	Pell Grant - American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	P063P110417	
Applicable Compliance Component:	Eligibility	
Questioned Cost Amount:	$10,645	

Federal Awarding Agency:	U.S. Department of Education	
Pass-Through Entity:	None	
CFDA Number and Title:	84.268	Federal Direct Student Loans (Direct Loan) (This program is part of the Student Financial Assistance Cluster – refer to the complete list of programs at the end of this finding.)
Federal Award Number:	P268K110417	
Applicable Compliance Component:	Eligibility	
Questioned Cost Amount:	$102,418	

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.658	Foster Care Title IV-E
	93.658A	Foster Care – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	The University has an interlocal agreement (no. 106598454) with state Department of Social and Health Services (DSHS). DSHS is the prime recipient with HHS.	
Applicable Compliance Component:	Eligibility	
Questioned Cost Amount:	$13,562	

Background

The University of Washington awards federal financial aid, such as PELL grants and direct loans, to students based on financial need and the number of credit hours in which they are enrolled. The U.S. Department of Education establishes the eligibility criteria. The University's School of Social Work also offers tuition assistance from the federal Child Welfare Training and Advancement Program. The U.S. Department of Health and Human Services oversees that program.

For the 2009-10 school year, the University disbursed $241.5 million in direct loans and $37.5 million in PELL Grants to students. For the 2010-11 school year, the School of Social Work awarded $1,313,433 in financial assistance from child welfare training program funds.

Description of Condition

The Assistant Dean of Student Affairs for the School of Social Work was responsible for establishing quarterly time schedules and approving independent study plans. He also was the instructor for the Social Work independent study courses. The School of Social Work is responsible for verifying that students meet graduation requirements. The Assistant Dean started in that position in 1997.

In March 2011, the Office of Student Financial Aid notified the Internal Audit Department that the School of Social Work Assistant Dean of Student Affairs may have inappropriately enrolled students in independent study courses for which they did not have to complete any work. The Internal Audit Department investigated. We reviewed its work, which found that primarily graduate students received credits for this independent study. The Assistant Dean believed that graduate students needed to maintain 10 credits for full-time status. Accordingly, he created a graduate-level independent study course, with himself as the instructor of record, and awarded the number of credits he thought students needed to keep their full-time status and to obtain financial aid. He did not develop independent study plans or require students to perform any studies to earn these credits as required by the University.

Although the School of Social Work Student Affairs Office does not apply these independent study credits toward graduation requirements, the University used these credits to determine eligibility for financial aid awards, resulting in overpayments of both Federal Student Aid program and Child Welfare Training and Advancement Program federal funds to students. Both programs require that schools award aid based on a student's enrollment status. Further, the federal financial aid program prohibits schools from awarding student aid for classes that do not count toward a degree or certificate.

Cause of Condition

No one monitored the activities of the Assistant Dean of School of Social Work, who had the authority to make decisions that ultimately affected students' financial aid status. The Assistant Dean misunderstood student financial aid requirements and misapplied academic policies related to independent study credits in order to affect students' enrollment status.

Effect of Condition and Questioned Costs

The School of Social Work inappropriately awarded 139 students 428 credits. Twenty-four of those students were ineligible for financial aid. Overpayments of financial aid from the Department of Education were $102,418 in direct loans and $10,645 in Pell Grants from 2004 to 2010. We are questioning these costs. The University reported the overpayment to the U.S. Department of Education, which is reviewing the issue to determine if repayment and fines are required.

Overpayments from the Department of Health and Human Services were $13,562 in child welfare training program funds over the seven years. We are also questioning these costs. The University returned the overpayment to the state Department of Social and Health Services, which sponsors this program.

Year	U.S. Department of Education Federal Aid	HHS CWTAP
2010	$ 23,144	$ 582
2009	19,790	1,128
2008	25,039	534
2007	25,439	0
2006	6,988	1,460
2005	5,575	7,205
2004	7,088	2,653
TOTAL	$113,063	$13,562

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support its expenditures.

Recommendation

We recommend the University strengthen and/or establish internal controls at the school level to ensure students enrolled in independent study courses meet the required academic standards, as these courses affect the students' ability to meet federal financial aid requirements.

We also recommend the University provide guidance and monitoring to ensure departments refer students to the Office of Student Financial Aid for assistance in determining eligibility for financial aid.

University's Response

We agree with the recommendations. The School of Social Work has strengthened their internal control structure. Duties have been segregated so that the Assistant Dean for Student Affairs, who had complete control of the independent study process, no longer approves independent study course proposals. The MSW (Masters of Social Work) and BASW (Bachelor of Social Work) Program Directors now approve all independent study course proposals. To ensure compliance with this policy, two steps are in place. First, on day 10 of each quarter, the files of all students enrolled in independent study courses are reviewed to ensure that the independent study course proposals are properly documented and approved. Second, periodic checks are conducted by the Associate Dean for Academic Affairs on a sample of students enrolled in independent study courses to ensure that proposals are properly documented and approved.

The University currently provides guidance to students regarding their eligibility for Student Financial Aid via a number of communication mechanisms, including secure websites with individual student eligibility information, written, verbal and email communication from financial aid counselors and printed publications and websites relating to general financial aid information. In the future, periodic alerts will be sent to undergraduate and graduate academic department advisors directing them to University policies regarding financial aid eligibility, typically at the beginning of the Fall Quarter. These alerts will also serve to remind them that they should direct students who have questions or concerns about financial aid to the Office of Student Financial Aid.

Auditor's Remarks

We thank the University for its cooperation and assistance throughout the audit. We will review the status of the University's corrective action during our next audit.

Applicable laws and Regulations

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

UW Scholastic Regulations, Chapter 110, Section 7a states:

> With appropriate departmental review and approval, faculty may offer a course or courses on a CR/NC basis. The standard for granting credit in CR/NC courses shall be the demonstration of competence in the material of the course to the instructor's satisfaction. Students demonstrating such competence shall have CR entered on the transcript; those who do not shall have NC entered on the transcript.

2010-2011 Federal Student Aid Handbook, Volume 1, Chapter 1 – School-Determined Requirements, Enrollment Status states in part:

> A student must be enrolled at least half time to receive aid from the Stafford and Plus loan programs… The Pell, TEACH Grant, and Campus-based programs don't require half-time enrollment [except for post baccalaureate Pell grants for teacher education and Perkins and FWS for students enrolled in a program for teaching credential, per internal note], but, the student's enrollment status does affect the amount of Pell a student receives.

> To be enrolled half time, a student must be taking at least half of the course load of a full-time student. Your school defines a full-time workload, but it must meet the minimum standards in the FSA regulations. The definition of full time for FSA purposes (below) can differ from the definition used for other purposes at your school, such as the definition used by the registrar's office.
>
> Minimum standards for full-time enrollment. … For undergraduates, full-time status must be at least:
>
> - 12 semester hours or 12 quarter hours per academic term in an educational program using a semester, trimester ,or quarter system[.] …
>
> If a student is enrolled in courses that do not count toward his degree, they cannot be used to determine enrollment status unless they are noncredit or remedial courses…. This means you cannot award the student aid for classes that do not count toward his degree or certificate.

DSHS 6036LF Custom Interlocal Agreement PIHE (8-22-07), Special Terms and Conditions, Section 6, states in part:

> Individual student financial assistance expenditure will be equivalent to resident tuition plus $500 per quarter for full-time students and pro-rated for part-time students as defined in this agreement. The "plus $500" assistance will be prorated for students carrying less than seven (7) credit hours/quarter or six (6) credit hours/quarter in the Tacoma evening program and Extended Learning Degree Programs, Evening and Weekend, so that the student financial assistance will equal tuition plus a proportion of the $500 add on.

Programs included in the 2011 Student Financial Assistance cluster:

- CFDA 84.375 Academic Competitiveness Grant (ACG)
- CFDA 84.268 Federal Direct Student Loans program (Direct Loan)
- CFDA 84.032 Federal Education Loans (FFEL)
- CFDA 84.007 Federal Supplemental Educational Opportunity Grant (FSEOG)
- CFDA 84.033 Federal Work-Study Program (FWS)
- CFDA 93.342 Health Professions Student Loans, Including Primary Care Loans and Loans For Disadvantage Students (HPSL/PCL/LDS)
- CFDA 84.408 Postsecondary Education Scholarships for Veteran's Dependents (Iraq and Afghanistan Service Grants (LASG))
- CFDA 93.364 Nursing Student Loans (LSL)
- CFDA 93.264 Nurse Faculty Loan Program (NFLP)
- CFDA 84.063 Federal Pell Grant Program (PELL)
- CFDA 84.037 Perkins Loan Cancellations
- CFDA 84.038 Federal Perkins Loan (FPL)
- CFDA 93.407 ARRA – Scholarships for Disadvantaged Students (ARRA-SDS)
- CFDA 93.408 ARRA – Nurse Faculty Loan Program (ARRA – NFLP)
- CFDA 84.376 National Science and Mathematics Access to Retain Talent (SMART) Grants (SMART Grants)
- CFDA 84.379 Teacher Education Assistance For College And Higher Education Grants (TEACH Grants)
- CFDA 93.925 Scholarships for Disadvantaged Students (SDS)

11-13 The Department of Social and Health Services is not complying with federal requirements for suspension and debarment for its federal Vocational Rehabilitation Program.

Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	None
CFDA Number and Title:	84.126 Vocational Rehabilitation Grants to States 84.390 Vocational Rehabilitation Grants to States – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	H126A100071 CFDA 84.126
Applicable Compliance Component:	Suspension and Debarment
Questioned Cost Amount:	None

Background

The Department of Social and Health Services, Division of Vocational Rehabilitation, administers the federal Vocational Rehabilitation Program. The program's purposes are to design, assess, plan, develop, and provide vocational rehabilitation services for individuals with disabilities to help them prepare for and attain employment. The Department received $40.1 million in federal funding during fiscal year 2011, $2.3 million of which was provided through the American Recovery and Reinvestment Act.

Federal regulations prohibit recipients of federal awards from contracting with vendors suspended or debarred from doing business with the federal government. For any purchase contract paid from federal funds that exceeds or is expected to exceed $25,000, the grantee must ensure its vendors and sub-recipients are not suspended or debarred from participating in federal programs. Grantees can meet this requirement by:

(a) Checking the federal Excluded Parties List System.
(b) Collecting a certification from the vendor or sub-recipient.
(c) Adding a clause or condition to the covered transaction with the vendor or sub-recipient.

Description of Condition

The Division contracts with vendors to provide services to its clients for activities allowed under the program. In some cases a formal Department master contract is used, in others a less formal vendor agreement, known as a "Authorization For Purchase" is used. The Division's client service tracking system automatically creates the authorization. The Department's master contracts contain suspension and debarment clauses, but the vendor agreements do not. We issued a finding during state fiscal year 2010 related to this condition.

During state fiscal year 2011 we selected a sample of 42 vendors paid during the audit period that would be subject to the suspension and debarment requirements. We found the Division did not verify that ten of these vendors were not suspended or debarred. Thirty-two of the vendors tested had a Department master contract containing a suspension and debarment clause; the remaining ten vendors were supported by an agreement without a suspension and debarment clause.

Cause of Condition

In response to our state fiscal year 2010 finding, the Division is revising the vendor agreements to include the required suspension and debarment clauses. However, the Division was not able to complete the changes during our current audit period.

Effect of Condition

Failure to comply with grant requirements could result in repayment of grant funding or loss of eligibility for future federal awards. We examined the status of the 14 vendors in the excluded parties list and found none were debarred or suspended, therefore we are not questioning any costs.

Recommendations

We recommend the Department ensure all vendors receiving more than $25,000 in Vocational Rehabilitation grant funds have not been suspended or debarred by using one of the methods identified in federal regulations.

Department's Response

The Division of Vocational Rehabilitation (DVR) concurs with this finding.

DVR purchases client services with a STARS Authorization for Purchase (AFP). DVR will update the Terms and Conditions for the AFP to include suspension and debarment language as recommended by the Department's Central Contract Services.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, Subpart C, section 300 -- Auditee responsibilities.

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs

Title 2, Code of Federal Regulations, Section 180.220 – Are any procurement contracts included as covered transactions?

(b) Specifically, a contract for goods or services is a covered transaction if any of the following applies:
   (1) The contract is awarded by a participant in a non-procurement transaction that is covered under Sec.180.210, and the amount of the contract is expected to equal or exceed $25,000.

Title 2, Code of Federal Regulations, Section 180.300 – What must I do before I enter into a covered transaction with another person at the next lower tier?

When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

(a) Checking the EPLS; or
(b) Collecting a certification from that person ; or
(c) Adding a clause or condition to the covered transaction with that person.

11-14 The Department of Services for the Blind is not complying with federal requirements for suspension and debarment for its federal Vocational Rehabilitation Program.

Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	None
CFDA Number and Title:	84.126 Vocational Rehabilitation Grants to States 84.390 Vocational Rehabilitation Grants to States – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	H126A100072
Applicable Compliance Component:	Suspension and Debarment
Questioned Cost Amount:	None

Background

The Department of Services for the Blind administers approximately 16 percent of the federal Vocational Rehabilitation Program funding received by the state. The program's purposes are to design, assess, plan, develop, and provide vocational rehabilitation services for sight-impaired individuals so that they may prepare for and become employed. The Department received $7.8 million in federal funding during fiscal year 2011, $1.1 million of which was provided through the American Recovery and Reinvestment Act.

Federal regulations prohibit recipients of federal awards from contracting with vendors suspended or debarred from doing business with the federal government. For any purchase contract paid from federal funds that exceeds or is expected to exceed $25,000, the grantee must ensure its vendors and sub-recipients are not suspended or debarred from participating in federal programs. Grantees can meet this requirement by:

(d) Checking the federal Excluded Parties List System
(e) Collecting a certification from the vendor or sub-recipient.
(f) Adding a clause or condition to the covered transaction with the vendor or sub-recipient.

Description of Condition

The Department contracts with vendors to provide services to it's clients for activities allowed under the program. The contracts do not contain a clause or condition concerning suspension and debarment. Further, the Department does not collect a separate certification from the vendors nor consult the federal Excluded Parties List System.

During state fiscal year 2011 we found 16 vendors paid during the audit period that would be subject to the suspension and debarment requirements. We found the Department did not verify these vendors were not suspended or debarred.

Cause of Condition

The Department was not aware it must ensure all vendors receiving more than $25,000 in Vocational Rehabilitation grant funds are not suspended or debarred.

Effect of Condition

Failure to comply with grant requirements could result in repayment of grant funding or loss of eligibility for future federal awards. We examined the status of the 16 vendors in the excluded parties list and found none were debarred or suspended, therefore we are not questioning any costs.

Recommendations

We recommend the Department ensure all vendors receiving more than $25,000 in Vocational Rehabilitation grant funds have not been suspended or debarred by using one of the methods identified in federal regulations. We recommend the Department provide adequate training to ensure all staff responsible for contracting with vendors understand federal suspension and debarment requirements.

Department's Response

The Department concurs with this finding and will take the following steps to ensure all vendors receiving more than $25,000 in vocational rehabilitation funds are not suspended or debarred:

1) *Expand its General Terms and Conditions [GT&Cs] to include debarment certification language;*
2) *Attach the expanded GT&Cs to all service delivery outcome plans and contracts;*
3) *Review monthly if a current vendor has received more than $25,000 in grant funds in the preceding twelve months. If so, staff will verify the vendor has signed the GT&Cs providing the necessary certification; and*
4) *Insure applicable staff implements these procedures.*

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, Subpart C, section 300 -- Auditee responsibilities.

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs

Title 2, Code of Federal Regulations, Section 180.220 – Are any procurement contracts included as covered transactions?

(b) Specifically, a contract for goods or services is a covered transaction if any of the following applies:
   (2) The contract is awarded by a participant in a non-procurement transaction that is covered under Sec.180.210, and the amount of the contract is expected to equal or exceed $25,000.

Title 2, Code of Federal Regulations, Section 180.300 – What must I do before I enter into a covered transaction with another person at the next lower tier?

When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

(d) Checking the EPLS; or
(e) Collecting a certification from that person ; or
(f) Adding a clause or condition to the covered transaction with that person.

11-15 The Department of Services for the Blind did not comply with federal requirements regarding services charged to the Vocational Rehabilitation Program.

Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	None
CFDA Number and Title:	84.126 Vocational Rehabilitation Grants to States 84.390 Vocational Rehabilitation Grants to States – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	H126A100072; H390A090072
Applicable Compliance Component:	Allowable Costs
Questioned Cost Amount:	$20,676 Non ARRA $ 36 ARRA

Background

The Department of Services for the Blind administers approximately 16 percent of the federal Vocational Rehabilitation Program funding received by the state. The program's purposes are to design, assess, plan, develop, and provide vocational rehabilitation services for sight-impaired individuals so that they may prepare for and become employed. The Department received $7.8 million in federal funding during fiscal year 2011, $1.1 million of which was provided through the American Recovery and Reinvestment Act.

Services provided to individuals under this grant must be described in an Individualized Plan for Employment and necessary to assist an individual with a disability in preparing for, securing, retaining, or regaining an employment outcome.

Description of Condition

As part of our audit, we tested a random sample of 148 client service expenditures charged to the grant during the year. We found nine expenditures totaling $20,712 were not specifically described in the client's Individualized Plan for Employment.

Cause of Condition

Department staff responsible for updating the Individualized Plan for Employment did not fully understand the federal requirements.

Effect of Condition and Questioned Costs

Without an Individualized Plan for Employment that specifically lists services to be provided, federal grantors cannot be assured client services charged to the grant are valid. This could jeopardize future federal funding.

We are questioning costs of $20,712, the amount charged to the grant that was not supported in accordance with federal requirements.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support an expenditure.

Recommendations

We recommend the Department ensure all services provided to a client are specifically listed in the Individualized Plan for Employment. We recommend the Department provide adequate training to ensure all staff responsible for updating Individualized Plans for Employment understand federal requirements.

Additionally, we recommend the Department consult with the U.S. Department of Education to determine what, if any, costs affected by this compliance issue should be repaid.

Department's Response

The Department acknowledges the finding and plans to take the following steps to respond to the identified concerns:

1) *Submit to the Rehabilitation Services Administration a request for determination whether the tools and methods developed by DSB for documenting estimated individual plans for employment [IPE] goods and services costs, modification of cost estimates, service date ranges, extension of general timeliness guidelines and active client involvement in decision making meet necessary requirements.*

2) *If RSA finds a need for closer alignment of IPE content and accompanying detailed case narrative, DSB will focus staff training on updating standardized IPE responses, and making other necessary process adjustments.*

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

U.S. Office of Management and Budget Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* (2 CFR 225), states:

> Appendix A
>
> C. *Basic Guidelines*
>
> 1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
>
> d. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.

Rehabilitation Act of 1973, Section 103(a), (29 USC 723 (a)) states in part:

> Vocational rehabilitation services provided under this title are any services described in an individualized plan for employment necessary to assist an individual with a disability in preparing for, securing, retaining, or regaining and employment outcome that is consistent with the strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual…

Code of Federal Regulations 34 CFR Section 361.45(a)(1) and (2) state in part:

(a) General requirements. The State plan must assure that

(1) An individualized plan for employment (IPE) meeting the requirements of this section and section 361.46 is developed and implemented in a timely manner for each individual determined to be eligible for vocational rehabilitation services…
(2) Services will be provided in accordance with the provisions of the IPE.

Washington Administrative Code 67-25-260 states in part:

(1) The individualized plan for employment is a written agreement that documents important decisions made between the customer and a vocational rehabilitation counselor concerning the customer's employment outcome including, responsibilities agreed upon by the department and the customer, and the vocational rehabilitation services to be provided.
(2) The customer must be actively involved in developing the individualized plan for employment including making meaningful and informed choices about the selection of the employment outcome, intermediate objectives, the vocational rehabilitation services provided, service providers, settings, and methods of procuring services.

11-16 The Department of Early Learning did not comply with time and effort requirements for its Special Education Grants for Infants and Families for the Early Support for Infants and Toddlers Program.

Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	None
CFDA Number and Title:	84.181 Special Education – Grants for Infants and Families 84.393 Special Education – Grants for Infants and Families – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	H181A100128, H393A090027(ARRA)
Applicable Compliance Component:	Allowable Costs / Cost Principles
Questioned Cost Amount:	$96,711

Background

The Department of Early Learning administers the Early Support for Infants and Toddlers Program, which provides services to children from birth to age 3 who have disabilities and/or developmental delays.

In fiscal year 2011, the Department spent $12.5 million in federal funds on the program, approximately $4.17 million of which was provided by the American Recovery and Reinvestment Act.

Grants may be used to pay only for costs that are allowable and related to the grant's purpose. Federal regulations specify what documentation must be kept to support employee payroll charged to federal grants. If an employee works solely on one grant program or cost objective and charges all payroll related costs to that grant, the employee must certify this semiannually in writing. Employees can also support payroll costs by monthly personnel activity reports or equivalent documentation, such as timesheets. Such documents must:

- Reflect how much time the employee worked on each program or cost objective.
- Account for the total activity for which the employee is compensated.
- Be prepared at least monthly and coincide with one or more pay periods.
- Be signed by the employee.

The Department requires salaried employees to certify their time semiannually and hourly employees to complete timesheets to meet federal time and effort requirements.

Description of Condition

We randomly selected 11 employees who worked solely on the grant for the fiscal year. Of the employees selected, two were hourly employees and the rest were salaried. We reviewed timesheets for the hourly employees and the semiannual time and effort certifications for the salaried employees. The Department could not locate one employee's time certifications.

Cause of Condition

The Department stated it had misplaced the missing certifications.

Effect of Condition

We identified $96,711 in direct payroll charges to the Grants for Infants and Families for the Early Support for Infants and Toddlers Program that did not have the required documents. We are questioning those costs as unallowable charges.

Without adequate time and effort documentation, federal grantors cannot be assured that salaries and benefits charged to programs are accurate and valid. This could jeopardize future federal funding to the state.

We question costs when we find a department has not complied with grant regulations and/or when it does not have adequate documentation to support its expenditures.

Recommendation

We recommend the Department ensure original certifications are completed and retained for individuals who work solely on the grant for the fiscal year.

The Department should consult with its grantor to determine what, if any, of the questioned costs should be repaid.

Department's Response

The department acknowledges that two payroll certifications (for one employee) out of the entire ESIT program were not obtained. The department did contact the employee after this was discovered, who responded that 100% of his time was devoted to the work funded under the IDEA Part C federal grant. However, this retroactive certification was not allowed by the auditor.

This specific employee completed a certificate for every period while the program was at DSHS. However, when the program transferred to DEL, somehow the follow-through did not occur and his certificates were never received by the Fiscal Manager. This was a clear indication that the department needed to tighten up its process for ensuring a certificate is completed for all the ESIT staff.

Steps have already been taken to ensure this does not happen again, by ESIT Fiscal Program Manager (FPM) implementing the following procedures:

- *develop a certification tracking grid containing a list of ESIT Program and ESIT IT staff*
- *use the tracking grid as a checklist to ensure all certificates are obtained from all ESIT Program and ESIT IT staff*
- *scan all certificates and store/file on the FPM drive*
- *deliver original hard copy certificates to the Fiscal Office for recording/filing.*

We expect this will eliminate any future circumstances of missing certificates.

The department appreciates the thoughtful approach the auditor took on this audit. Although we never like to hear that an audit finding is being levied, we do appreciate the opportunity to improve our processes.

Auditor's Concluding Remarks

We thank the Department for its response. To clarify, our testing of payroll only included 11 employees who worked solely on the program, it did not include the entire ESIT Program.

We affirm our finding and will review the status of the Department's corrective action during the next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states:

The auditee shall:

(c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

U.S. Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* (2 CFR 225):

Appendix B, Section 8(h):

Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation.

(1) Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a responsible official(s) of the governmental unit.

(2) No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity.

(3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

11-17 The Department of Health does not monitor sub-recipients of the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness programs.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.069 Public Health Emergency Preparedness 93.889 National Bioterrorism Hospital Preparedness Program
Federal Award Number:	5U90TP017010-10; 3U90TP017010-10W1; 1H75TP000669-01; U3REP090208-01; U3REP090228-02; U3REP080103-01
Applicable Compliance Component:	Cash Management Controls; Sub-recipient Monitoring Controls / Compliance
Questioned Cost Amount:	$480,000 Public Health Emergency Preparedness $190,832 Hospital Preparedness

Background

The State Department of Health administers the Public Health Emergency Preparedness Program and the National Bioterrorism Hospital Preparedness Program. These programs are designed to enhance the ability of hospitals and health care systems to prepare for and respond to biological and other public health emergencies. The Department distributes money to hospitals, outpatient facilities, tribes, health centers, poison control centers, emergency management services and other healthcare partners. These entities oversee training, meetings, purchasing of supplies and equipment, and generate reports on the program.

The Department spent $23 million in Public Health Emergency Preparedness funds and $8.5 million in Hospital Preparedness Program funds in fiscal year 2011.

Cash Management

Federal regulation prohibits recipients from using federal money to accumulate excess cash reserves. Payments to sub-recipients must be for actual costs incurred or, in the case of cash advances, actual short-term needs. Sub-recipients must have documentation to support the expenditures.

Sub-recipient Monitoring

Pass-through entities are responsible for monitoring the sub-recipients' use of federal awards to ensure they comply with federal law and grant agreements. Pass-through entities also are responsible for ensuring sub-recipients spending $500,000 or more in federal awards during a fiscal year meet federal audit requirements. The Department is responsible for notifying sub-recipients of federal requirements.

We reported a finding for fiscal year 2010 stating the Department did not adequately monitor sub-recipients or collect or review supporting documentation for expenditures reimbursed to sub-recipients for either program.

Description of Condition

The Department has not addressed the lack of monitoring. It stated despite internal discussions on how to modify processes, it has made no changes. The Department contracts with a certified public accountant (CPA) for on-site monitoring of sub-recipients. We spoke with Department management and reviewed reports and determined this monitoring does not ensure expenditures of federal funds are supported or are for allowable costs.

We requested a random sample of the most recent monitoring reports for 21 Hospital Preparedness sub-recipients and 14 Public Health Emergency Preparedness sub-recipients. We determined that for 14 sub-recipients, the CPA was reviewing only one month of expenditures during a two-year period and was not

reviewing any expenditures from the second year. We also noted that for two sub-recipients who received more than $10 million in program funding, the CPA reviewed only half of one percent of program expenditures.

For the sub-recipient reimbursement requests we tested, the Department did not collect supporting documentation for either program. The recipients invoice the Department for a portion of the grant award monthly, quarterly, or annually, regardless of actual costs incurred. We found no documentation of actual costs included with the invoices.

We also reviewed the contract files and federal (A-133) audits for the selected sub-recipients. We determined:

- The Department did not notify any of the selected sub-recipients of the Catalog of Federal Domestic Assistance title, award name, award number, or the name of the grantor.
- The Department did not ensure all sub-recipients received audits in accordance with A-133 requirements. One sub-recipient told the Department it was not required to have an audit even though it received more than over $1 million in federal funding. Entities spending $500,000 or more in total federal funding are required to have an A-133 audit.
- The Department did not ensure federal funds provided to the sub-recipient were accurately reported on its Schedule of Expenditures of Federal Awards (SEFA). SEFA reporting was inaccurate for three sub-recipient audits for Hospital Preparedness and two for Public Health Emergency Preparedness.
- The Department does not follow up when sub-recipients do not respond to requests for federal award information and audit requirements.
- The Department does not adequately address sub-recipient noncompliance or recover questioned costs reported by federal audits or fiscal monitoring reports.

We noted that the monitoring reports and A-133 audits identified some instances of sub-recipient non-compliance, including unallowable expenditures, questioned costs, and unsupported billing rates and time and effort billing. Department management told us they have not recovered any questioned costs and are uncertain about who is supposed to determine whether costs are allowable. The Department sent letters to some sub-recipients to address the issues, but continue to pay them despite continued non-compliance.

Sub-recipient contracts include a statement of work that outlines the objectives and deliverables for the grant. Eleven of the sub-recipients we selected for Hospital Preparedness and 12 of the sub-recipients we selected for Public Health Emergency Preparedness had consolidated contracts, which are agreements covering two or more federal grants. The statement of work in the consolidated contracts did not specify which objectives were for each grant or the budgeted amounts allowed to be reimbursed for completing the objectives. Without specifying the activities that can be charged to each grant, the Department cannot determine if federal expenditures charged by the sub-recipient are allowable.

We also reviewed $1.17 million in Hospital Preparedness and $1.36 million in Public Health Emergency Preparedness sub-recipient payments. We selected 93 Hospital Preparedness expenditures and 64 Public Health Emergency Preparedness expenditures by random sampling and using auditor judgment. They were reimbursements based on requests submitted to the Department; thirty-eight Hospital Preparedness expenditures for medical equipment were supported with copies of invoices and receipts, but there was no additional support included for any of the remaining expenditures.

We found $190,832 in unallowable expenditures for Hospital Preparedness and $480,000 for Public Health Emergency Preparedness.

Cause of Condition

Department management felt its payment process and monitoring were adequate to ensure costs were allowable and supported. Department management relies on finished deliverables from the sub-recipients

as a basis for supporting costs. This is not sufficient to determine if the amount paid to the sub-recipient was allowable or based on actual costs.

The Department has no policies and procedures to ensure staff know how to comply with all federal compliance and monitoring requirements for sub-recipients.

Staff responsible for ensuring compliance with A-133 requirements stated they do not attempt to verify the amounts reported in the SEFA. Staff relies on the sub-recipients to report their award expenditures and A-133 audit requirements, and do not follow-up with sub-recipients when they do not respond to the Department's requests for this information.

Effect of Condition and Questioned Costs

The Department cannot be sure it is reimbursing only allowable and actual costs and that its sub-recipients are not making a profit from federal dollars. The Department also cannot be sure the sub-recipient is operating only on a reimbursement basis.

We found sub-recipients improperly charged $190,832 to the Hospital Preparedness Program and $480,000 to the Public Health Emergency Preparedness Program. We are questioning those costs as unallowable charges. The federal grantor could disallow these charges and require the Department to pay back the money.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support expenditures.

Recommendation

We recommend the Department:

Ensure it pays sub-recipients in accordance with federal requirements and requires documentation to support those costs. The Department should only reimburse for actual costs so sub-recipients will not have excess cash on hand.

Ensure all sub-recipients required to receive A-133 audits have one and submit it to the Department for review. The Department should review the audit reports to ensure it properly reported program expenditures.

Ensure it collects and returns all improper payments to the federal government.

Department's Response

We partially concur with the SAO finding.

We agree with the finding in the following areas:

- *All A-133 reports that are required for our sub-recipient entities should be collected and reviewed by DOH. Where our sub-recipient entities do not comply with this requirement we will initiate appropriate sanctions consistent with the A-133 compliance supplement. We will clarify with our federal grantors concerning the acceptability of some forms of alternative documentation.*
- *We agree that follow up on issues identified through both the A-133 audits and sub-recipient monitoring could have been more timely and coordinated. However, we wish to emphasize that these efforts are in place.*
- *We will notify sub-recipients of grant information as described in the A-133 compliance supplement.*

- *We are also increasing the scope of the documentary review in our contracted monitoring visits, beginning with the calendar year 2012 fiscal monitoring visits.*

We have concerns in the following areas:

We wish to make clear that the Department of Health has had a multi program sub-recipient monitoring process in place since at least 2005. This same process has been reviewed by SAO in the intervening years up until 2009 without this level of concern being articulated. While we understand that the SAO position on the A-133 Compliance Supplement criteria has changed, we wish to emphasize the broad scope and budgetary impact that these changes could imply.

SAO initially concluded its fiscal year 2010 single audit in March of 2011, which was nine months into the subsequent fiscal year. This date is significant because the greater balance of sub-recipient monitoring for fiscal year 2011 had already taken place, and so too had the planning and contracting for the calendar year 2011 monitoring visits which have extended into fiscal year 2012. Changing this process involves a close coordination with our public health partners and it is not easily modified once set in motion.

In this finding SAO has concluded simultaneously that DOH does not monitor sub-recipients of the subject grants, and that the monitoring visits were sufficient to arrive at a determination of non-compliance on the part of certain sub-recipients. We are concerned that this conclusion is not consistent and points out that the DOH sub-recipient monitoring efforts were not wholly inadequate. While follow up on some of the issues identified in these fiscal monitoring visits may have been delayed, it is not absent, and DOH is actively involved in both the resolution of questioned costs and in reviewing sub-recipient corrective action.

We are also uncertain of the requirement as interpreted by SAO for the agency to be responsible for reconciling the statement of expenditures of federal awards (SEFA) as part of our A-133 audit review process. We will be consulting with our federal grantor on this and other issues connected with the audit and the associated questioned costs.

We will work with the Office of Financial Management to implement our corrective action plan, and will share this information with our SAO audit team.

Auditor's Concluding Remarks

We thank the Department for its response. In our finding we acknowledge the Department does perform some monitoring, which has resulted in identified issues of non-compliance. While we determined some monitoring is performed, we also determined this level of monitoring is not sufficient to ensure the Department's sub-recipients administer the Public Health and Hospital Preparedness awards in compliance with the laws, regulations, and the provisions of contracts or grant agreements. These two conclusions are not inconsistent as even an insufficient level of monitoring can sometimes identify instances of noncompliance.

We affirm our finding and will review the status of the Department's corrective action during the next audit.

Applicable Laws and Regulations

OMB Circular A-133 Compliance Supplement Subpart C--Auditees§___.300 Auditee responsibilities.

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

(c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

Title 2, Code of Federal Regulations, section 215.22 (applicable to non-profits and hospitals), states in part:

(a) Payment methods shall minimize the time elapsing between the transfer of funds from the United States Treasury and the issuance or redemption of checks, warrants, or payment by other means by the recipients. Payment methods of State agencies or instrumentalities shall be consistent with Treasury-State CMIA agreements or default procedures codified at 31 CFR part 205.
(b) Recipients are to be paid in advance, provided they maintain or demonstrate the willingness to maintain:
    (1) Written procedures that minimize the time elapsing between the transfer of funds and disbursement by the recipient, and
    (2) Financial management systems that meet the standards for fund control and accountability as established in § 215.21. Cash advances to a recipient organization shall be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the recipient organization in carrying out the purpose of the approved program or project. The timing and amount of cash advances shall be as close as is administratively feasible to the actual disbursements by the recipient organization for direct program or project costs and the proportionate share of any allowable indirect costs.
(c) Whenever possible, advances shall be consolidated to cover anticipated cash needs for all awards made by the Federal awarding agency to the recipient.
(d) Reimbursement is the preferred method when the requirements in § 215.12(b) cannot be met.

Title 45, Code of Federal Regulations, Part 92

Section 92.22 - Allowable costs, states in part.
(a) Limitation on use of funds. Grant funds may be used only for:
    (1) The allowable costs of the grantees, subgrantees and cost-type contractors, including allowable costs in the form of payments to fixed-price contractors; and
    (2) Reasonable fees or profit to cost-type contractors but not any fee or profit (or other increment above allowable costs) to the grantee or subgrantee.

Section 92.21 – Payment, states in part

(b) Basic standard. Methods and procedures for payment shall minimize the time elapsing between the transfer of funds and disbursement by the grantee or subgrantee, in accordance with Treasury regulations at 31 CFR Part 205.
(c) Advances. Grantees and subgrantees shall be paid in advance, provided they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the grantee or subgrantee.

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, states:

Section 300
The auditee shall:
(c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

Section 400(d) - Pass-through entity responsibilities.
A pass-through entity shall perform the following for the Federal awards it makes:

(1) Identify Federal awards made by informing each subrecipient of CFDA title and number, award name and number, award year, if the award is R&D, and name of Federal agency. When some of this information is not available, the pass-through entity shall provide the best information available to describe the Federal award.
(2) Advise subrecipients of requirements imposed on them by Federal laws, regulations, and the provisions of contracts or grant agreements as well as any supplemental requirements imposed by the pass-through entity.
(3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.
(4) Ensure that subrecipients expending $300,000 *($500,000 for fiscal years ending after December 31, 2003)* or more in Federal awards during the subrecipient's fiscal year have met the audit requirements of this part for that fiscal year.
(5) Issue a management decision on audit findings within six months after receipt of the subrecipient's audit report and ensure that the subrecipient takes appropriate and timely corrective action.
(6) Consider whether subrecipient audits necessitate adjustment of the pass-through entity's own records.
(7) Require each subrecipient to permit the pass-through entity and auditors to have access to the records and financial statements as necessary for the pass-through entity to comply with this part.

U.S. Office of Management and Budget Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* (2 CFR 225)

Appendix A, Section C.- Basic Guidelines:

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
   j. Be adequately documented.

U.S. Office of Management and Budget Circular A-133, *Compliance Supplement*, states:

Section C. Cash Management

Pass-through entities must establish reasonable procedures to ensure receipt of reports on subrecipients' cash balances and cash disbursements in sufficient time to enable the pass-through entities to submit complete and accurate cash transactions reports to the Federal awarding agency or pass-through entity.

Pass-through entities must monitor cash drawdowns by their subrecipients to ensure that subrecipients conform substantially to the same standards of timing and amount as apply to the pass-through entity.

Section M. Subrecipient Monitoring:

Compliance Requirements

A pass-through entity is responsible for:

- Award Identification – At the time of the subaward, identifying to the subrecipient the Federal award information (i.e., CFDA title and number; award name and number; if the award is research and development; and name of Federal awarding agency) and applicable compliance requirements.

- During-the-Award Monitoring – Monitoring the subrecipient's use of Federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

- Subrecipient Audits – (1) Ensuring that subrecipients expending $500,000 or more in Federal awards during the subrecipient's fiscal year for fiscal years ending after December 31, 2003 as provided in OMB Circular A-133 have met the audit requirements of OMB Circular A-133 and that the required audits are completed within 9 months of the end of the subrecipient's audit period; (2) issuing a management decision on audit findings within 6 months after receipt of the subrecipient's audit report; and (3) ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings. In cases of continued inability or unwillingness of a subrecipient to have the required audits, the pass-through entity shall take appropriate action using sanctions.

11-18 The Department of Health did not comply with federal reporting requirements for the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness Programs.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.069 Public Health Emergency Preparedness 93.889 National Bioterrorism Hospital Preparedness Program
Federal Award Number:	5U90TP017010-10; 3U90TP017010-10W1; 1H75TP000669-01; U3REP090208-01; U3REP090228-02; U3REP080103-01
Applicable Compliance Component:	Reporting Controls / Compliance
Questioned Cost Amount:	None

Background

The Washington State Department of Health administers the Public Health Emergency Preparedness Program and the National Bioterrorism Hospital Preparedness Program. These federal grants enhance the ability of hospitals and health care systems to prepare for and respond to biological and other public health emergencies. The Department distributes money to hospitals, outpatient facilities, tribes, health centers, poison control centers, emergency management services and other healthcare partners. These entities oversee training, meetings, purchasing of supplies and equipment, and generate reports on the program. The Department spent $23 million in Public Health Emergency Preparedness funds and $8.5 million in Hospital Preparedness Program funds in fiscal year 2011.

As a condition of receiving these grants, the Department is required to submit cash draw reports, financial status reports and progress reports to the grantor. The quarterly cash draw report shows the cumulative amount of federal share of cash disbursed for each award and is due within 30 days after the end of the quarter. The financial status report shows program revenues and expenditures on an annual and semi-annual basis. Semi-annual reports must be submitted no later than 30 days after the end of each reporting period. Annual reports must be submitted within 90 days after the end of each reporting period and final reports must be submitted within 90 days after the project or grant period end date. Progress reports are due when specified by the grant. All reports must be supported by the Department's accounting system and reflect actual work performed.

Description of Condition

We reviewed all quarterly cash draws and financial status reports the Department submitted for both programs during fiscal year 2011. We also requested four progress reports for Hospital Preparedness and three progress reports for Public Health that were due during the year.

We found:

- None of the financial status reports for Public Health Emergency Preparedness had complete original supporting documentation from the accounting system. Because of this, we could not verify that all reported amounts were accurate.
- Two financial status reports for Public Health Emergency Preparedness did not correctly report the federal share of outlays. On one report, the federal share of outlays was overstated by $1,077,230. On the other report, the Department understated the federal share of outlays by $9,360.
- Two financial status reports for Hospital Preparedness included expenditures that were beyond the reporting period. These reports were overstated by a total of $131,447.
- All cash draw reports showed revenues drawn from the federal grantor instead of funds disbursed. Amounts for Hospital Preparedness and Public Health Emergency Preparedness were overstated by $514,181 and $1,014,462, respectively.

- Cash draw reports for Public Health Emergency Preparedness were overstated by an additional $2,744,345 due to expenditures being incorrectly calculated.
- The FSRs for Hospital Preparedness were submitted late, and corrections to two final reports were submitted 165 and 201 days after the original report was due.
- None of the progress reports for either program had any supporting documentation. Therefore, we could not verify that amounts and information reported were accurate.
- The Department has no policies and procedures for completing these reports and does not track or document the review process.
- The Department did not provide two of the progress reports for Hospital Preparedness to us. We were unable to determine if these reports were completed or submitted to the grantor as required.

Cause of Condition

Department management and grants staff did not have a full understanding of how to complete the reports correctly. Detailed instructions for completion of federal reports are available from grantors.

Department management did not adequately review reports and supporting documentation before approving and submitting them to the grantor.

Department management did not develop internal controls over the completion of progress reports. This includes not having written policies or procedures to provide guidance for Department staff.

Effect of Condition

Grantors rely on accurate reports to monitor the progress of programs and the use of federal dollars. By not submitting the reports with accurate data, the Department prevented the grantor from adequately monitoring the financial status and effectiveness of the program.

We could not test internal controls over the completion of progress reports.

Grant conditions allow the grantor to penalize the Department for noncompliance, suspending or terminating the award, and withholding future awards.

Recommendation

Department management should ensure all staff preparing and reviewing financial reports are aware of reporting requirements and have a full understanding of how to complete the reports. Department management should also thoroughly review all reports and supporting documentation before submitting them to the federal grantor.

The Department should establish and implement internal controls over progress reports sufficient to ensure the reports are accurate, complete, supported, reviewed and approved prior to being submitted to the federal grantor. The submitted report, supporting documentation and evidence of the review process should be retained and available for review.

Department's Response

We concur with the auditor's finding.

We wish to emphasize that there is a review process in place for our progress reports, though it has not been formalized in a procedure at this point. In addition, the Department feels that our overall process for financial status report filings includes supporting documentation from the agency's accounting systems. Although there were errors noted on some reports, many of these were identified by DOH Grants Management prior to the audit field work.

DOH Grants Management does review all Federal Financial Reports (FFRs) in coordination with the program, and provides supporting documentation before approving and submitting them to the grantor. We will review our procedures and controls governing reporting for these federal grants and draft a corrective action plan for submission to the Office of Financial Management. We will share this information with the State Auditor's Office.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

OMB Circular A-102 Common Rule, *Uniform Administrative Requirements For Grants And Cooperative Agreements To State And Local Governments,* 45 CFR 92. 20 states in part:

> Standards for financial management systems.
>
> (a) Fiscal control and accounting procedures of the state, as well as its subgrantees and cost-type contractors, must be sufficient to —
>
> (1) Permit preparation of reports required by this part and the statutes authorizing the grant, and
>
> (2) Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.

11-19 The Department of Health did not maintain the federally required documentation for $189,000 in payroll costs charged to the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness Programs.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.069 Public Health Emergency Preparedness 93.889 National Bioterrorism Hospital Preparedness Program
Federal Award Number:	5U90TP017010-10; 3U90TP017010-10W1; 1H75TP000669-01; U3REP090208-01; U3REP090228-02; U3REP080103-01
Applicable Compliance Component:	Allowable Costs / Cost Principles
Questioned Cost Amount:	$114,206.06 Public Health Emergency Preparedness $ 75,686.14 Hospital Preparedness

Background

The Washington State Department of Health administers the Public Health Emergency Preparedness Program and the National Bioterrorism Hospital Preparedness Program. These federal grants enhance the ability of hospitals and health care systems to prepare for and respond to biological and other public health emergencies.

The Department distributes money to hospitals, outpatient facilities, tribes, health centers, poison control centers, emergency management services and other healthcare partners. These entities oversee training, meetings, purchasing of supplies and equipment, and generate reports on the program. The Department spent $23 million in Public Health Emergency Preparedness funds and $8.5 million in Hospital Preparedness Program funds in fiscal year 2011.

Grant money may be used to pay only for costs that are allowable and related to the grant's purpose. Federal regulations specify the documentation that must be kept to support employee compensation charged to federal grants. If an employee works solely on the grant program and all related payroll costs are charged to that grant, minimal documentation is required: the employee must certify, semi-annually, in writing, that he or she worked solely on that program. In contrast, payroll costs of employees who work on multiple programs or cost objectives must be supported by personnel activity reports such as timesheets. These reports must:

- Reflect how much time the employee worked on each program or cost objective.
- Account for the total activity for which the employee is compensated.
- Be prepared at least monthly and coincide with one or more pay periods.
- Be signed by the employee.

Payroll charges may be based on an estimate of time worked for interim accounting purposes so long as the estimate of time worked is reconciled to actual work activity at least quarterly.

We reported a finding in our fiscal year 2010 audit, noting that the Department did not comply with regulations for employee compensation charged to federal grants. We questioned approximately $448,000 of payroll costs.

Description of Condition

During six months of the fiscal year 2011, the Department charged a portion of the payroll costs for five managers to multiple grants based on budgeted percentages. Although these managers worked on and were charged to multiple programs, they did not maintain timekeeping or other personnel activity reports as required prior to January 1, 2011.

The Department also charged payroll costs for five employees to the Public Health Emergency Preparedness grant based on certifications instead of the hours on their timesheets.

Cause of Condition

Department management misinterpreted federal requirements and believed the personnel activity reports were not required for the managers. The Department became aware of the misinterpretation in February 2011 and managers began keeping timesheets as of March 1, 2011.

Supervisors were submitting both time sheets and certifications for employees. Payroll charged the grant according to the certifications instead of the hours on the time sheets.

Effect of Condition and Questioned Costs

We identified $114,206.06 in direct payroll charges to the Public Health Emergency Preparedness Program grants and $75,686.14 in direct payroll charges to the National Bioterrorism Hospital Preparedness Program grants that were incorrectly charged and not supported in accordance with federal requirements. We are questioning those costs as unallowable charges for salaries and benefits. The federal grantor could disallow these charges and require the Department to pay back the money.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support an expenditure.

Recommendations

We recommend the Department ensure all employee salaries and benefits charged to a federal grant meet the documentation requirements of federal regulations. We also recommend that Department management thoroughly review time sheets and certifications prior to approval to ensure charges to the grant are accurate and supported.

The Department should consult with its grantor to determine what, if any, of the questioned costs should be repaid.

Department's Response

We concur with the State Auditor's Office finding. We wish to emphasize that the corrective action concerning the major issue in this finding was implemented as of March 2011 in response to the audit finding included in the Auditor's FY 2010 Single Audit Report. Also, we have addressed the issue, identified in the current FY 2011 audit, of the few employees who began keeping time sheets during the time period that was supposed to have been covered by quarterly certifications.

We will work with the Office of Financial Management to complete our corrective action plan, and will share this with the State Auditor's Office.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states in part:

The auditee shall:

(c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

U.S. Office of Management and Budget Circular A-87 (2 CFR 225), *Cost Principles for State, Local and Indian Tribal Governments,* states:

Appendix B, Section 8(h):

Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation.

(1) Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a reasonable official(s) of the governmental unit.

(2) No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity.

(3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection 8.h.(5) of this appendix unless a statistical sampling system (see subsection 8.h.(6) of this appendix) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

(a) More than one Federal award

(b) A Federal award and a non Federal award

(c) An indirect cost activity and a direct cost activity

(d) Two or more indirect activities which are allocated using different allocation bases, or

(e) An unallowable activity and a direct or indirect cost activity

(5) Personnel activity reports or equivalent documentation must meet the following standards:

(a) They must reflect an after the fact distribution of the actual activity of each employee.

(b) They must account for the total activity for which each employee is compensated

(c) They must be prepared at least monthly and must coincide with one or more pay periods, and

(d) They must be signed by the employee

(e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:

(i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;

(ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and

(iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

(6) Substitute systems for allocating salaries and wages to Federal awards may be used in place of activity reports. These systems are subject to approval if required by the cognizant agency. Such systems may include, but are not limited to, random moment sampling, case counts, or other quantifiable measures of employee effort.
   (a) Substitute systems which use sampling methods (primarily for Temporary Assistance to Needy Families (TANF), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:
      (i) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in subsection 8.h.(6)(c) of this appendix;
      (ii) The entire time period involved must be covered by the sample; and
      (iii) The results must be statistically valid and applied to the period being sampled.
   (b) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.
   (c) Less than full compliance with the statistical sampling standards noted in subsection 8.h.(6)(a) of this appendix may be accepted by the cognizant agency if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the governmental unit will result in lower costs to Federal awards than a system which complies with the standards.
(7) Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards.

11-20 The Department of Health does not have sufficient internal controls to ensure federal requirements for matching and level of effort are met for the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness programs.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.069 Public Health Emergency Preparedness 93.889 National Bioterrorism Hospital Preparedness Program
Federal Award Number:	5U90TP017010-10; 3U90TP017010-10W1; 1H75TP000669-01; U3REP090208-01; U3REP090228-02; U3REP080103-01
Applicable Compliance Component:	Matching Controls; Level of Effort Controls / Compliance
Questioned Cost Amount:	None

Background

The State Department of Health administers the Public Health Emergency Preparedness Program and the National Bioterrorism Hospital Preparedness Program. These federal grants enhance the ability of hospitals and health care systems to prepare for and respond to biological and other public health emergencies.

The Department distributes money to hospitals, outpatient facilities, tribes, health centers, poison control centers, emergency management services and other healthcare partners. These entities oversee training, meetings, purchasing of supplies and equipment, and generate reports on the program. The Department spent $23 million in Public Health Emergency Preparedness funds and $8.5 million in Hospital Preparedness Program funds in fiscal year 2011.

Matching

For each program, the Department is required to spend $1 of state funds for every $10 dollars it spends in federal funds. These matching funds must be verifiable from the Department's records, not used as a match for any other federal program, necessary and reasonable to achieve program objectives, and allowable under the applicable cost principles.

Level of Effort

The Department also is required to spend, in state preparedness funds, an amount that is not less than the average of expenditures maintained for the preceding two-year period. These expenditures encompass all funds the state spent for health care preparedness.

Description of Condition

The Department does not have sufficient internal controls to ensure compliance with federal matching requirements. At the beginning of each grant year the Department calculates an estimated amount of matching dollars needed to meet the match requirements. The Department then ensures it has budgeted sufficient funding to meet the requirement. Once the estimated match requirement has been budgeted, the Department does not do further monitoring throughout the year.

The Department does not have internal controls to ensure compliance with federal level of effort requirements. Although the Department spends a significant amount of state funding on these two programs, including the amount spent to meet the matching requirements, it reported to the grantor that it spent $0 for its level of effort requirement. We did determine the Department met the required match.

Cause of Condition

Department management felt that because account codes and dedicated budgets were established at the beginning of the year to charge matching expenditures, regular monitoring and tracking was not necessary to ensure compliance.

The Department is not tracking level of effort spending in state preparedness funds and management considers the level of effort requirement to be $0. Program managers stated they believe that because the Legislature does not appropriate state funds specifically for these programs, no level of effort requirement is in place. Department managers told us they met with representatives from the Assistant Secretary for Preparedness and Response (ASPR) and the Centers for Disease Control (CDC) and the agencies agreed with its position. Department managers said this was a verbal agreement. We spoke to grant management officers for both organizations who told us they were not aware of any approval given to the Department not to maintain the level of effort as required.

Effect of Condition

By not properly tracking, documenting and reporting that the level of effort and matching requirements are being met, the Department is at risk of having to return grant funds. This also could jeopardize future federal funding to the state.

Recommendation

We recommend the Department develop and follow internal controls over matching dollars to ensure it complies with federal requirements.

The Department should work with its federal grantor to correctly interpret level of effort requirements, and should track all state preparedness dollars to ensure it spends at least the minimum required amount each year.

Department's Response

We partially concur with the Auditor's Office finding. We have implemented improved tracking that lists all match sources by their major index account codes, their corresponding allotments, and expenditures. This is now tracked quarterly for the first three quarters and monthly in the last quarter of the fiscal year.

However, we feel that the Auditor's Office has misinterpreted the relationship of the agency expenditures identified for the match requirement to the requirement in the grant for Maintenance of Funding (MOF). We will clarify our understanding of this with the federal grantor.

We also feel that the finding overstates the risk that our agency would have underfunded the match requirements and or not met the maintenance of funding requirements. Our budgetary process identified expenditures over and above the ten percent requirement for each of these grants.

We will also work with the federal grantor, and the Office of Financial Management to complete our corrective action plan. We will share this information with the State Auditor's Office.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

FY10 Hospital Preparedness Program Guidance:

3.3 Other

3.3.1 Maintenance of Funding (MOF): Awardees must demonstrate that they intend to maintain expenditures for healthcare preparedness at a level that is not less than the average of such expenditures maintained by the entity for the preceding 2-year period. These expenditures encompass all funds spent by the State for healthcare preparedness. The awardee must 'certify with a sentence' that they have maintained the average level of expenditures required.

To be eligible for an award under this funding opportunity, the awardee must demonstrate, in the budget narrative, they intend to budget not less than the average of their FY08 and FY09 total spending for healthcare preparedness. For the purposes of calculating MOF for healthcare preparedness spending, the following applies:

1. State contributions only, not Federal dollars:
2. Surge Capacity investments to be considered:
3. Beds
4. Isolation
5. Decontamination
6. PPE
7. Pharmaceuticals
8. Mobile Medical Assets
9. Interoperable communications equipment and capability
10. Laboratory equipment, and trainings

Public Health Emergency Preparedness Budget Period 10 Extension Guidance

4) Maintaining State Funding (MSF)
Awardees are required to document MSF as part of their BP10 Extension funding applications. MSF is defined as ensuring that awardee expenditures for public health security are maintained at a level not less than the average of such expenditures for the previous two years. This definition includes:

- Appropriations specifically designed to support public health emergency preparedness as expended by the entity receiving the award; and
- Funds not specifically appropriated for public health emergency preparedness activities but which support public health emergency preparedness activities, such as personnel assigned to public health emergency preparedness responsibilities or supplies or equipment purchased for public health emergency preparedness from general funds or other lines within the operating budget of the entity receiving the award.

Appendix 4: Maintaining State Funding (MSF)

Background: Section 319C-1(i)(2) Maintaining State Funding

(A) In General. – An entity that receives an award under this section shall maintain expenditures for public health security at a level that is not less than the average level of such expenditures maintained by the entity for the preceding two-year period.

Administrative Requirement

MSF represents an applicant's historical level of contributions related to federal programmatic activities which have been made prior to the receipt of federal funds "expenditures (money spent)." The MSF is used as an indicator of nonfederal support for public health security before the infusion of federal funds. These expenditures are calculated by the awardee without reference to any federal funding that also may have contributed to such programmatic activities in the past. Awardees must stipulate the total dollar amount in their cooperative agreement applications.

Awardees must be able to account for MSF separate from accounting for federal funds and separate from accounting for any matching funds requirements; this accounting is subject to ongoing monitoring, oversight, and audit. MSF may not include any matching funds requirement.

OMB Circular A-133 Compliance Supplement Subpart C--Auditees§___.300 Auditee responsibilities.

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

11-21 The Department of Social and Health Services, Division of Child Support, did not comply with federal regulations on documentation for employee salaries and wages charged to the Child Support Enforcement Program.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.563 Child Support Enforcement 93.563A Child Support Enforcement – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	G-1104WA4004
Applicable Compliance Component:	Allowable Costs
Questioned Cost Amount:	$65,432.56

Background

The Department of Social and Health Services, Division of Child Support, administers the federal Child Support Enforcement Program. The program is designed to ensure noncustodial parents pay spousal and child support and to establish paternity. The Department received $87.5 million in federal funding for this program in fiscal year 2011, $6.7 million through the American Recovery and Reinvestment Act.

Federal regulations specify how recipients are to document employee salaries and wages charged to the grant. Employees who work on multiple activities or cost objectives are to document time spent on each on monthly personnel activity reports or documentation such as time sheets. Time records are to reflect the actual hours employees work on each program and are used as a basis for requesting federal funds. Agencies may estimate these hours on an interim basis if they adjust for actual costs at least quarterly. An employee who works on only one federal activity needs to provide twice a year certifications signed by the employee or a supervisor.

Description of Condition

Headquarters staff create monthly certifications that Division supervisors check for accuracy and sign. If an employee does not work 100 percent on the grant, a time sheet is attached to the monthly certification and grant expenditures are reduced accordingly.

Approximately 47 percent of the salary and benefit expenditures charged to the grant occurred during the months of October 2010, December 2010 and March 2011. We reviewed all of the monthly certifications for these three months and found:

- Thirty-eight employees submitted 68 timesheets for work not related to the grant during the three months. Headquarters staff reduced the grant expenditures by $62,429.81 for 63 of these timesheets. The grant expenditures were not reduced for five of these timesheets totaling $709.86.

- The Department assigned two employees to work outside of the Division. We examined records for these two employees and found from January through June 2011, they did not work 100 percent on the grant. They did not submit timesheets and the Division did not reduce salaries and benefits charged to the grant. Total salaries and benefits improperly charged to the grant for the six month period were $64,722.70.

Headquarters staff also create semi-annual federal payroll certifications which are signed by the Division Director and submitted to the U.S. Department of Health and Human Services to meet federal time and effort requirements.

We reviewed the semi-annual federal payroll certifications submitted during fiscal year 2011 and found they incorrectly state all Division employees worked 100 percent on the grant.

Cause of Condition

Management was not aware:

- Semi-annual federal payroll certifications should not include employees who work less than 100 percent on the grant throughout the certification period.
- Employees who do not work 100 percent on the grant during any portion of the certification period must submit timesheets for every month of the certification period.

Effect of Condition and Questioned Costs

Without adequate time and effort reports federal grantors cannot be assured that salaries and benefits charged to programs are accurate and valid. This could jeopardize future federal funding to the state.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support expenditures.

We are questioning salary and benefit costs of $65,432.56 charged to the grant that was not supported in accordance with federal regulations.

Recommendations

We recommend the Department:

- Revise its procedures and require employees who do not work 100 percent on grant activities to complete timesheets for every month of the certification period.
- Ensure salary and benefit expenditures not related to grant activities are not charged to it.
- Correct the semi-annual federal payroll certifications submitted to the U.S. Department of Health and Human Services.

Additionally, we recommend the Department consult with the U.S. Department of Health and Human Services to determine what, if any, questioned costs should be repaid.

Department's Response

The Department concurs with this finding. We do not concur with the questioned costs.

- *The audit report states that the salaries and benefits for two employees were improperly charged to the grant during a six month period totaling $64,722.70. Based on our review, the actual amount improperly charged to the grant during that same six month period was $2,609.64.*

We have taken additional steps to ensure that employee salaries and benefits charged to the grant are accurate and valid.

Effective October 2011, the following procedures were implemented to ensure only allowable salaries and benefits are charged to the grant:

- *All employees who do not work 100% on the grant will complete monthly time sheets, recording the actual hours worked on each program;*
- *Employees whose job duties change, or are reassigned, during the certification period will complete time sheets beginning the month the changes occur and each month thereafter;*
- *Fiscal staff will work with program staff to ensure that time sheets are completed and submitted for all affected employees;*
- *Cost coding was changed for those employees serving in developmental job assignments (DJA) outside of the child support program, removing them from the grant;*

- *Semi-annual certification will only include those employees who work 100% on the grant.*

We will consult with the US Department of Health and Human Services to determine if any of the questioned costs should be repaid.

Auditor's Concluding Remarks

The $64,722.70 in questioned costs represents 100% of the salaries/benefits paid to two employees on "Developmental Job Assignment" during the six month period examined. Time and effort certifications examined indicated these employees did not work 100% time on the grant, but no timesheets were completed or submitted by the employees during any of the six months to determine the exact amount of time spent on non-grant activities. We therefore question the entire $64,722.70. Subsequent conversations with the employees , or timesheets created after the fact are not acceptable. We re-affirm our finding.

We reaffirm the finding and thank the Department for its cooperation and assistance throughout the audit, and will follow up during our next audit.

Applicable laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states:

> The auditee shall:
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

The U.S. Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* (2 CFR 225), states:

> Appendix A, Section C:
> 1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:…
> b. Be allocable to Federal awards under the provisions of 2 CFR 225.
> 3. Allocable costs.
> a. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.
>
> Appendix B, Section 8(h):
> Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation…
> (3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi annually and will be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.
> (4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection 8.h.(5) of this appendix unless a

statistical sampling system (see subsection 8.h.(6) of this appendix) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

(a) More than one Federal award,
(b) A Federal award and a non-Federal award,
(c) An indirect cost activity and a direct cost activity,
(d) Two or more indirect activities which are allocated using different allocation bases, or
(e) An unallowable activity and a direct or indirect cost activity.

(5) Personnel activity reports or equivalent documentation must meet the following standards:

(a) They must reflect an after-the-fact distribution of the actual activity of each employee,
(b) They must account for the total activity for which each employee is compensated,
(c) They must be prepared at least monthly and must coincide with one or more pay periods, and
(d) They must be signed by the employee.
(e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:

(i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;
(ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and
(iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances. . .

(7) Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards.

11-22 The Department of Commerce, Community Services and Housing Division, did not comply with period of availability requirements for its Community Services Block Grant program.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.569 Community Services Block Grant 93.710 Community Services Block Grant – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	09B1WACOSR
Applicable Compliance Component:	Period of Availability
Questioned Cost Amount:	$147,422

Background

The Community Services Block Grant program assists organizations in providing programs and services to low-income communities, individuals and families. In Washington State, these organizations include 26 non-profits and four local government agencies.

During fiscal year 2011, the Department spent almost $11.8 million on the Program, approximately thirty five percent of which was provided through the American Recovery and Reinvestment Act of 2009.

Description of Condition

Federal regulations allow the Department two years from the time of an award to spend the block grant money. It had to spend funds awarded for the 2009 grant by September 30, 2010. We tested a random sample of expenditures charged to the 2009 grant and found six expenditures totaling $147,422 were made after September 30, 2010. None were paid from Recovery Act funds.

In our fiscal year 2010 audit, we reported in a finding that the Department violated the period of availability requirements of the grant by charging the federal grant for expenditures incurred after the grant period had closed. We reported approximately $55,000 in questioned costs in that audit.

Cause of Condition

The payment documentation submitted to the Department is pre-coded with the account coding and Department program staff did not properly review the payment documentation to ensure costs were within the proper period of availability. Department fiscal staff did not properly review costs transferred from one grant year to another grant year to ensure they were within the proper period of availability.

Effect of Condition and Questioned Costs

We are questioning $147,422 to the grant after the grant's period of availability ended. When the Department does not adequately monitor expenditures to ensure only expenditures within the period of availability are paid for, grant conditions allow the grantor to penalize the Department for noncompliance by suspending or terminating the award or withholding future awards.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support an expenditure.

Recommendation

We recommend the Department properly review payment costs to ensure only expenditures made during the proper period of availability are charged to grants.

We recommend the Department stop providing pre-coded payment documentation to sub-recipients.

The Department should work with its grantor to determine what, if any, of the questioned costs should be repaid**.**

Department's Response

We concur with the finding. Commerce program staff did not properly review the pre-coded payment documentation to ensure costs were within the proper period of availability. Sub-recipients used an out-of-date pre-coded payment document template with closed 2009 award year coding. Neither program staff nor fiscal staff verified nor corrected the old coding. As a result, $57,071.69 paid was not within the period of availability for 2009. Commerce fiscal staff did not properly review costs transferred from one grant year to another grant year to ensure costs were within the proper period of availability. Program staff inadvertently chose items outside the period of availability when requesting a transfer. Fiscal staff reviewing the work of newly trained fiscal staff did not properly verify backup documentation for the transfer. As a result, $90,350.46 transferred was not properly identified within the period of availability for the 2009 award year.

In February 2012, fiscal and program staff reviewed and corrected the $147,422.15 questioned 2009 grant year costs by transfer to the correct grant year per the period of availability. Appropriate costs within the period of availability for the 2009 grant were identified and subsequently transferred, resulting in zero net impact to the Community Services Block Grant 2009 award year.

Commerce concurs with the Auditors recommendations to properly review payment costs for proper period of availability and stop providing pre-coded payment documents to sub-recipients. Commerce has reiterated document review and approval expectations with program and fiscal staff. Payment document (invoice) templates with no pre-coding will be used in the future. Understanding a federal program may have awards with overlapping / concurrent periods of availability, Commerce added award tracking to the Commerce Contract Management System (CMS) in January 2012, including award first-in-first-out (FIFO) functionality to help reduce or eliminate cost transfers at award end between award years. Commerce intends to begin usage of this new functionality with the CSBG program. Additionally, Commerce intends to add stop edits to the CMS invoice payment functionality to notify an award end date is past, prior to allowing any payment.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit, and will follow up during our next audit

Applicable Laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states:

> The auditee shall:
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

United States Department of Health and Human Services, Community Services Block Grant Terms and Conditions outlines responsibilities for entities receiving federal funds and states in part:

13) If the grantee is on an accrual accounting system, services must be provided on or before September 30, 2010; and liquidated on or before December 29, 2010;
14) Grantees shall adhere to a provision of law under the Consolidated Appropriations Act of 2005 which requires that to the extent FY 2009 CSBG funds are distributed by a State to an eligible entity, and have not been expended by such eligible entity, they shall remain with

such eligible entity for carryover and expenditure into the next fiscal year. If FY 2009 funds are carried forward by such eligible entity into FY 2010, those funds must be fully expended and services provided on or before September 30, 2010.

11-23 The Department of Early Learning and the Department of Social and Health Services do not have adequate internal controls over direct payments to child care providers.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.575 Child Care Development Block Grant
	93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
	93.713 Child Care and Development Block Grant – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	G-1101 WACCDF
Applicable Compliance Component:	Activities Allowed or Unallowed
Questioned Cost Amount:	None

Background

The state Department of Early Learning (DEL) administers the federal Child Care and Development grant to assist eligible working families in paying for child care. In fiscal year 2011, DEL paid approximately $108.5 million to child care centers and providers through the Working Connections Child Care Program.

The Department of Social and Health Services (DSHS) performs many functions related to the grant under an agreement with DEL. DSHS determines client eligibility, pays child care providers and monitors to ensure payments are allowable. Monitoring includes a monthly reconciliation of child care payments to providers and their attendance records, and performing a federally required Improper Payment Act audit every three years.

Description of Condition

Since fiscal year 2005, our audits have reported the Departments did not adequately monitor payments to child care providers. During our fiscal year 2010 audit we found DSHS stopped performing reconciliations between attendance records and child care payments.

We found DSHS again performed no reconciliations between attendance records and child care payments in fiscal year 2011.

Cause of Condition

DSHS stated it did not have adequate staff to do both the reconciliations and the Improper Payment Act audits.

Effect of Condition

The lack of internal controls over reconciling payments to source documentation results in a high risk that DSHS will not identify or recover overpayments to providers.

In September 2011, our office issued a report, "Audit of State Payments to Child Care Providers". It identified $2.6 million in overpayments to child care providers going back as far as five years and an additional $241,299 in questionable payments. The Departments are aware providers have claimed more than authorized and that overpayments have been made.

Recommendation

We recommend the Departments establish and follow detailed monitoring procedures for provider payments that include adequate reconciliations of provider attendance records to payments. When issues are found, the Departments should expand their review to determine if additional costs could be recovered.

Departments' Response

As reported in past audit reports, the Department of Early Learning (DEL) and the Department of Social and Health Services (DSHS) have taken steps to improve control over child care payments, such as increasing communications to the public on fraud-reporting options, and researching options for a new electronic attendance tracking system. The agencies have begun, or will implement additional measures as follows:

- *DEL added 5 new FTE's specifically in January 2012 to audit child care subsidy payments by comparing subsidy child care provider billings with attendance records. DEL auditors will expand the audit scope when they identify a child care provider that billed incorrectly. This is an on-going activity.*
- *The audits are randomly sampled and high billing providers for all three types of providers: centers, family homes and license exempt providers.*
- *DEL contracts to provide training on subsidy billing to licensed family home and license exempt providers according to the collective bargaining agreement with Service Employees International Union 925.*
- *DEL will contract to develop on-line subsidy billing training for child care center staff who do billing.*

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

U.S. Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments.*

> Attachment A, Section C, Basic Guidelines, states in part:
>
> 1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria: …
> j. Be adequately documented.

Washington Administrative Code 170-295-7030 states in part:

> (3) Attendance records and invoices for state paid children must be kept on the premises for at least five years after the child leaves your care.

Washington Administrative Code 170-296-0520 states in part:

(3) Daily attendance records, listing the dates and hours of attendance of each child must be kept up-to- date and maintained in the licensed space of the family home child care for five years.
(4) When a child is no longer enrolled, the date of the child's withdrawal must be recorded in the child's file. You must maintain the child's file for at least five years from the child's last date of attendance. After five years the file may be destroyed or returned to the parent. The child's file must be made available for review by the child's parents and us during this period.

Service Level Agreement (Interagency Agreement No. 0661-00799)

Attendance reconciliation:
"In addition to this work, additional reviews will be performed to reconcile provider payments. This work will involve QA pulling a random sample of Working Connections Child Care cases to compare child care authorizations to attendance records and the payments issued. ESA staff correct errors when identified and establish an overpayment when warranted. DEL will provide policy interpretation to DSHS if issues arise."

11-24 The Department of Social and Health Services, Children's Administration, is not ensuring the eligibility of clients receiving Adoption Assistance payments.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.659 Adoption Assistance
	93.659A Adoption Assistance – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	Unknown
Applicable Compliance Component:	Eligibility
Questioned Cost Amount:	$ 33,624 Actual
	$542,261 Projected

Background

The federal Adoption Assistance program provides money to states for parents who adopt children with special needs. The Children's Administration of the Department of Social and Health Services administers the state program from six regional offices. The Department paid approximately $54 million in federal dollars for adoption assistance in fiscal year 2011, for support of almost 12,000 children.

In our audits of fiscal years 2009 and 2010, we reported the Department was not following controls designed to ensure the eligibility of clients receiving adoption assistance payments. In response, the Department stated it would train all adoption support staff on how to determine eligibility.

Description of Condition

To follow up on the concerns noted in prior audits, we randomly selected 58 payments made during fiscal year 2011 from one regional office for the support of children over 18 years of age. To be eligible, adopted children over 18 must be in school. Our prior audit found exceptions in these cases, particularly when associated with this region. We identified the adoptee related to each payment selected and reviewed case files to determine if they contained evidence that eligibility requirements were met and that payments were properly supported. Thirty of 58 did not include support showing the adopted children were still in school and entitled to receive adoption support assistance. Payments associated with these selections totaled $20,345.

In addition, we randomly selected 59 payments from all adoption support payments made during the fiscal year for review. We again reviewed case files to determine if they contained evidence to support the adoptees' eligibility. For these 59 payments, case files showed eligibility requirements were met and all payments were properly supported.

State law prohibits support payments for any adoptee once they reach age 21. We reviewed all adoption payments for fiscal year 2011 to determine if any were made for adoptees over the age of 21. We identified 12 adoptees over 21 who received a total of 26 payments during the year, totaling $13,279.

Cause of Condition

The Department stated the region with the high error rate experienced significant employee turnover in July 2006. The Department has instituted quarterly spot checks of adoption payments by regional managers, however the frequency of monitoring payments and updating case files has not improved.

Regarding payments to recipients over the age of 21, the Department does not have an automated process to ensure that no payments to recipients over the age of 21 occur. It relies on manual identification of adoptees aging out of the program.

Effect of Condition and Questioned Costs

In our review of children over the age of 18 but not in school, we used a sampling method that allows us to project our results to the entire population of children over 18 for the region selected for testing. Known questioned costs for this category are $20,345. Our projected questioned costs are $528,982.

Unallowable payments made for adoptees over age 21 totaled $13,279.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support expenditures.

Recommendation

We recommend the Department:

- Follow established internal controls for monitoring case files to ensure eligibility is met and payments are fully supported for recipients between the ages of 18 and 21.
- Communicate with the federal grantor to determine whether questioned costs need to be repaid.

Department's Response

The Department concurs with the finding. Since the last audit in 2010 the Children's Administration, in addition to training staff and conducting quarterly spot checks of payments, has begun developing system controls in Famlink, the Department's child welfare and payment system, that suspend payments after age 18 and only allows them to resume after staff have manually confirmed that the adopted child warrants continuation of the monthly support payment and a separate fiduciary employee has been asked to continue them.

For all amounts identified as a questioned cost Children's Administration will review each individual payment and return any federal share associated with unauthorized payments. These amounts will also be communicated to our federal partners at the time they are returned.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit, and will follow up during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

RCW 74.13.031 Duties of department — Child welfare services — Children's services advisory committee (as amended by 2011 c 160).

> (11) (a) <u>The department shall, w</u>ithin amounts appropriated for this specific purpose, have authority to provide continued foster care or group care to youth ages eighteen to twenty-one years who are:
>
> (i) Enrolled and participating in a postsecondary or vocational educational program;

(ii) Participating in a program or activity designed to promote or remove barriers to employment;
(iii) Engaged in employment for eighty hours or more per month; or
(iv) Incapable of engaging on any of the activities described in (a)(i) through (iii) of this subsection due to a medical condition that is supported by regularly updated information.

(b) A youth who remains eligible for placement services or benefits pursuant to department rules may continue to receive placement services and benefits until the youth reaches his or her twenty-first birthday.

Washington Administrative Code (WAC) 388-27-0135 What are the eligibility criteria for the adoption support program?

For a child to be eligible for participation in the adoption support program, the department must first determine that adoption is the most appropriate plan for the child. If the department determines that adoption is in the child's best interest, the child must:

(1) Be less than eighteen years old when the department and the adoptive parents sign the adoption support agreement;
(2) Be legally free for adoption;
(3) Have a "special needs" factor or condition according to the definition in this rule (see WAC 388-27-0140); and
(4) Meet at least one of the following criteria:
  (a) Is in state-funded foster care or child caring institution or was determined by the department to be eligible for and likely to be so placed (For a child to be considered "eligible for and likely to be placed in foster care" the department must have opened a case and determined that removal from the home was in the child's best interest.); or
  (b) Is eligible for federally funded adoption assistance as defined in Title IV-E of the Social Security Act, the Code of Federal Regulations, the U.S. Department of Health and Human Services establishing guidelines for states to use in determining a child's eligibility for Title IV-E adoption assistance.

Washington Administrative Code (WAC) 388-27-0210 Under what circumstances would the adoption support agreement be terminated?

The adoption support agreement is terminated according to the terms of the agreement or if any one of the following events occurs:

(1) The child reaches eighteen years of age; (if a child is at least eighteen but less than twenty-one years old and is a full-time high school student or working full time toward the completion of a GED (high school equivalency) certificate and continues to receive financial support from the adoptive parent(s), the department may extend the terms of the adoption support agreement until the child completes high school or achieves a GED. Under no circumstances may the department extend the agreement beyond the child's twenty first birthday.) Adoption support benefits will automatically stop on the child's eighteenth birthday unless the parent(s) requests continuation per this rule and have provided documentation of the child's continuation in school. To prevent disruption in services the parent should contact the adoption support program at least ninety days prior to the child's eighteenth birthday if continued services are to be requested.
(2) The adoptive parents no longer have legal responsibility for the child;
(3) The adoptive parents are no longer providing financial support for the child;
(4) The child dies; or
(5) The adoptive parents die. (A child who met federal Title IV-E eligibility criteria for adoption assistance will be eligible for adoption assistance in a subsequent adoption.)

Children's Administration Operations Manual
13100. Records Management And Security

State law requires that CA maintain records for services to children and their families as well as for licensed or approved providers and for persons who apply and are subsequently denied licensure or approval for service. RCW 13.34.130; RCW 13.50.010; RCW 26.33.330; RCW 26.44.030

CA will maintain these records in two formats:

- Automated format in the State of Washington's State Automated Child Welfare Information System (SACWIS) called FamLink.
- Paper records linked to cases in the FamLink system.

Title IV-E Desk Guide:

4.G. Eligibility for Adoption Support After Age 18:

Adoption support may continue for a youth after age 18 under any of the following categories:

1. AFDC Provision (IV-E eligible youth only)
2. Student with Mental or Physical Disability
3. Extended Foster Care Program

4.G.1. AFDC Provision (IV-E Eligible Youth Only)

A IV-E eligible youth who is in school full-time to complete high school, GED, or equivalent secondary education program, may continue to receive adoption support up to age 19 under the State's AFDC provision in effect July 16, 1996, as long as the youth continues in the secondary education program and is expected to graduate by his/her 19th birthday. In this case, IV-E-funded Adoption Support would continue until the youth completes the secondary education program before age 19.

If a youth turns 18 and is either not in school, or is in a secondary educational program but is not expected to graduate by age 19, then IV-E adoption support would end at the end of the month in which the youth turns 18. Alternately, if adoption support continues because a youth is at first expected to graduate by age 19, but the Department later learns the youth will not graduate by age 19, IV-E Adoption Support would end at the end of the month in which the Department first learned that the youth would not graduate by age 19.

Consider a youth on summer break or other official school break who is still enrolled in his/her secondary educational program to meet the school requirement during the break.

4.G.2. Mental or Physical Disability

A youth may continue on the adoption support program beyond age 18 if the state has determined that the youth has a mental or physical disability that warrants continuation of assistance to age 21, and the youth is a full-time student in high school, GED or equivalent secondary education program.

This option is available to all youth who meet the mental or physical disability criteria and school requirements, regardless of IV-E eligibility status, though IV-E funds may only be claimed for those youth who are IV-E eligible for adoption support. For IV-E eligible youth, IV-E funds may be claimed through the end of the month in which the youth completes the secondary education program or reaches age 21, whichever is earlier. If the youth in this situation does not meet the school requirements, adoption support ends at the end of the month in which the youth turns 18.

11-25 The Department of Health did not survey hospitals in accordance with state law, which could increase the risk of Medicaid clients receiving substandard care services.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Special Tests and Provisions	
Questioned Cost Amount:	None	

Background

Hospitals statewide received more than $1.3 billion in state and federal funds in fiscal year 2011 for services to Medicaid clients. Federal regulations require states to ensure hospitals meet prescribed health and safety standards to be eligible for federal reimbursement.

The state has 100 active hospitals in three categories: acute care/general hospitals, chemical dependency hospitals and psychiatric hospitals. State regulations require the Health Department or an accreditation agency such as the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) to survey all hospitals every 18 months. The survey focuses on the hospital's administration and patient services. The survey also assesses compliance with federal health, safety and quality standards designed to ensure patients receive safe, quality care services.

Description of Condition

During fiscal year 2011, the Department of Health did not perform hospital surveys as required by state and federal regulations. Of the 100 hospitals, the Department evaluated 54. Of that group, 30 (55 percent) were not surveyed within the 18-month interval.

The table below summarizes what we found.

Time exceeding the 18-month survey period	Number of hospitals
One month	12
Two months	9
Three months	5
Four months or more	4
Total	30

Cause of Condition

The Department stated that in February 2011 they recognized they were falling further behind in the survey process and started looking at how they could "right size" the survey staff to allow for the completion of the surveys within the required time frames. Challenges to maintaining sufficient staffing levels included having some positions held vacant due to a hiring freeze; recruitment difficulties due to a recognized shortage of registered nurse candidates; several unavoidable long term staff absences; and redeployment of survey staff to other critical functions during this period.

Effect of Condition

When the Department does not survey hospitals as required, the state is paying hospitals for services to Medicaid clients without assurance the hospitals are providing services that meet state health and federal standards and regulations.

Recommendation

We recommend the Department implement adequate procedures to ensure it conducts hospital surveys as required by law.

Department's Response

We have reviewed the State Auditor's report and concur with this finding. We appreciate the Auditor's work on this issue and the opportunity to respond.

Patient safety is our highest priority. We are, and have been, very concerned with not being able to inspect hospitals on average at least every eighteen months, as set forth in RCW 70.41.120. We believe that not being able to inspect these hospitals more timely may expose patients to risk of harm. The mission of the Department of Health has always been to provide patient safety to the citizens of this state. We are committed to immediately addressing and resolving the issues identified in the audit. The following is an outline of how we are addressing this challenge:

In February 2011 we recognized we were falling further behind in the survey process. We started looking at how to "right size" the staff to allow us to complete the inspections more timely. We identified numerous reasons we believed contributed to our hospital inspections unit not being right sized including having some positions held vacant due to a hiring freeze; recruitment difficulties due to a recognized shortage of registered nurse candidates; several unavoidable long term staff absences; and redeployment of survey staff to other critical functions during this period.

Our first step in response to this challenge was to dedicate our experienced hospital inspectors to performing hospital inspections exclusively as opposed to dividing their time on other regulated facility types. To this end, in May 2011, we formed a team of new inspection staff to perform the Ambulatory Surgery Centers inspections eliminating the need to assign hospital inspectors to this function. That team was able to assume this function during the last part of September.

We have identified the need to add additional inspectors in order to meet the hospital inspection frequency requirements of RCW 70.41.120. We are striving to increase the hospital team by two permanent inspectors. This will help address the hospital inspection backlog by providing greater capacity for conducting inspections even when there are extended staff absences, and will help compensate for the eight mandatory furlough days each nurse inspector must take in a year. We are exploring funding sources for these new positions as well as identifying a separate funding source to allow us to hire and train additional inspectors on a two year project basis. The purpose for the project positions would be to focus on completing the backlogged hospital inspections.

While the hospital inspections unit was able to hire several new nurse inspectors, we continue to experience difficulty in recruiting additional staff. There is a recognized shortage of registered nurses

within Washington State and in the United States as a whole. We are expanding our recruitment resources to try and reach a larger audience of potential candidates. These resources include outlets such as professional recruitment publications and large metropolitan newspapers.

The agency is also experiencing challenges in recruiting public health advisor inspectors which conduct the portion of an inspection that deals with environmental issues. Since a retirement in June 2011, we have been openly recruiting for one full time position and have received only one qualified candidate.

We are also evaluating strategies of how we conduct inspections to achieve greater efficiencies. This analysis includes an evaluation of the number of inspectors needed in relation to the size of the hospital, developing streamlined procedures for collecting information during an inspection, and reviewing our procedures for determining compliance/non-compliance with the regulations and protocols for inspecting care delivery within the hospital.

We began using checklists in approximately 2007 in our inspections, based on a recommendation from the State Auditor's Office. These checklists help to insure we are covering all areas required by law during our inspections. The checklists continue to grow in complexity as new legislation requires monitoring. One example is the Patient Safe Lifting Law that was passed in 2006 and requires us to a review of safe lifting practices during the inspection process.

While we have looked at potentiating reducing the scope of the inspection we are concerned that modifying the current protocols may increase the risk of harm to patients. We do believe, however, we may be able to reduce the amount of survey time spent on some paperwork review, such as human resource files, unless a particular problem is observed during the inspection. We will continue to look for greater efficiencies.

We thank the State Auditor's Office for the professional work by their staff.

Auditor's Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 42 of the Code of Federal Regulations, Section 430.10 states:

> The State plan is a comprehensive written statement submitted by the agency describing the nature and scope of its Medicaid program and giving assurance that it will be administered in conformity with the specific requirements of title XIX, the regulations in this Chapter IV, and other applicable official issuances of the Department. The State plan contains all information necessary for CMS to determine whether the plan can be approved to serve as a basis for Federal financial participation (FFP) in the State program.

RCW 70.41.120 states in part:

(1) The department shall make or cause to be made an unannounced inspection of all hospitals on average at least every eighteen months. Every inspection of a hospital may include an inspection of every part of the premises. The department may make an examination of all phases of the hospital operation necessary to determine compliance with the law and the standards, rules and regulations adopted there under.

RCW 70.41.122 states in part:

Surveys conducted on hospitals by the joint commission on the accreditation of health care organizations, the American osteopathic association, or Det Norske Veritas shall be deemed equivalent to a department survey for purposes of meeting the requirements for the survey specified in RCW 70.41.120 if the department determines that the applicable survey standards are substantially equivalent to its own.

(1) Hospitals so surveyed shall provide to the department within thirty days of learning the result of a survey documentary evidence that the hospital has been certified as a result of a survey and the date of the survey.
(2) Hospitals shall make available to department surveyors the written reports of such surveys during department surveys, upon request.

WAC 246-320-016 states in part:

This section outlines the department's on-site survey and complaint investigation activities and roles.

(1) Surveys. The department will:
  (a) Conduct on-site surveys of each hospital on average at least every eighteen months or more often using the health and safety standards in this chapter and chapter 70.41 RCW;
  (b) Coordinate the on-site survey with other agencies, including local fire jurisdictions, state fire marshal, state pharmacy board, and report the survey findings to those agencies;
  (c) Notify the hospital in writing of the survey findings following each on-site survey;
  (d) Require each hospital to submit a corrective action plan addressing each deficient practice identified in the survey findings;
  (e) Notify the hospital when the hospital submitted plan of correction adequately addresses the survey findings; and
  (f) Accept on-site surveys conducted by the Joint Commission or American Osteopathic Association as meeting the eighteen-month survey requirement in accordance with RCW 70.41.122.

11-26 The Department of Social and Health Services paid Medicaid providers for services that were not provided to Medicaid beneficiaries.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Activities Allowed or Unallowed	
Questioned Cost Amount:	$45,624.90 Non-ARRA	
	$ 9,899.69 ARRA	

Background

Medicaid is a state and federal partnership that pays the health-care costs for qualifying low-income individuals. The state Medicaid program spent more than $7.5 billion in state and federal dollars during fiscal year 2011.

Federal regulations state an overpayment is the amount a Medicaid agency paid to a provider in excess of the amount allowable for the services provided. They classify most payments after the date of a Medicaid client's death as overpayments.

The Department receives quarterly data from the state Department of Health it uses to identify deceased Medicaid clients. Social and Health Services is to remove these clients from the program. It also runs its own data query to identify Medicaid services paid after a client's date of death. Once identified, the Department starts a process to recoup the payments.

Description of Condition

We analyzed Medicaid claims paid through the Department's Social Service Payment System (SSPS) from July 1, 2010 to June 30, 2011 and identified 311 Medicaid beneficiaries for whom payments for services were made after the dates of their deaths. The Department paid $514,424.35 for those services.

We reviewed detailed transactions and noted services had been provided to 229 of these clients prior to their death. We also noted the Department paid a total of $742.87 for allowable services such as monthly insurance premiums and monthly medical emergency response services in the month of beneficiaries' deaths. These expenditures are allowable because services are charged for a month.

The table below summarizes the results of our work:

Description	SSPS		
	Clients	Payments	Questioned Costs
Services provided before date of death. Payments allowable	229	$349,243.31	$0
Payments covered for the month of beneficiaries' deaths. Allowable	34	$742.87	$0
Payments for charges for services after date of death. Recoupment started.	32	$73,240.47	$0
Payments were for charges for services after date of death. Payments unallowable.	83	$91,197.70	$91,197.70
Total	311*	$514,424.35	$91,197.70

*Clients possible in more than one category. Related questioned costs are not duplicated.

The Department identified unallowable payments totaling $73,240.47 and started recoupment processes. The Department paid the providers a total of $91,197.70 for services that were never rendered to Medicaid beneficiaries.

Cause of Condition

The Department stated it was not able to prevent or detect all unallowable payments due to the lack of a timelier and more consistent way to inform field staff about deceased clients.

Effect of Condition and Questioned Costs

The Department paid $91,197.70 to providers for charges for services after Medicaid beneficiaries had died. We are questioning $55,524.59, which is the federal portion of the expenditures.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support expenditures.

Recommendation

We recommend the Department:

- Continue to strengthen procedures to identify deceased Medicaid clients to prevent overpayments.
- Recover $91,197.70 in unallowable payments from providers.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Department's Response

The Department concurs with this finding.

The Department will continue its work to strengthen processes that may provide a timelier and more consistent way to inform field staff about deceased clients. Currently field staff receive this information from a variety of sources, including relatives, death notices in the papers, ACES-Social Security Data Exchange matches, and other sources. There is no departmental or legal requirement to notify field offices. The availability and consistency of this information will improve with upgrades to our payment systems. At that time staff should have uniform access to the same data sources for information about client deaths.

In the interim, the Department has developed and is testing a new report that will soon be available to field staff. The Invalid Payments report identifies potentially invalid payments on a monthly basis. The report will enable field staff to discover and correct invalid payments in the month after payments are made and process any necessary vendor overpayments.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

OMB Circular A-87: Cost Principles for State, Local and Indian Tribal Governments (2 CFR Part 225); Appendix A - General Principles for Determining Allowable Costs; Section C - Basic Guidelines state in part:

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
   a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
   b. Be allocable to Federal awards under the provisions of 2 CFR part 225.
   c. Be authorized or not prohibited under State or local laws or regulations.
   d. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
   e. Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.
   f. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
   g. Except as otherwise provided for in 2 CFR part 225, be determined in accordance with generally accepted accounting principles.
   h. Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation.
   i. Be the net of all applicable credits.
   j. Be adequately documented.

Title 42, Code of Federal Regulations, Part 433.304 defines an overpayment as following:

> *Overpayment* means the amount paid by a Medicaid agency to a provider which is in excess of the amount that is allowable for services furnished under section 1902 of the Act and which is required to be refunded under section 1903 of the Act.

11-27 The Department of Social and Health Services, Office of Financial Recovery, did not have adequate controls to ensure the federal share of overpayments made to Medicaid providers is refunded to the federal government in an accurate and timely manner.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM, 5-1105WAARRA	
Applicable Compliance Component:	Allowable Costs / Cost Principles	
Questioned Cost Amount:	None	

Background

Most Medicaid expenditures are payments to providers of medical treatment, prescriptions, medical equipment, home health care, and other services. Providers submit payment claims to the Health Care Authority through ProviderOne, the Medicaid payment system.

Since October 1, 2008, more federal dollars have been available for these payments, known as the Federal Medical Assistance Percentage, due to the American Recovery and Reinvestment Act of 2009. This means the state has been receiving federal money to pay for more than 60 percent of Medicaid costs, up from the previous 50 percent.

The Health Care Authority and the Department of Social and Health Services conduct a number of audits designed to identify and recover overpayments. When they identify overpayments, the state has one year from the date of discovery to pay back to the federal government its share of overpayments, even if the state has not recovered the overpayment. The state does not have to refund the overpayment if the provider has filed for bankruptcy or has gone out of business.

The Department and the Authority are responsible for forwarding information to the Office of Financial Recovery when they identify overpayments. That Office is the official collection agency for Medicaid overpayments in the state. It tracks the overpayment recoupment process and works with the Office of Accounting Services to ensure the federal share of overpayments is refunded.

If overpayment information is not forwarded to the Office of Financial Recovery, the federal portion of the overpayment will not be refunded to the federal government.

The federal Medicaid program operates on a reimbursement basis, meaning the state pays program costs and then submits a claim to the federal government to recover the costs. Because of this, payments owed to the federal government are made by reducing the amount of the reimbursement requested.

The state had Medicaid expenditures of approximately $7.5 billion in fiscal year 2011, approximately $4.7 billion of which was federal dollars.

Description of Condition

In our audits for fiscal years 2005 through 2010, we reported findings relating to the Department's inadequate controls over overpayment refunding. To address our recommendations, it established policies requiring each Administration within the Department and the Authority to send all overpayments to the Financial Recovery Office. The policies also required the Office to send monthly reminder notices to each Administration and the Authority. However, the Financial Recovery Office and the Authority did not follow these policies.

Cause of Condition

The Financial Recovery Office stated that due to staffing reductions, in December 2010 it discontinued the reminder process.

Effect of Condition

Without adequate monitoring of overpayment reporting, the Department cannot ensure the federal share of overpayments is refunded to the federal government in an accurate and timely manner. We reviewed 11 overpayments identified by the Authority and noted that the Office of Financial Recovery did not know of two overpayments totaling $683,773.90 since HCA had not forwarded those overpayments to the Office, possibly delaying reimbursement to the federal government.

By not reporting overpayments in a timely manner, the Department and the Authority denied the grantor the use of funds that otherwise would have been available for the Medicaid program.

Recommendation

We recommend:

- The Department and the Authority follow policies to ensure all overpayments discovered are forwarded to the Financial Recovery Office and subsequently refunded to the federal government in a timely manner.
- The Office monitor overpayment reporting procedures to ensure the federal portion of the overpayment is refunded to the federal government in an accurate and timely manner.

Department's Response

The Department agrees with the finding regarding overpayment monitoring and reporting procedures. Effective October 2011, the Office of Financial Recovery (OFR) Chief resumed sending notifications to each DSHS Administration and partners (including the Health Care Authority) to submit all overpayments to OFR for collection and reimbursement to the federal government per DSHS Administrative policy 19.85.54 (currently in draft form). A second notification followed in January 2012, and will occur on a quarterly basis thereafter. Receiving overpayment referrals in a timely manner allows OFR to use standard processes to repay the federal government within the one year time limit.

Auditor's Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Section 1903(d)(2) of the Social Security Act (42 U.S.C. 1396b(d)(2)) states in part:

(C) For purposes of this subsection, when an overpayment is discovered, which was made by a State to a person or other entity, the State shall have a period of 1 year in which to recover or attempt to recover such overpayment before adjustment is made in the Federal payment to such State on account of such overpayment. Except as otherwise provided in subparagraph (D), the adjustment in the Federal payment shall be made at the end of the 1-year period, whether or not recovery was made.

(D) (i) In any case where the State is unable to recover a debt which represents an overpayment (or any portion thereof) made to a person or other entity on account of such debt having been discharged in bankruptcy or otherwise being uncollectable, no adjustment shall be made in the Federal payment to such State on account of such overpayment (or portion thereof).

(ii) In any case where the State is unable to recover a debt which represents an overpayment (or any portion thereof) made to a person or other entity due to fraud within 1 year of discovery because there is not a final determination of the amount of the overpayment under an administrative or judicial process (as applicable), including as a result of a judgment being under appeal, no adjustment shall be made in the Federal payment to such State on account of such overpayment (or portion thereof) before the date that is 30 days after the date on which a final judgment (including, if applicable, a final determination on an appeal) is made.

(3) (A) The pro rata share to which the United States is equitably entitled, as determined by the Secretary, of the net amount recovered during any quarter by the State or any political subdivision thereof with respect to medical assistance furnished under the State plan shall be considered an overpayment to be adjusted under this subsection.

Title 42, Code of Federal Regulations, Section 433.312 - Basic requirements for refunds states in part:

(b) Exception.

The agency is not required to refund the Federal share of an overpayment made to a provider when the State is unable to recover the overpayment amount because the provider has been determined bankrupt or out of business in accordance with Sec. 433.318.

(c) Applicability.

(1) The requirements of this subpart apply to overpayments made to Medicaid providers that occur and are discovered in any quarter that begins on or after October 1, 1985.

(2) The date upon which an overpayment occurs is the date upon which a State, using its normal method of reimbursement for a particular class of provider (e.g., check, interfund transfer), makes the payment involving unallowable costs to a provider.

Title 42, Code of Federal Regulations, Section 433.320 - Procedures for refunds to CMS.

(a) Basic requirements.

(1) The agency must refund the Federal share of overpayments that are subject to recovery to CMS through a credit on its Quarterly Statement of Expenditures (Form CMS-64).

(2) The Federal share of overpayments subject to recovery must be credited on the Form CMS-64 report submitted for the quarter in which the 60-day period following discovery, established in accordance with Sec. 433.316, ends.

(3) A credit on the Form CMS-64 must be made whether or not the overpayment has been recovered by the State from the provider.

(b) Effect of reporting collections and submitting reduced expenditure claims.

(1) The State is not required to refund the Federal share of an overpayment when the State reports a collection or submits an expenditure claim reduced by a discrete amount to recover an overpayment prior to the end of the 60-day period following discovery.
(2) The State is not required to report on the Form CMS-64 any collections made on overpayment amounts for which the Federal share has been refunded previously.
(3) If a State has refunded the Federal share of an overpayment as required under this subpart and the State subsequently makes recovery by reducing future provider payments by a discrete amount, the State need not reflect that reduction in its claim for Federal financial participation.

11-28 The Department of Social and Health Services did not ensure that all individuals who received Medicaid benefits had valid Social Security numbers.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
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	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Eligibility	
Questioned Cost Amount:	$25,498.50	Non ARRA
	$ 5,696.71	ARRA

Background

Medicaid is a state and federal partnership that provides coverage for certain low-income individuals who might otherwise go without medical care. The state Medicaid program spent more than $7.5 billion during fiscal year 2011, more than $4.7 billion of which was federal dollars.

Federal regulations require the Department to obtain a Social Security number from each individual, including children, applying for Medicaid. Federal regulations also require the Department to verify the number with the Social Security Administration to ensure it was issued to the individual who supplied it and whether any other number had been issued for the individual. If an applicant has not been issued a number, the Department must assist the individual in applying for one. Under these circumstances, the Department must obtain evidence to establish the age, citizenship or immigration status, and the true identity of the applicant.

The Social Security Administration provides the state with access to a computer system called the State On-line Query (SOLQ) that enables the Department to verify the validity of a Social Security number at the time of application. Department policy requires staff to verify a client-provided Social Security number using the SOLQ system.

Along with the use of SOLQ, every Social Security number entered in the Department's Automated Client Eligibility System is sent in an overnight batch to the Social Security Administration for verification. If it cannot verify a number, the Administration sends an electronic message to the Department's Community Service Office.

Description of Condition

We reviewed all Social Security numbers of Medicaid beneficiaries in the Department's Social Service Payment System (SSPS), and independently verified the numbers in the system by running a computerized cross-match with the Social Security Administration's database. We focused on three areas:

Invalid Social Security numbers

We initially identified 283 Social Security numbers which, according to the Social Security Administration's database, have never been issued and therefore are invalid. The Department determined 281 of these were due to data entry error. The other two clients did not have valid Social Security numbers.

Clients with no Social Security numbers

We found 165 clients that had no Social Security number in the system. The Department was able to provide valid numbers for 161 of those. The remaining four clients did not have valid Social Security numbers.

Social Security numbers belonging to deceased people

We used the Social Security Administration Death Master File and Medicaid claims data to identify payments for services provided to individuals using the Social Security number of a deceased person. We found one client in the system inappropriately using the Social Security number of a deceased person.

The table below summarizes the unresolved instances, and related Medicaid expenditures:

Description	Number of Clients	Payments	Federal share		State Share
			Non-ARRA	ARRA	
Invalid number	2	$150.00	$75.00	$15.17	$59.84
No number	4	$50,639.40	$25,348.32	$5,662.31	$19,628.77
Number belongs to deceased person	1	$150.00	$75.18	$19.23	$55.59
Total	**7**	**$50,939.40**	**$25,498.50**	**$5,696.71**	**$19,744.19**

The Department paid $50,939.40 for services to seven clients who did not have valid Social Security numbers.

Cause of Condition

The Department has continuously made improvements in its training and monitoring and maintains adequate Social Security number verification procedures. However it is still not preventing or catching all unallowable payments.

Effect of Condition and Questioned Costs

When Medicaid benefits are paid for services to ineligible individuals, the money available for eligible clients is reduced. Payments for services for these seven clients were $50,939.40. We are questioning $31,195.21, the federal portion of the unallowable costs.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support expenditures.

Recommendation

We recommend the Department:

- Follow up on the seven clients for whom the Department could not provide evidence of correct Social Security numbers and re-determine their Medicaid eligibility.

- Ensure all staff involved in the verification process follow the Department's Social Security number verification procedures.

Department's Response

This finding involved the Economic Services Administration (ESA) and the Children's Administration (CA). Both administrations concur with this finding.

ESA agrees with the two Community Services Division (CSD) cases identified as exceptions. ESA will review these cases and take appropriate action as necessary.

Each year, for the last several years, ESA has successfully improved Social Security Number accuracy. This audit resulted in two case exceptions, representing combined payments of $300. Staff training, monthly Social Security Number monitoring and improved client eligibility system functionality contributed to these improvements. ESA will continue to pursue enhancements to verification procedures that promote Social Security Number accuracy.

The CA agrees four of the seven clients identified in this finding were served by CA and were found not to have had a valid SSN on file. Of these four, one had applied for an SSN in August of 2011, another left care within 10 days, and a third left care within three days. The final client missing a valid SSN was a Canadian citizen.

In 2011 the Department created a SharePoint list to help track youth in our care that do not have SSNs. HCA Foster Care Meds staffs update the list with the names of youth missing SSNs. Regional CA staffs go into the list and work with social workers to get the SSN information into the system.

For any federal funds claimed for these four clients, CA will return the federal share and communicate this to the Center for Medicaid Services.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, Section 300, states in part:

> The auditee shall:
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

Title 42, Code of Federal Regulations, Section 435.910 (a) specifically states in part:

> The agency must require, as a condition of eligibility that each individual (including children) requesting Medicaid services furnish each of his or her own social security numbers . . . .

Title 42, Code of Federal Regulations, Section 435.910 (g) states:

> The agency must verify each SSN of each applicant and recipient with SSA, as prescribed by the commissioner, to insure that each SSN furnished was issued to that individual and to determine whether any others were issued.

Title 42, Code of Federal Regulations, Section 435.910 (e) states:

> If a Medicaid applicant cannot remember or has not been issued a Social Security numberthe agency must:
> (1) Assist the applicant in completing an application for an SSN;
> (2) Obtain evidence required under SSA regulations to establish the age, the citizenship or alien status, and the true identity of the applicant; and
> (3) Either send the application to SSA or, if there is evidence that the applicant has previously been issued a SSN, request SSA to furnish the number.

Title 42, Code of Federal Regulations, Section 435.916 (a) states in part:

> The agency must re-determine the eligibility of Medicaid recipients, with respect to circumstances that may change, at least every 12 months . . .

Title 42, Code of Federal Regulations, Section 435.920 (a-c) states:

> (a) In re-determining eligibility, the agency must review case records to determine whether they contain the recipient's SSN or, in the case of families, each family member's SSN.
> (b) If the case record does not contain the required SSNs, the agency must require the recipient to furnish them and meet other requirements of 435.910.
> (c) For any recipient whose SSN was established as part of the case record without evidence required under the SSN regulations as to age, citizenship, alien status, or true identity, the agency must obtain verification of these factors in accordance with 435.910.

11-29 The Department of Social and Health Services does not have adequate internal controls to ensure Medicaid payments to in-home service providers are allowable and supported.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles	
Questioned Cost Amount:	$9,664.64 Non ARRA	
	$2,367.93 ARRA	

Background

The Department of Social and Health Services, Aging and Disability Services Administration, administers the Home and Community Based Services program for the state. Through the program, the state pays for home and community-based services for Medicaid beneficiaries needing long-term care. Individual or agency providers, often chosen by the Medicaid client, provide personal care and assistance allowing the client to avoid institutionalization.

The Department conducts an initial assessment of clients to determine the level of care needed. The Department authorizes the number of service hours required for that care, which forms the basis of the payment to the provider. After the initial assessment, ongoing supervision of client cases and provider services is transferred to one of 13 Area Agencies on Aging (AAA) located throughout the state.

Depending on their financial resources, clients may be required to pay a portion of the costs of services. The Department pays the remainder up to the authorized amount. The service provider is required to record hours worked on a timesheet, to be signed by the client and the provider and retained for six years.

During fiscal year 2011, the Department paid approximately $687 million for in-home services. These included direct payments to AAAs and payments to in-home service providers for services that had been authorized by the AAA.

Description of Condition

In our audits for fiscal years 2008, 2009, and 2010 we reported findings regarding the Department's lack of adequate controls to ensure payments are allowable and supported. In response to the findings, the Department notified providers they are responsible for maintaining accurate timesheets to support hours worked and for having the timesheets available for review by the Department.

The Department also revised its Case Management Program Training curriculum to emphasize the requirement for case managers to periodically review a sample of clients' time sheets and verify with sampled clients that authorized services have been provided.

We randomly selected a sample of 149 from 103,096 payments the Department made to individual providers for August 1, 2010 through March 31, 2011 to determine if the new controls worked as intended.

We continued to find significant weaknesses. Of the 149 payments sampled, 24 providers did not provide timesheets. Of those who did provide timesheets, 73 were incorrectly totaled, 40 were not completed when the work was performed, and 32 did not include provider and client signatures as required.

Cause of Condition

The Department did not ensure the AAAs adequately monitored provider services. According to the Department's contract with the AAAs, case managers are expected to inspect a sample of the timesheets when clients are reassessed for service needs.

Effect of Condition and Questioned Costs

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support expenditures.

Of the 149 payments reviewed, we found 114 payments were allowable and supported. For the remaining 35 we noted:

	Number of Exceptions	Questioned Costs
No timesheet provided	24	17,971.52
Amounts not supported by timesheet	11	1,350.28
Totals	35	19,321.80

The Department paid a total of $144,714.91 to individual providers in the transactions selected for audit. We identified $19,321.80 in payments that were not fully supported with timesheets.

Including Federal Medical Assistance funds from the American Recovery and Reinvestment Act, $12,032.57 of the payments was funded by federal dollars; state dollars paid the remaining $7,289.23.

Projecting our results to the entire Home and Community Based Services program payments we reviewed, we estimate the amount of unallowable payments to individuals could range from $8,426,346 to $18,311,912.

Recommendation

We recommend the Department:

- Monitor and enforce the provisions of its contracts with the AAAs to ensure payments to providers are legitimate and supported. The Department should also pursue the remedies available to it in the contract for instances of non-performance.

- Seek recovery of the funds paid to providers who were unable to adequately support payment claims.

- Consult with its grantor to determine if any questioned costs must be repaid to the federal government.

Department's Response

The department does not concur with this finding:

1.) The Department disagrees with the questioned costs for the remaining sampled times sheets. Individual providers submit a signed invoice through the mail or through the state's Interactive Voice Response System to the Department of Social and Health Services for payment. This serves as

verification and documentation that they have provided the services for which they are requesting payment. The state retains these invoices/records as the record that providers have attested to the number of service hours provided to the recipient.

2.) *The Department disagrees that there are significant weaknesses in its systems for ensuring that payments are allowable and supported. The Department currently has strong controls in place to ensure that recipients receive services for which Medicaid is being billed. The Department relies on the following controls that are currently in place:*

- *Case managers complete an assessment that results in an authorization of hours that cannot be exceeded by a provider invoice.*
- *Recipients receive a copy of the service summary that tells them the number of hours of service they are eligible to receive. Recipients are advised they can choose when those hours are provided and direct the individual provider when to provide them. Case Managers also advise recipients to contact them if they are not receiving the hours (or care) for which they are eligible.*
- *Recipients are expected to keep copies of timesheets for their individual providers. Case Managers periodically review these time sheets and verify with the recipient that authorized services have been provided. Case managers are instructed to document the review of time sheets and the discussion of service verification in a Service Episode Record.*
- *Timesheet auditing has been added to the annual Quality Assurance monitoring cycle.*
    - *In August 2011, all IPs delivering personal care services received a written reminder of their obligation to keep a record of the date/time that in-home services are provided to ADSA recipients and complete and retain copies of their timesheets.*
    - *In September 2011, ADSA audited a statistically valid sample of IP time sheets to ensure that services billed for were consistent with timesheet documentation submitted. In instances where the billed hours differed from timesheet records or timesheets were not provided, service receipt was verified with the recipient. Corrective actions were taken which included contract termination and processing overpayments.*

- *The Department, through its Payment Review Program, runs algorithms to detect possible fraudulent claims. Overpayments are initiated and referrals are made to the Medicaid Fraud Control Unit as indicated by findings.*
- *The Social Service Payment System will not process payments in excess of hours authorized. A provider is therefore unable to claim and be reimbursed for hours that exceed those authorized by the case manager.*
- *The Department has added service verification monitoring to the Quality Assurance monitoring cycle. Monitoring will be completed on a randomly-selected, statistically-valid sample of in-home providers. In October 2012, the Department will verify with the selected recipients that Medicaid billed services were received. Corrective action will be taken as necessary. Department actions may include processing of overpayments, procuring the needed services that were not provided, terminating contracts with the providers, and referrals to the Medicaid Fraud Control Unit for further action.*
- *In addition to service verification monitoring, time sheet monitoring will continue to be a component of the annual Quality Assurance monitoring cycle.*

Despite these strong controls, the Department understands the need to automate the system used for recording service hours provided. The Department is exploring additional electronic options to verify that clients received the services authorized.

Additionally, the Department would like to clarify and correct statements made in the Background section of the finding:

- *The initial assessment conducted by the Department determines the classification group into which the client is assigned. The Department then authorizes the number of service hours determined by the assessment.*

- *Direct payments for the provision of in-home personal care are made to Individual Providers and to Home Care Agencies. The Area Agencies on Aging (AAAs) authorize payments to Individual Providers and to Home Care Agencies. No direct payments are made to the AAAs for the provision of personal care.*

Auditor's Remarks

We thank the Department for its cooperation and assistance throughout the audit. The major changes the Department described in its response to the finding took place after the audit period. We look forward to reviewing the improvements the Department implemented in our next audit.

Sample Unit

The sample unit was an individual payment for service rendered to a Medicaid beneficiary during the period from July 1, 2010 through March 31, 2011.

Estimation Methodology

We used the U.S. Department of Health and Human Services Office of Inspector General Office of Audit Services variable appraisal program in RAT-STATS to estimate the amount of unallowable payments the Department made to Individual Providers.

Sampling Results and Projections

The results of our review of the 149 Medicaid payments were as follows:

Payments In Universe	Value of Universe (Federal Share)	Sample Size	Value of Sample (Federal Share)	Improper payments	Value of Improper Payment (Federal Share)
103,096	$58,136,663.09	149	$85,424.05	$19,321.80	$12,032.57

Projection of Sampling Results

Precision at the 90-Percent Confidence Level	
	Variables Appraisal
Midpoint	$13,369,129
Lower Limit	$8,426,346
Upper Limit	$18,311,912

Extrapolating the results of our statistical sample to the entire Home and Community Based Services program payments we reviewed, we estimate the amount of possible unallowable payments to individual providers that would meet our primary exception criteria could range between the lower limit of our projected results ($8,426,346) and the upper limit ($18,311,912).

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the

provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* (2 CFR 225); Appendix A - General Principles for Determining Allowable Costs; Section C - Basic Guidelines state in part:

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
   d. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
   j. Be adequately documented.

Revised Code of Washington 74.39A.095 states in part:

(1) In carrying out case management responsibilities established under RCW 74.39A.090 for consumers who are receiving services under the medicaid personal care, community options programs entry system or chore services program through an individual provider, each area agency on aging shall provide oversight of the care being provided to consumers receiving services under this section to the extent of available funding. Case management responsibilities incorporate this oversight, and include, but are not limited to:
   (a) Verification that any individual provider who has not been referred to a consumer by the authority established under chapter 3, Laws of 2002 has met any training requirements established by the department;
   (b) Verification of a sample of worker time sheets;
   (c) Monitoring the consumer's plan of care to verify that it adequately meets the needs of the consumer, through activities such as home visits, telephone contacts, and responses to information received by the area agency on aging indicating that a consumer may be experiencing problems relating to his or her home care;
   (d) Reassessment and reauthorization of services;
   (e) Monitoring of individual provider performance. If, in the course of its case management activities, the area agency on aging identifies concerns regarding the care being provided by an individual provider who was referred by the authority, the area agency on aging must notify the authority regarding its concerns; and
   (f) Conducting criminal background checks or verifying that criminal background checks have been conducted for any individual provider who has not been referred to a consumer by the authority. . .

(2) The area agency on aging case manager shall work with each consumer to develop a plan of care under this section that identifies and ensures coordination of health and long-term care services that meet the consumer's needs. In developing the plan, they shall utilize, and modify as needed, any comprehensive community service plan developed by the department as provided in RCW 74.39A.040. The plan of care shall include, at a minimum:
   (a) The name and telephone number of the consumer's area agency on aging case manager, and a statement as to how the case manager can be contacted about any concerns related to the consumer's well-being or the adequacy of care provided;
   (b) The name and telephone numbers of the consumer's primary health care provider, and other health or long-term care providers with whom the consumer has frequent contacts;
   (c) A clear description of the roles and responsibilities of the area agency on aging case manager and the consumer receiving services under this section;
   (d) The duties and tasks to be performed by the area agency on aging case manager and the consumer receiving services under this section;
   (e) The type of in-home services authorized, and the number of hours of services to be provided;
   (f) The terms of compensation of the individual provider;

(g) A statement by the individual provider that he or she has the ability and willingness to carry out his or her responsibilities relative to the plan of care; and

(h) (i) Except as provided in (h)(ii) of this subsection, a clear statement indicating that a consumer

receiving services under this section has the right to waive any of the case management services offered by the area agency on aging under this section, and a clear indication of whether the consumer has, in fact, waived any of these services.

(ii) The consumer's right to waive case management services does not include the right to waive reassessment or reauthorization of services, or verification that services are being provided in accordance with the plan of care.

(3) Each area agency on aging shall retain a record of each waiver of services included in a plan of care under this section.

(4) Each consumer has the right to direct and participate in the development of their plan of care to the maximum practicable extent of their abilities and desires, and to be provided with the time and support necessary to facilitate that participation.

(5) A copy of the plan of care must be distributed to the consumer's primary care provider, individual provider, and other relevant providers with whom the consumer has frequent contact, as authorized by the consumer.

(6) The consumer's plan of care shall be an attachment to the contract between the department, or their designee, and the individual provider.

(7) If the department or area agency on aging case manager finds that an individual provider's inadequate performance or inability to deliver quality care is jeopardizing the health, safety, or well-being of a consumer receiving service under this section, the department or the area agency on aging may take action to terminate the contract between the department and the individual provider. If the department or the area agency on aging has a reasonable, good faith belief that the health, safety, or well-being of a consumer is in imminent jeopardy, the department or area agency on aging may summarily suspend the contract pending a fair hearing. The consumer may request a fair hearing to contest the planned action of the case manager, as provided in chapter 34.05 RCW. When the department or area agency on aging terminates or summarily suspends a contract under this subsection, it must provide oral and written notice of the action taken to the authority. The department may by rule adopt guidelines for implementing this subsection.

(8) The department or area agency on aging may reject a request by a consumer receiving services under this section to have a family member or other person serve as his or her individual provider if the case manager has a reasonable, good faith belief that the family member or other person will be unable to appropriately meet the care needs of the consumer. The consumer may request a fair hearing to contest the decision of the case manager, as provided in chapter 34.05 RCW. The department may by rule adopt guidelines for implementing this subsection.

Washington Administrative Code 388-71-0515 states in part:

An individual provider or home care agency provider must:

(1) Understand the client's plan of care that is signed by the client or legal representative and social worker/case manager, and translated or interpreted, as necessary, for the client and the provider;

(2) Provide the services as outlined on the client's plan of care, as defined in WAC 388-106-0010;

(3) Accommodate client's individual preferences and differences in providing care;

(4) Contact the client's representative and case manager when there are changes which affect the personal care and other tasks listed on the plan of care;

(5) Observe the client for change(s) in health, take appropriate action, and respond to emergencies;

(6) Notify the case manager immediately when the client enters a hospital, or moves to another setting;

(7) Notify the case manager immediately if the client dies;

(8) Notify the department or AAA immediately when unable to staff/serve the client; and

(9) Notify the department/AAA when the individual provider or home care agency will no longer provide services. Notification to the client/legal guardian must:
   (a) Give at least two weeks' notice, and
   (b) Be in writing.
(10) Complete and keep accurate time sheets that are accessible to the social worker/case manager; and
(11) Comply with all applicable laws and regulations...

Employment Reference Guide for Individual Providers (DSHS22-221(X) Page 8 states in part:

- Make a check in all the personal care tasks listed on the form that you performed as defined in the Care Plan during that month.
- After you have completed the form, have your employer review it for accuracy. If your employer agrees, he/she should sign their name under "CLIENT'S SIGNATURE".
- Use your timesheet to fill out your SSPS Service Invoice accurately.
- Keep one copy for your records (for two (2) years) and give one copy to your employer for his or her files.

The Long Term Care manual states in part (Chapter 3, Resources: Forms to review with Client during their Assessment):

Form/Brochure Title	Requirements
Acknowledgement of My Responsibilities as the Employer of My Individual Providers (DSHS 11-055 revised 8/2009)	Review with clients about their responsibilities when employing an Individual Provider. Between November 1, 2009 and October 31, 2010 the form must be distributed and reviewed during the Initial and Annual assessments with all clients who employ an IP. After October 31, 2010, the form must be distributed and reviewed with new clients who select an IP and with current clients who switch to an IP from a homecare agency or residential setting.
IP time sheets	Review with the client and the provider during the annual or Significant Change assessments.

11-30 The Department of Social and Health Services, Aging and Disability Services Administration, did not ensure the level of in-home care services is appropriate and clients are still eligible for assistance at least annually.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Utilization Control and Program Integrity	
Questioned Cost Amount:	$42,041.10 Non ARRA	
	$ 8,894.94 ARRA	

Background

The Department of Social and Health Services, Aging and Disability Services Administration, requires all clients who seek Medicaid assistance to meet eligibility criteria to receive services. Eligibility is determined in part through an assessment of the client's level of ability to perform daily living tasks.

The Department uses the Comprehensive Assessment Reporting Evaluation system to determine the type and level of services the client needs. The Department's Home and Community Services perform an initial evaluation; it contracts with case managers at one of the 13 Area Agency on Aging offices across the state for the annual re-evaluations.

The annual re-evaluation is designed to determine whether the level of care is appropriate and whether clients are still eligible for assistance. Evaluations are considered complete and the client is authorized to receive services once the client has reviewed the results of his or her assessment and has either verbally agreed to or given a signature of approval for the services.

If an assessment is not completed in a timely manner, the client is notified that the assessment must be completed in order to continue receiving benefits.

In fiscal year 2011, the Department provided approximately $504 million in funding for services to approximately 21,000 clients. Approximately $56 million of this came from the American Recovery and Reinvestment Act (ARRA).

Description of Condition

The Department did not monitor to ensure staff was completing evaluations in a timely manner. During our audit, we identified 56 clients whose assessments were more than 30 days late. Case managers are allowed 30 days after the end of the 12-month period to complete the evaluations.

Cause of Condition

Department personnel stated most late assessments occurred due to difficulties in establishing contact with clients and high workloads.

Effect of Condition and Questioned Costs

When services are provided without current authorization, expenditures are not allowable. Total payments made to the 56 clients whose assessments were not completed in a timely manner were $88,278.62. We are questioning $50,936.04, which is the federal portion of the expenditures.

The table below summarizes the assessments we identified in our review as being completed after the annual re-evaluation due date:

Duration of Time Exceeding Due Date	Number of Assessments	Questioned Costs	Federal Share	
			Non-ARRA	ARRA
1-3 months	47	$56,927.59	$26,738.08	$5,646.84
4-5 months	4	$9,280.01	$4,646.11	$1,087.58
6 months or greater	5	$22,071.02	$10,656.91	$2,160.52
Total	**56**	**$88,278.62**	**$42,041.10**	**$8,894.94**

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support expenditures.

Recommendation

We recommend the Department:

- Establish and follow internal controls to ensure the level of care assessment for clients receiving in-home care is performed at least once every twelve months.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Department's Response

The Department partially concurs with this finding and notes that 99.9% (57416 out of 57472) assessments were timely. While the Department agrees that a very small percentage (.001% or 56/57472) of assessments were actually late, the Department does not concur with the auditor's questioned costs. Each of the clients for whom payments were made remained eligible for Medicaid Services during the period that the assessment was out of date.

Auditor's Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Section 1915(c) Community Options Program Entry System (COPES) Waiver Version 06-95 states in part:

Appendix D-1

a. Evaluation Of Level Of Care
The agency will provide for an evaluation (and periodic reevaluations) of the need for the level(s) of care indicated in the Executive Summary of this request, when there is a reasonable indication that individuals might need such services in the near future, but for the availability of home and community-based services.

b. Qualifications Of Individuals Performing Initial Evaluation
The educational/professional qualifications of persons performing initial evaluations of level of care for waiver participants are (check all that apply):
_____Discharge planning team
_____Physician (MD or DO)
X_____Registered nurse, licensed in the state
_____Licensed social worker
_____Qualified mental retardation professional, as defined in 42 CFR 483.430(a)
X_____Other (specify): Social Workers, Case Managers

Appendix D-2

a. Reevaluations Of Level Of Care
Reevaluations of the level of care required by the individual will take place (at a minimum) according to the following schedule (specify):
_____Every 3 months
_____Every 6 months
X_____Every 12 months
X_____Other (specify): As indicated by a significant change in the client's condition or situation

b. Qualifications Of Persons Performing Reevaluations
Check one:
X_____The educational/professional qualifications of person(s) performing reevaluations of level of care are the same as those for persons performing initial evaluations.
_____The educational/professional qualifications of persons performing reevaluations of level of care differ from those of persons performing initial evaluations. The following qualifications are met for all individuals performing reevaluations of level of care (specify):
_____Physician (MD or DO)
_____Registered nurse, licensed in the state
_____Licensed social worker
_____Qualified mental retardation professional, as defined in 42 CFR 483.430(a)
_____Other (specify): _____

c. Procedures To Ensure Timely Reevaluations
The state will employ the following procedures to ensure timely reevaluations of level of care (check below):
_____"Tickler" file Edits in computer system
_____Component part of case management
X_____Other (specify):
Quality assurance monitoring staff from ADSA headquarters conducts annual reviews of case management services provided by the Home and Community Services Division (HCS), Area Agencies on Aging (AAA) and Managed Care Organizations (MCO). Each HCS region, AAA office and MCO is monitored. At the regional and local levels, HCS and AAA case management supervisors also conduct regular quality reviews of their case management staff.

42 C.F.R. 441.302 State assurances.

Unless the Medicaid agency provides the following satisfactory assurances to CMS, CMS will not grant a waiver under this subpart and may terminate a waiver already granted:

(a) Health and Welfare —Assurance that necessary safeguards have been taken to protect the health and welfare of the recipients of the services. Those safeguards must include—
  (1) Adequate standards for all types of providers that provide services under the waiver;
  (2) Assurance that the standards of any State licensure or certification requirements are met for services or for individuals furnishing services that are provided under the waiver; and
  (3) Assurance that all facilities covered by section 1616(e) of the Act, in which home and community-based services will be provided, are in compliance with applicable State standards that meet the requirements of 45 CFR Part 1397 for board and care facilities.

(b) Financial accountability— The agency will assure financial accountability for funds expended for home and community-based services, provide for an independent audit of its waiver program (except as CMS may otherwise specify for particular waivers), and it will maintain and make available to HHS, the Comptroller General, or other designees, appropriate financial records documenting the cost of services provided under the waiver, including reports of any independent audits conducted.

(c) Evaluation of need. Assurance that the agency will provide for the following:
  (1) Initial evaluation. An evaluation of the need for the level of care provided in a hospital, a NF, or an ICF/MR when there is a reasonable indication that a recipient might need the services in the near future (that is, a month or less) unless he or she receives home or community-based services. For purposes of this section, "evaluation" means a review of an individual recipient's condition to determine—
    (i) If the recipient requires the level of care provided in a hospital as defined in §440.10 of this subchapter, a NF as defined in section 1919(a) of the Act, or an ICF/MR as defined by §440.150 of this subchapter; and
    (ii) That the recipient, but for the provision of waiver services, would otherwise be institutionalized in such a facility.
  (2) Periodic reevaluations. Reevaluations, at least annually, of each recipient receiving home or community-based services to determine if the recipient continues to need the level of care provided and would, but for the provision of waiver services, otherwise be institutionalized in one of the following institutions:
    (i) A hospital;
    (ii) A NF; or
    (iii) An ICF/MR.

(d) Alternatives —Assurance that when a recipient is determined to be likely to require the level of care provided in a hospital, NF, or ICF/MR, the recipient or his or her legal representative will be—
  (1) Informed of any feasible alternatives available under the waiver; and
  (2) Given the choice of either institutional or home and community-based services.

(e) Average per capita expenditures. Assurance that the average per capita fiscal year expenditures under the waiver will not exceed 100 percent of the average per capita expenditures that would have been made in the fiscal year for the level of care provided in a hospital, NF, or ICF/MR under the State plan had the waiver not been granted.
  (1) These expenditures must be reasonably estimated and documented by the agency.
  (2) The estimate must be on an annual basis and must cover each year of the waiver period.

(f) Actual total expenditures. Assurance that the agency's actual total expenditures for home and community-based and other Medicaid services under the waiver and its claim for FFP in expenditures for the services provided to recipients under the waiver will not, in any year of the waiver period, exceed 100 percent of the amount that would be incurred by the State's Medicaid program for these individuals, absent the waiver, in—
  (1) A hospital;
  (2) A NF; or
  (3) An ICF/MR.

(g) Institutionalization absent waiver. Assurance that, absent the waiver, recipients in the waiver would receive the appropriate type of Medicaid-funded institutional care (hospital, NF, or ICF/MR) that they require.
(h) Reporting. Assurance that annually, the agency will provide CMS with information on the waiver's impact. The information must be consistent with a data collection plan designed by CMS and must address the waiver's impact on—
  (1) The type, amount, and cost of services provided under the State plan; and
  (2) The health and welfare of recipients.
(i) Habilitation services. Assurance that prevocational, educational, or supported employment services, or a combination of these services, if provided as habilitation services under the waiver, are—
  (1) Not otherwise available to the individual through a local educational agency under section 602 (16) and (17) of the Education of the Handicapped Act (20 U.S.C. 1401 (16 and 17)) or as services under section 110 of the Rehabilitation Act of 1973 (29 U.S.C. 730); and
  (2) Furnished as part of expanded habilitation services, if the State has requested and received CMS's approval under a waiver or an amendment to a waiver.
(j) Day treatment or partial hospitalization, psychosocial rehabilitation services, and clinic services for individuals with chronic mental illness. Assurance that FFP will not be claimed in expenditures for waiver services including, but not limited to, day treatment or partial hospitalization, psychosocial rehabilitation services, and clinic services provided as home and community-based services to individuals with chronic mental illnesses if these individuals, in the absence of a waiver, would be placed in an IMD and are—
  (1) Age 22 to 64;
  (2) Age 65 and older and the State has not included the optional Medicaid benefit cited in §440.140; or
  (3) Age 21 and under and the State has not included the optional Medicaid benefit cited in §440.160.

Washington Administrative Code (WAC) 388-106-0025

How do I apply for long-term care services?

To apply for long-term care services, you must request an assessment from the department and submit a Medicaid application.

WAC 388-106-0050

What is an assessment?
(1) An assessment is an in-person interview in your home or your place of residence that is conducted by the department to inventory and evaluate your ability to care for yourself. The department will assess you at least annually or more often when there are significant changes to your ability to care for yourself.
(2) Between assessments, the department may modify your current assessment without an in-person interview in your home or place of residence. The reasons that the department may modify your current assessment without conducting an in-person interview in your home or place of residence include but are not limited to the following:
  (a) Errors made by department staff in coding the information from your in-person interview;
  (b) New information requested by department staff at the time of your assessment and received after completion of the in-person interview (e.g. medical diagnosis);
  (c) Changes in the level of informal support available to you; or
  (d) Clarification of the coding selected.
(3) When the department modifies your current assessment, it will notify you using a Planned Action Notice of the modification regardless of whether the modification results in a change to your benefits. You will also receive a new service summary and assessment details.

WAC 388-106-0055

What is the purpose of an assessment?

The purpose of an assessment is to:
(1) Determine eligibility for long-term care programs;
(2) Identify your strengths, limitations, and preferences;
(3) Evaluate your living situation and environment;
(4) Evaluate your physical health, functional and cognitive abilities;
(5) Determine availability of informal supports and other nondepartment paid resources;
(6) Determine need for intervention;
(7) Determine need for case management activities;
(8) Determine your classification group that will set your payment rate for residential care or number of hours of in-home care;
(9) Determine need for referrals; and
(10) Develop a plan of care, as defined in WAC 388-106-0010.
(11) In the case of New Freedom consumer directed services, the purpose of an assessment is to determine functional eligibility and for the participant to develop the New Freedom spending plan, as defined in WAC 388-106-0010.

WAC 388-513-1315 states in part:

Eligibility for long-term care (institutional, waiver, and hospice) services.
This section describes how the department determines a client's eligibility for medical for clients residing in a medical institution, on a waiver, or receiving hospice services under the categorically needy (CN) or medically needy (MN) programs. Also described are the eligibility requirements for these services under the general assistance (GA) program in subsection (12) and the state funded nursing facility program described in subsection (11).
(1) To be eligible for long-term care (LTC) services described in this section, a client must:
  (a) Meet the general eligibility requirements for medical programs described in WAC 388-503-0505 (2) and (3)(a) through (f);
  (b) Attain institutional status as described in WAC 388-513-1320;
  (c) Meet functional eligibility described in chapter 388-106 WAC for waiver and nursing facility coverage;

DSHS Long-Term Care Manual Chapter 3 states in part:

Completing a CARE Assessment – Developing the Plan of Care

Background
Clients are able to choose from options for personal and healthcare services that are governed by eligibility criteria, payment source requirements, coverage options, and provider qualifications. Twenty-four hour, paid care is available only in residential or medical facility settings, so case managers must work with clients to maximize all available resources, both paid and unpaid, in order to develop a plan of care that addresses the health and safety needs of the client. The state identifies the essential tasks to be performed by formal providers in the care plan within program limits. How and when they are performed is determined by the client.

The state has an obligation to educate clients, family members, support systems, and other service providers, informing them that a plan of care is developed based on the resources available and that meeting all needs and providing all services is an expectation that neither the client, family, support system, or case manager may be able to achieve.

How do I get approval on the plan of care from the client?
Before authorizing services, you must obtain the client's approval on the plan of care.
How do I distribute the plan of care to the client/representative?

Distribute the Service Summary and CARE Results to the client along with a Planned Action Notice (PAN) found in CARE. Distribute Assessment Details if requested by the client/representative.

How and when do I distribute the plan of care to the provider(s)?

Mail or fax the Service Summary and Assessment Details prior to authorizing/reauthorizing services and document in the SER. Distribute the Service Summary and Assessment Details to:

- Individual providers;
- Agency providers;
- Nursing services staff, if applicable;
- Residential providers;
- The nursing facility, if the client is placed there on Medicaid funding only;
- Adult Day Services providers;
- Nurse delegators.

Document in the SER when you distributed the documents and to whom.

How do I authorize services?

Complete all authorizations in CARE once the client has approved the plan of care. For:

- Initial assessments, the begin date may not precede the date the assessment was moved to *Current* status.
- Significant Change assessments, if extending services for one year, terminate the current line or lines (for example, if participation is also authorized) and create a new line(s) on the same authorization. Do not change the begin date on a current line since changing the begin date creates a risk of canceling outstanding payments or prevents invoicing from occurring. If there are not enough lines left on the authorization, open a new authorization.
- Annual assessments, you may not extend services beyond one year from the last day of the month in which it was moved to *Current*. A face-to-face assessment must occur and the assessment must be moved to *Current* prior to reauthorization of services.

11-31 The Department of Social and Health Services, Aging and Disability Services Administration, charged approximately $36,000 to the Medicaid program for services provided to ineligible individuals.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Activities Allowed; Cost Principles; Reporting	
Questioned Cost Amount:	$18,101.36 Non ARRA	
	$ 4,630.08 ARRA	

Background

The Medicaid program pays for medical assistance for certain individuals and families with low income and resources. Federal and state laws, regulations and other requirements establish Medicaid eligibility. Generally, an individual must, among other things, not exceed state-established income and resource thresholds, meet citizenship requirements, submit a written application for Medicaid benefits, furnish his or her Social Security number and be eligible for the services received.

In Washington, the Medicaid program covers children up to age 19 in families whose income is up to 200 percent of the Federal Poverty Level.

Description of Condition

In our prior audit we found expenditures for personal care services provided to Children's Health Insurance Program (CHIP) beneficiaries were charged to the Medicaid program because the Department was not aware expenditures for services provided to CHIP beneficiaries should be fully charged to that program, instead of Medicaid. In August 2011 the Department created new service codes for payments made for CHIP beneficiaries.

Since the new service codes were not available during the current audit period, the Department temporarily charged CHIP expenditures to the Medicaid program with the intention of making yearend adjustments. In August 2011 the Department identified CHIP expenditures totaling $463,586.37 and refunded those expenditures to the Medicaid program. During our audit, however, we found CHIP expenditures that should have been refunded to the Medicaid program totaled $499,702, resulting in a difference of $36,116.05.

Cause of Condition

The Department inadvertently failed to account for July 2010 CHIP expenditures totaling $36,116.05.

Effect of Condition and Questioned Costs

The Department charged $36,116.05 to the Medicaid program for services provided to ineligible individuals. We are questioning $22,731.44, which is the federal portion of the expenditures.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support expenditures.

Recommendation

We recommend the Department:

- Follow adequate procedures to ensure only eligible Medicaid expenditures are charged to the Medicaid program.
- Refund to the federal government $22,731.44 in unallowable costs charged to Medicaid.

Department's Response

The Department concurs with this finding.

We inadvertently failed to account for the July 2010 CHIP expenditure correction. This was corrected in December 2011, returning the funds to Medicaid and charging the enhanced CHIP funding.

Auditor's Concluding Remarks

We appreciate the cooperation and assistance provided by the Department throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget, Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

OMB Circular A-133 Compliance Supplement, Part 4 (March 2011)- Department of Health and Human Services (HHS), Medicaid Cluster, III. Compliance Requirements, states in part:

> To be allowable, Medicaid costs for medical services must be: (1) covered by the State plan and waivers; (2) for an allowable service rendered (including supported by medical records or other evidence indicating that the service was actually provided and consistent with the medical diagnosis); (3) properly coded; and (4) paid at the rate allowed by the State plan. Additionally, Medicaid costs must be net of applicable credits (e.g., insurance, recoveries from other third parties who are responsible for covering the Medicaid costs, and drug rebates), paid to eligible providers, and only provided on behalf of eligible individuals.

Title 42, Code of Federal Regulations, Section 435.1002 FFP for services, states:

> (a) Except for the limitations and conditions specified in §§435.1007, 35.1008, 435.1009, and 438.814 of this chapter, FFP is available in expenditures for Medicaid services for all recipients whose coverage is required or allowed under this part.

(b) FFP is available in expenditures for services provided to recipients who were eligible for Medicaid in the month in which the medical care or services were provided except that, for recipients who establish eligibility for Medicaid by deducting incurred medical expenses from income, FFP is not available for expenses that are the recipient's liability. (See §§435.914 and 436.901 of this subchapter for regulations on retroactive eligibility for Medicaid.)

(c) FFP is available in expenditures for services covered under the plan that are furnished—
   (1) To children who are determined by a qualified entity to be presumptively eligible;
   (2) During a period of presumptive eligibility;
   (3) By a provider that is eligible for payment under the plan; and
   (4) Regardless of whether the children are determined eligible for Medicaid following the period of presumptive eligibility.

11-32 The Department of Social and Health Services does not have an adequate process to identify ineligible Medicaid expenditures for nonqualified aliens at the time of payment, resulting in $52,104 in questionable costs.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Activities Allowed or Unallowed	
Questioned Cost Amount:	$43,039.37 Non ARRA	
	$ 9,065.34 ARRA	

Background

State and federal dollars pay for the Medicaid program, which provides coverage for low-income individuals who otherwise might go without medical care. The state Medicaid program spent more than $7.5 billion during fiscal year 2011, more than $4.7 billion of which was federal dollars.

Under federal law, all U.S. citizens and certain legal immigrants who meet Medicaid's financial and non-financial eligibility criteria may receive Medicaid. Nonqualified aliens are not eligible to receive general Medicaid benefits, but may be eligible for care and services necessary in an emergency medical situation not related to an organ transplant.

Federal law requires the state to have an Alien Emergency Medical program for these emergency situations for nonqualified aliens who meet all Medicaid program requirements with the exception of immigration status. This program covers low-income families, children and adults who are aged, blind or disabled.

The program defines emergency medical conditions as the sudden onset of a medical condition (including labor and delivery) whose symptoms are acute and severe (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:

- Placing the patient's health in serious jeopardy.
- Serious impairment to bodily functions.
- Serious dysfunction of any bodily organ or part.

With the passage of the American Recovery and Reinvestment Act (ARRA), the amount the federal government will pay for most Medicaid expenditures increased from approximately 50 percent to more than 60 percent of costs. The state can elect to pay for non-emergency services for nonqualified aliens. The federal government will not share the cost of those services.

Description of Condition

The Department charges payments for services provided to nonqualified aliens to Medicaid. Every quarter the Department reviews the services, identifies non-emergency related services and refunds the payments that were charged to the Medicaid program to the federal government.

In our current audit, we identified non-emergency services provided to 39 nonqualified aliens totaling $559,820.79. We reviewed detailed payments associated with those services and found the Department already refunded the federal portion of the payments totaling $473,772.58. The remaining payments totaling $86,048.21 for non-emergency services provided to 27 nonqualified aliens have not been refunded.

The table below summarizes our findings:

Service Description	Unallowable expenditures	Questioned Costs	Federal Share		State Share
			Non-ARRA	ARRA	
Long-term care	$559,738.99	$85,966.41	$42,998.47	$9,056.19	$33,911.75
Disability medical evaluation	$81.80	$81.80	$40.90	$9.15	$31.75
Total	**$559,820.79**	**$86,048.21**	**$43,039.37**	**$9,065.34**	**$33,943.50**

Cause of Condition

The Department developed new procedures which prevent payments for non-emergency services provided to nonqualified aliens from being charged to the Medicaid program. However, the process was not implemented during our audit period.

The Department reviewed and identified unallowable payments that were charged to the Medicaid program. However, the Department did not identify all unallowable payments because the review did not cover all nonqualified alien clients.

Effect of Condition and Questioned Costs

The Department paid $86,048.21 for services that are not eligible for federal reimbursement. We are questioning $52,104.71, which is the federal portion of the expenditures.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support expenditures.

Recommendation

We recommend the Department:

- Establish and follow adequate procedures to ensure that Medicaid services provided to nonqualified aliens are restricted only to emergency services.
- Follow up on the non-emergency services provided to 27 nonqualified aliens identified in our audit and work with the U.S. Department of Health and Human Services to determine if any costs charged to Medicaid funds must be reimbursed.

Department's Response

The Department concurs with this finding.

Medicaid funds were used to serve non-qualified alien clients. Procedures have been developed and new SSPS codes have been established to move these clients to state only funded programs. All questioned costs have been reimbursed.

Auditor's Concluding Remarks

We appreciate the cooperation and assistance provided by the Department throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, Section 300, states in part:

> The auditee shall:
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, states:

> Section 510 - Audit findings.
>
> (a) Audit findings reported. The auditor shall report the following as audit findings in a schedule of findings and questioned costs:
> (3) Known questioned costs which are greater than $10,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor.

Title 42, Code of Federal Regulations, Part 435

> Section 435.139 Coverage for certain aliens states:
> The agency must provide services necessary for the treatment of an emergency medical condition, as defined in §440.255(c) of this chapter, to those aliens described in §435.406(c) of this subpart.

Title 42, Code of Federal Regulations, Section 440.255, Limited services available to certain aliens states:

> (a) FFP for services. FFP is available for services provided to aliens described in this section which are necessary to treat an emergency medical condition as defined in paragraphs (b)(1) and (c) or services for pregnant women described in paragraph (b)(2).
> (b) Legalized aliens eligible only for emergency services and services for pregnant women. Aliens granted lawful temporary resident status, or lawful permanent resident status under sections 245A, 210 or 210A of the Immigration and Nationality Act, who are not in one of the exempt groups described in §§435.406(a)(3) and 436.406(a)(3) and who meet all other requirements for Medicaid will be eligible for the following services—
> (1) Emergency services required after the sudden onset of a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:
> (i) Placing the patient's health in serious jeopardy;
> (ii) Serious impairment to bodily functions; or
> (iii) Serious dysfunction of any bodily organ or part.
> (2) Services for pregnant women which are included in the approved State plan. These services include routine prenatal care, labor and delivery, and routine post-partum care. States, at their option, may provide additional plan services for the treatment of conditions which may complicate the pregnancy or delivery.

(c) Effective January 1, 1987, aliens who are not lawfully admitted for permanent residence in the United States or permanently residing in the United States under the color of law must receive the services necessary to treat the condition defined in paragraph (1) of this section if—
  (1) The alien has, after sudden onset, a medical condition (including emergency labor and delivery) manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:
    (i) Placing the patient's health in serious jeopardy;
    (ii) Serious impairment to bodily functions; or
    (iii) Serious dysfunction of any bodily organ or part, and
  (2) The alien otherwise meets the requirements in §§435.406(c) and 436.406(c) of this subpart.

Title 42, Code of Federal Regulations, Section 435.406, Citizenship and alienage states:

(a) The agency must provide Medicaid to otherwise eligible residents of the United States who are —
  (1) Citizens: (i) Under a declaration required by section 1137(d) of the Act that the individual is a citizen or national of the United States; and
    (ii) The individual has provided satisfactory documentary evidence of citizenship or national status, as described in §435.407.
    (iii) An individual for purposes of the declaration and citizenship documentation requirements discussed in paragraphs (a)(1)(i) and (a)(1)(ii) of this section includes both applicants and recipients under a section 1115 demonstration (including a family planning demonstration project) for which a State receives Federal financial participation in their expenditures, as though the expenditures were for medical assistance.
    (iv) Individuals must declare their citizenship and the State must document the individual's citizenship in the individual's eligibility file on initial applications and initial redeterminations effective July 1, 2006.
    (v) The following groups of individuals are exempt from the requirements in paragraph (a)(1)(ii) of this section:
      (A) Individuals receiving SSI benefits under title XVI of the Act.
      (B) Individuals entitled to or enrolled in any part of Medicare.
      (C) Individuals receiving disability insurance benefits under section 223 of the Act or monthly benefits under section 202 of the Act, based on the individual's disability (as defined in section 223(d) of the Act).
      (D) Individuals who are in foster care and who are assisted under Title IV-B of the Act, and individuals who are recipients of foster care maintenance or adoption assistance payments under Title IV–E of the Act.
  (2) (i) Except as specified in 8 U.S.C. 1612(b)(1) (permitting States an option with respect to coverage of certain qualified aliens), qualified aliens as described in section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1641) (including qualified aliens subject to the 5-year bar) who have provided satisfactory documentary evidence of Qualified Alien status, which status has been verified with the Department of Homeland Security (DHS) under a declaration required by section 1137(d) of the Act that the applicant or recipient is an alien in a satisfactory immigration status.
    (ii) The eligibility of qualified aliens who are subject to the 5-year bar in 8 U.S.C. 1613 is limited to the benefits described in paragraph (b) of this section.
(b) The agency must provide payment for the services described in §440.255(c) of this chapter to residents of the State who otherwise meet the eligibility requirements of the State plan (except for receipt of AFDC, SSI, or State Supplementary payments) who are qualified aliens subject to the 5-year bar or who are non-qualified aliens who meet all Medicaid eligibility criteria,

except non-qualified aliens need not present a social security number or document immigration status.

Washington Administrative Code (WAC) 182-500-0030, Medical definitions, states in part:

"Emergency medical condition" means the sudden onset of a medical condition (including labor and delivery) manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:

(1) Placing the patient's health in serious jeopardy;
(2) Serious impairment to bodily functions; or
(3) Serious dysfunction of any bodily organ or part.

Washington Administrative Code (WAC) 388-438-0115 states:

(1) A person nineteen years of age or older who is not pregnant and meets the eligibility criteria under WAC 388-438-0110 is eligible for the alien emergency medical program's scope of covered services described in this section if the person meets (a) and (b) below, or (c) below:
  (a) The department's health and recovery services administration determines that the primary condition requiring treatment meets the definition of an emergency medical condition as defined in WAC 388-500-0005, and the condition is confirmed through review of clinical records; and
  (b) The person's qualifying emergency medical condition is treated in one of the following hospital settings:
    (i) Inpatient;
    (ii) Outpatient surgery;
    (ii) Emergency room services, which must include an evaluation and management (E&M) visit by a physician; or
  (c) Involuntary Treatment Act (ITA) and voluntary inpatient admissions to a hospital psychiatric setting that are authorized by the department's inpatient mental health designee (see subsection (5) of this section).
(2) If a person meets the criteria in subsection (1), the department will cover and pay for all related medically necessary health care services and professional services provided:
  (a) By a physician in his office or in a clinic setting immediately prior to the transfer to the hospital, resulting in a direct admission to the hospital; and
  (b) During the specific emergency room visit, outpatient surgery or inpatient admission. These services include, but are not limited to:
    (i) Medications;
    (ii) Laboratory, X ray, and other diagnostics and the professional interpretations;
    (iii) Medical equipment and supplies;
    (iv) Anesthesia, surgical, and recovery services;
    (v) Physician consultation, treatment, surgery, or evaluation services;
    (vi) Therapy services;
    (vii) Emergency medical transportation; and
    (viii) Nonemergency ambulance transportation to transfer the person from a hospital to a long term acute care (LTAC) or an inpatient physical medicine and rehabilitation (PM&R) unit, if that admission is prior authorized by the department as described in subsection (3) of this section.
(3) The department will cover admissions to an LTAC facility or an inpatient PM&R unit if:
  (a) The original admission to the hospital meets the criteria as described in subsection (1) of this section;
  (b) The person is transferred directly to this facility from the hospital; and
  (c) The admission is prior authorized according to LTAC and PM&R program rules (see WAC 388-550-2590 for LTAC and WAC 388-550-2561 for PM&R).
(4) The department does not cover any services, regardless of setting, once the person is discharged from the hospital after being treated for a qualifying emergency medical condition authorized by the department under this program. Exception: Pharmacy services, drugs,

devices, and drug-related supplies listed in WAC 388-530-2000, prescribed on the same day and associated with the qualifying visit or service (as described in subsection (1) of this section) will be covered for a one-time fill and retrospectively reimbursed according to pharmacy program rules.

(5) Medical necessity of inpatient psychiatric care in the hospital setting must be determined, and any admission must be authorized by the department's inpatient mental health designee according to the requirements in WAC 388-550-2600.

(6) There is no precertification or prior authorization for eligibility under this program. Eligibility for the AEM program does not have to be established before an individual begins receiving emergency treatment.

(7) Under this program, certification is only valid for the period of time the person is receiving services under the criteria described in subsection (1) of this section. The exception for pharmacy services is also applicable as described in subsection (4) of this section.

  (a) For inpatient care, the certification is only for the period of time the person is in the hospital, LTAC, or PM&R facility - the admission date through the discharge date. Upon discharge the person is no longer eligible for coverage.

  (b) For an outpatient surgery or emergency room service the certification is only for the date of service. If the person is in the hospital overnight, the certification will be the admission date through the discharge date. Upon release from the hospital, the person is no longer eligible for coverage.

(8) Under this program, any visit or service not meeting the criteria described in subsection (1) of this section is considered not within the scope of service categories as described in WAC 388-501-0060. This includes, but is not limited to:

  (a) Hospital services, care, surgeries, or inpatient admissions to treat any condition which is not considered by the department to be a qualifying emergency medical condition, including but not limited to:

    (i) Laboratory X ray, or other diagnostic procedures;

    (ii) Physical, occupational, speech therapy, or audiology services;

    (ii) Hospital clinic services; or

    (iii) Emergency room visits, surgery, or hospital admissions.

  (b) Any services provided during a hospital admission or visit (meeting the criteria described in subsection (1) of this section), which are not related to the treatment of the qualifying emergency medical condition;

  (c) Organ transplants, including preevaluations, post operative care, and anti-rejection medication;

  (d) Services provided outside the hospital settings described in subsection (1) of this section, including but not limited to:

    (i) Office or clinic-based services rendered by a physician, an ARNP, or any other licensed practitioner;

    (ii) Prenatal care, except labor and delivery;

    (iii) Laboratory, radiology, and any other diagnostic testing;

    (iv) School-based services;

    (v) Personal care services;

    (vi) Physical, respiratory, occupational, and speech therapy services;

    (vii) Waiver services;

    (viii) Nursing facility services;

    (ix) Home health services;

    (x) Hospice services;

    (xi) Vision services;

    (xii) Hearing services;

    (xiii) Dental services;

    (xiv) Durable and non durable medical supplies;

    (xv) Nonemergency medical transportation;

    (xvi) Interpreter services; and

    (xvii) Pharmacy services, except as described in subsection (4).

(9) The services listed in subsection (8) of this section are not within the scope of service categories for this program and therefore the exception to rule process is not available.

(10) Providers must not bill the department for visits or services that do not meet the qualifying criteria described in this section. The department will identify and recover payment for claims paid in error.

11-33 The Department of Social and Health Services, Aging and Disability Services Administration, does not have adequate controls to ensure the accuracy of financial eligibility determinations for Medicaid clients receiving home and community based services.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Eligibility	
Questioned Cost Amount:	None	

Background

Medicaid is a jointly funded state and federal partnership providing medical care for low-income individuals and plays a critical role for people with long-term care needs. The Department of Social and Health Services, Aging and Disability Services Administration, administers the Home and Community Based Services waiver programs, which allow long-term care services to be delivered in community settings instead of institutions.

One of the programs is the Community Options Program Entry System (COPES). It provides aged or disabled individuals with the option to remain at home or in alternate living facilities instead of nursing facilities. The program offers services such as personal care, transportation, specialized medical equipment and supplies, and home-delivered meals.

Clients must be both financially and functionally eligible for the program to receive services. Home and Community Services (HCS) offices across the state determine initial eligibility. After the initial determination, local Area Agencies on Aging assess and monitor continuing functional eligibility while HCS offices determine ongoing financial eligibility.

The Department requires HCS offices to audit financial eligibility determinations on a regular basis. Financial supervisors or lead workers at HCS offices are charged with auditing the determinations made by financial workers to ensure they are obtaining all appropriate information and using it to make an accurate determination. Each region determines which cases to review.

During fiscal year 2011, the Department paid approximately $687 million for in-home services. These included direct payments to agencies on aging and payments to in-home service providers for services authorized by those agencies.

Description of Condition

We selected two out of 29 Home and Community Services offices, not visited previously to determine whether they performed regular audits to ensure the accuracy of financial eligibility determinations. We found one of them did not complete regular audits for the second half of fiscal year 2011. We judgmentally selected additional five Home and Community Services offices to ensure what we identified during our

field work is not an isolated incident. We found three had not completed formal audits for the second half of fiscal year 2011.

Cause of Condition

The four HCS offices identified did not complete formal audits to monitor the accuracy of financial eligibility determinations due to a lack of resources.

Effect of Condition

Without performing routine audits, the Department cannot ensure client eligibility determinations are complete and accurate.

Recommendation

We recommend the Department perform formal audits to ensure the accuracy of financial eligibility determinations.

Department's Response

The Department concurs with this finding.

Staff at Home and Community Services field offices and headquarters assisted the State Auditor's Office (SA0) in obtaining reports that led to this finding. As a result, we became aware that some offices had reduced or eliminated formal audits due to a lack of resources related to budget reductions that made it difficult or impossible to hire for vacancies. All offices had audit or pre-audit (audits occurring prior to disposition) requirements for certain types of complex long-term care eligibility scenarios. However, these were often not being entered in the audit system. Statewide discussions about our auditing practices occurred before the finding was received and a corrective action plan was agreed to on February 9th.

The department concurs with the SAO that formal audits must be required for every worker regardless of their experience level. We also find that the number of audits required must be consistent statewide. Regions will have autonomy to focus on particular kinds of audits based on error trends and client demographics but must include food assistance audits as well as long-term care services. Regions are free to do any additional auditing that is needed. We will run reports on a quarterly basis to ensure compliance. Please see the corrective action plan for additional details.

Auditor's Remarks

We appreciate the cooperation and assistance provided by the Department throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 42, code of Federal Regulations, Section 435 states in part:

> §435.948 Requesting information.

(a) Except as provided in paragraphs (d), (e), and (f) of this section, the agency must request information from the sources specified in this paragraph for verifying Medicaid eligibility and the correct amount of medical assistance payments for each applicant (unless obviously ineligible on the face of his or her application) and recipient. The agency must request—

(1) State wage information maintained by the SWICA during the application period and at least on a quarterly basis;

(2) Information about net earnings from self-employment, wage and payment of retirement income, maintained by SSA and available under Section 6103(l)(7)(A) of the Internal Revenue Code of 1954, for applicants during the application period and for recipients for whom the information has not previously been requested;

(3) Information about benefit and other eligibility related information available from SSA under titles II and XVI of the Social Security Act for applicants during the application period and for recipients for whom the information has not previously been requested;

(4) Unearned income information from the Internal Revenue Service available under Section 6103(l)(7)(B) of the Internal Revenue Code of 1954, during the application period and at least yearly;

(5) Unemployment compensation information maintained by the agency administering State unemployment compensation laws (under the provisions of section 3304 of the Internal Revenue Code and section 303 of the Act) as follows:

(i) For an applicant, during the application period and at least for each of the three subsequent months;

(ii) For a recipient that reports a loss of employment, at the time the recipient reports that loss and for at least each of the three subsequent months.

(iii) For an applicant or a recipient who is found to be receiving unemployment compensation benefits, at least for each month until the benefits are reported to be exhausted.

(6) Any additional income, resource, or eligibility information relevant to determinations concerning eligibility or correct amount of medical assistance payments available from agencies in the State or other States administering the following programs as provided in the agency's State plan:

(i) AFDC;

(ii) Medicaid;

(iii) State-administered supplementary payment programs under Section 1616(a) of the Act;

(iv) SWICA;

(v) Unemployment compensation;

(vi) Food stamps; and

(vii) Any State program administered under a plan approved under Title I (assistance to the aged), X (aid to the blind), XIV (aid to the permanently and totally disabled), or XVI (aid to the aged, blind, and disabled in Puerto Rico, Guam, and the Virgin Islands) of the Act.

(b) The agency must request information on applicants from the sources listed in paragraph (a)(1) through (a)(5) of this section at the first opportunity provided by these sources following the receipt of the application. If an applicant cannot provide an SSN at application, the agency must request the information at the next available opportunity after receiving the SSN.

(c) The agency must request the information required in paragraph (a) of this section by SSN, using each SSN furnished by the individual or received through verification.

(d) *Exception:* In cases where the individual is institutionalized, the agency needs to obtain and use information from SWICA only during the application period and on a yearly basis, and from unemployment compensation agencies only during the application period. An individual is institutionalized for purposes of this section when he or she is required to apply his or her income to the cost of medical care as required by §§435.725, 435.733, and 435.832.

(e) *Exception: Alternate sources*— (1) The Secretary may, upon application from a State agency, permit an agency to request and use income information from a source or sources alternative to those listed in paragraph (a) of this section. The agency must demonstrate to the Secretary that the alternative source(s) is as timely, complete and useful for verifying eligibility and benefit amounts. The Secretary will consult with the Secretary of Agriculture and the Secretary of Labor before determining whether an agency may use an alternate source.

(2) The agency must continue to meet the requirements of this section unless the Secretary has approved the request.

(f) *Exception:* If the agency administering the AFDC program, or SSA under section 1634 of the Act, determines the eligibility of an applicant or recipient, the requirements of this section do not apply to that applicant or recipient.

§435.1002 FFP for services.

(a) Except for the limitations and conditions specified in §§435.1007, 35.1008, 435.1009, and 438.814 of this chapter, FFP is available in expenditures for Medicaid services for all recipients whose coverage is required or allowed under this part.

(b) FFP is available in expenditures for services provided to recipients who were eligible for Medicaid in the month in which the medical care or services were provided except that, for recipients who establish eligibility for Medicaid by deducting incurred medical expenses from income, FFP is not available for expenses that are the recipient's liability. (See §§435.914 and 436.901 of this subchapter for regulations on retroactive eligibility for Medicaid.)

(c) FFP is available in expenditures for services covered under the plan that are furnished—

(1) To children who are determined by a qualified entity to be presumptively eligible;

(2) During a period of presumptive eligibility;

(3) By a provider that is eligible for payment under the plan; and

(4) Regardless of whether the children are determined eligible for Medicaid following the period of presumptive eligibility.

§435.916 Periodic redeterminations of Medicaid eligibility.

(a) The agency must redetermine the eligibility of Medicaid recipients, with respect to circumstances that may change, at least every 12 months, however—

(1) The agency may consider blindness as continuing until the review physician under §435.531 determines that a recipient's vision has improved beyond the definition of blindness contained in the plan; and

(2) The agency may consider disability as continuing until the review team under §435.541 determines that a recipient's disability no longer meets the definition of disability contained in the plan.

(b) *Procedures for reporting changes.* The agency must have procedures designed to ensure that recipients make timely and accurate reports of any change in circumstances that may affect their eligibility.

(c) *Agency action on information about changes.*

(1) The agency must promptly redetermine eligibility when it receives information about changes in a recipient's circumstances that may affect his eligibility.

(2) If the agency has information about anticipated changes in a recipient's circumstances, it must redetermine eligibility at the appropriate time based on those changes.

WAC 388-515-1507 What are the financial requirements for home and community based (HCB) services when you are eligible for a noninstitutional categorically needy (CN) medicaid program?

(1) You are eligible for medicaid under one of the following programs:

(a) Supplemental Security Income (SSI) eligibility described in WAC 388-474-0001. This includes SSI clients under 1619B status;

(b) SSI-related CN medicaid described in WAC 388-475-0100 (2)(a) and (b);

(c) SSI-related healthcare for workers with disabilities program (HWD) described in WAC 388-475-1000. If you are receiving HWD, you are responsible to pay your HWD premium as described in WAC 388-475-1250. This change is effective April 1, 2009;

(d) General assistance expedited medicaid disability (GAX) or general assistance based on aged/blind/disabled criteria described in WAC 388-505-0110(6) and are receiving CN medicaid.

(2) You do not have a penalty period of ineligibility for the transfer of an asset as described in WAC 388-513-1363 through 388-513-1366. This does not apply to PACE or hospice services.

(3) You do not have a home with equity in excess of the requirements described in WAC 388-513-1350.

(4) You do not have to meet the initial eligibility income test of having gross income at or below the special income level (SIL).

(5) You do not pay (participate) toward the cost of your personal care services.

(6) If you live in a department contracted facility listed in WAC 388-515-1506 (1)(g), you pay room and board up to the ADSA room and board standard. The ADSA room and board standard is based on the federal benefit rate (FBR) minus the current personal needs allowance (PNA) for HCS CN waivers in an alternate living facility.

(a) If you live in an assisted living (AL) facility, enhanced adult residential center (EARC), or adult family home (AFH) you keep a PNA of sixty-two dollars and seventy-nine cents and use your income to pay up to the room and board standard.

(b) If subsection (6)(a) applies and you are receiving HWD described in WAC 388-475-1000, you are responsible to pay your HWD premium as described in WAC 388-475-1250, in addition to the room and board standard.

(7) If you are eligible for general assistance expedited medicaid disability (GAX) or general assistance based on aged/blind/disabled criteria described in WAC 388-505-0110(6), you do not participate in the cost of personal care and you may keep the following:

(a) When you live at home, you keep the cash grant amount authorized under the general assistance program;

(b) When you live in an AFH, you keep a PNA of thirty-eight dollars and eighty-four cents, and pay any remaining income and general assistance grant to the facility for the cost of room and board up to the ADSA room and board standard; or

(c) When you live in an assisted living facility or enhanced adult residential center, you are only eligible to receive a cash grant of thirty-eight dollars and eighty-four cents, which you keep for your PNA.

(8) Current resource and income standards are located at: http://www.dshs.wa.gov/manuals/eaz/sections/LongTermCare/LTCstandardspna.shtml.

(9) Current PNA and ADSA room and board standards are located at: http://www.dshs.wa.gov/manuals/eaz/sections/LongTermCare/ltcstandardsPNAchartsubfile.shtml.

WAC 388-515-1508 How does the department determine if you are financially eligible for home and community based (HCB) services and hospice if you are not eligible for medicaid under a categorically needy (CN) program listed in WAC 388-515-1507(1)?

(1) If you are not eligible for medicaid under a categorically needy (CN) program listed in WAC 388-515-1507(1), the department must determine your eligibility using institutional medicaid rules. This section explains how you may qualify using institutional medicaid rules.

(2) You must meet the general eligibility requirements described in WAC 388-513-1315 and 388-515-1506.

(3) You must meet the following resource requirements:

(a) Resource limits described in WAC 388-513-1350.

(b) If you have resources over the standard allowed in WAC 388-513-1350, the department reduces resources over the standard by your unpaid medical expenses described in WAC 388-513-1350 (d), (e) and (f) if you verify these expenses.

(4) Your gross nonexcluded income must be at or below the special income level (SIL) which is three hundred percent of the federal benefit rate (FBR).

(5) The department follows the rules in WAC 388-515-1325, 388-513-1330, and 388-513-1340 to determine available income and income exclusions.

(6) Current resource and income standards (including the SIL and FBR) for long-term care are found at:
http://www.dshs.wa.gov/manuals/eaz/sections/LongTermCare/LTCstandardspna.shtml.

11-34 The Department of Social and Health Services, Aging and Disability Services Administration, did not perform background checks for some in-home care individual providers in accordance with state law.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Provider Eligibility	
Questioned Cost Amount:	$368,404.41 Non ARRA	
	$ 81,221.28 ARRA	

Background

Medicaid is a jointly funded state and federal partnership providing coverage for low-income individuals who otherwise might go without medical care. The Medicaid program is the major source of public funding for long-term care services. The Medicaid Home and Community Based Services program permits states to furnish long-term care services to Medicaid beneficiaries in home and community settings, avoiding institutionalization. These services, generally personal care and assistance, are provided in the client's home by individuals or agencies often chosen by the Medicaid client.

During fiscal year 2011, the Department paid approximately $94 million to more than 14,000 in-home service individual providers for their services to 127,000 Medicaid clients.

All individual providers must meet basic qualifications to provide services to Medicaid clients. They must be at least 18 years old, authorized to work in the United States and meet the minimum training requirement.

Individual providers also must successfully complete a background check every two years. If the provider has lived in Washington State less than three years, the Department is to conduct a nationwide background check.

Description of Condition

We reviewed all 14,715 providers who provided services in fiscal year 2011 to ensure they have cleared a background check as required by state regulation.

We found the Department did not conduct background checks for 129 providers in a timely manner. The chart below summarizes the results of our audit.

Cause of Condition

The Department has procedures to ensure individual providers meet the background check requirements, however in some cases providers did not comply with the regulations before they provide services to

Medicaid clients. The Department stated most late background checks related to typos in its background check monitoring database and untimely communication between the Department and providers.

Effect of Condition and Questioned Costs

A provider who does not meet the background check requirement is not eligible to provide services to Medicaid clients. Any payments to ineligible providers are unallowable.

The table below summarizes the results of our work, and related expenditures:

Duration of Time Exceeding Background Check Date	Number of Providers	Questioned Costs	Federal share	
			Non-ARRA	ARRA
One to three months	67	$151,871.85	$75,981.49	$16,751.46
Four to six months	33	$215,871.33	$108,000.43	$23,810.61
Seven to nine months	11	$114,084.66	$57,076.56	$12,583.54
More than10 months	18	$254,539.13	$127,345.93	$28,075.67
Total	129	$736,366.97	$368,404.41	$81,221.28

The Department paid a total of $736,366.97 to the 129 providers who did not complete a required background check at the time of the services. We are questioning $449,625.69, the federal portion of the unallowable costs[1].

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support its expenditures.

Recommendation

We recommend the Department:

- Ensure all providers have cleared background checks prior to providing services to Medicaid clients.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Department's Response

The Department concurs with this finding and will work to ensure that each Area Agency on Aging (AAA) has a strong tracking system in place to ensure that all providers have current background checks and that authorizations are terminated when the provider is noncompliant with background check requirements.

The Department is providing the following clarification to the auditor's statements in the "Cause of Condition" section of this report:

- *The Department has policies for AAAs to ensure individual providers meet the background check requirements; however the policies will be strengthened to ensure full compliance with this requirement. In 128 of the 129 cases where background checks were not conducted timely, providers were due for their two year renewal background check, but had passed a previous background check. For many of these findings, AAAs made multiple attempts to obtain a background authorization form from the providers in order to run new background checks, and providers did not always respond timely to these requests.*

[1] The federal share is calculated by using 61.06 percent, which is an average of FMAP rates for fiscal year 2011.

- *Most of the late background check findings were specific to one Area Agency on Aging that was using a less reliable data source for determining due dates for background check renewals. The Department is working closely with the AAA to implement a new tracking system by March 15, 2012. The new system will ensure that all providers due for background checks will be identified and notified prior to the due date.*
- *In a few instances, the background checks were not conducted timely due to typos in the background check monitoring database.*

Through a Management Bulletin (MB) the Department will direct the field to:

- *Require that effective tracking systems and procedures are in place to ensure that all providers have current background checks.*
- *Require that payments be terminated for providers who are out of compliance in this area.*
- *Terminate contracts for those providers who repeatedly fail to comply with requests to have a current background check.*
- *Include language stating, 'failure to obtain the required background check will result in payment termination and may result in contract termination' in written reminders sent to providers.*

The MB will also advise Area Agencies on Aging (AAAs) of contract actions that may be taken by the Department if performance to this metric is deemed non-compliant.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

OMB Circular A-87: Cost Principles for State, Local and Indian Tribal Governments; Attachment A - General Principles for Determining Allowable Costs; Section C - Basic Guidelines state in part:

> 1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
>
> k. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
>
> l. Be allocable to Federal awards under the provisions of 2 CFR part 225.
>
> m. Be authorized or not prohibited under State or local laws or regulations.
>
> n. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
>
> o. Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.

RCW 74.39A.056 states:

> Criminal history checks on long-term care workers.

(1) All long-term care workers for the elderly or persons with disabilities hired after January 1, 2012, shall be screened through state and federal background checks in a uniform and timely manner to ensure that they do not have a criminal history that would disqualify them from working with vulnerable persons. These background checks shall include checking against the federal bureau of investigation fingerprint identification records system and against the national sex offenders registry or their successor programs. The department shall require these long-term care workers to submit fingerprints for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation.
(2) To allow the department of health to satisfy its certification responsibilities under chapter 18.88B RCW, the department shall share state and federal background check results with the department of health. Neither department may share the federal background check results with any other state agency or person.
(3) The department shall not pass on the cost of these criminal background checks to the workers or their employers.
(4) The department shall adopt rules to implement the provisions of this section by August 1, 2010.

WAC 388.71.0510 states:

How does a person become an individual provider?

In order to become an individual provider, a person must:

(1) Be eighteen years of age or older;
(2) Provide the social worker/case manager/designee with:
    (a) Picture identification; and
    (b) A Social Security card; or
    (c) Authorization to work in the United States.
(3) Complete and submit to the social worker/case manager/designee the department's criminal conviction background inquiry application, unless the provider is also the parent of the adult DDD client and exempted, per chapter 74.15 RCW;
    (a) Preliminary results may require a thumb print for identification purposes;
    (b) An FBI fingerprint-based background check is required if the person has lived in the state of Washington less than three years.
(4) Sign a home and community-based service provider contract/agreement to provide services to a COPES, MNIW, or medicaid personal care client.

Aging and Disability Services Administration Long Term Care Manual Chapter 7A- In-home Provider Requirement states:

How often does a background check need to be completed on a provider?

Every two years, unless you have reasonable cause to believe that the provider has been arrested or convicted of a disqualifying crime. In this circumstance, you need to re-run another background check.

11-35 The Department of Social and Health Services, Aging and Disability Services Administration does not have adequate controls to ensure Medicaid recipients have received the services for which Medicaid is billed.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
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	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Utilization Control and Program Integrity	
Questioned Cost Amount:	None	

Background

Federal regulations require state Medicaid agencies to have a process to verify with Medicaid clients that they received the services billed to Medicaid by providers. This process is intended to identify potential fraud or abuse of the Medicaid program.

The Medicaid program is the major source of public funding for long-term care services. The Home and Community Based Services waiver program permits states to furnish long-term care services to Medicaid beneficiaries in home and community settings to avoid institutionalization. The client or agencies working on behalf of the client choose the service providers.

The Department of Social and Health Services, Aging and Disability Services Administration, administers long-term services and support and is responsible for instituting and following the recipient verification process.

In the past three audits, we reported findings regarding the Department's lack of adequate controls to ensure Medicaid payments to in-home service providers are allowable and supported.

The Division paid more than $579 million for in-home services during fiscal year 2011.

Description of Condition

During our current audit, we found no changes in the conditions we previously reported. The Administration does not have procedures to verify with home- and community-based service Medicaid clients whether services billed by providers were received.

Cause of Condition

The Department states it plans to use a feature available in its new Medicaid payment system, ProviderOne, that will automatically send selected clients an explanation of services billed by providers in order to verify those services were received. This system is scheduled to be operational in 2012. The Department does not believe putting an interim automated solution in place is prudent or cost-effective.

Effect of Condition

The lack of appropriate, required verification increases the risk of fraudulent provider claims being paid and not being detected in a timely manner, if at all.

Recommendation

We recommend the Department develop and follow a process for verifying directly with recipients that they have received the services for which Medicaid is being billed.

Department's Response

The department does not concur with the finding that the "Administration does not have procedures to verify with home and community-based service Medicaid recipients whether services billed by providers were received". The Department has strong controls in place currently to ensure that recipients receive services for which Medicaid is being billed. In addition to these controls, the Department has recently implemented additional controls and is also exploring additional electronic solutions to verify service receipt.

Current Controls:
The department relies on the following controls that are currently in place:

- *Case managers complete an assessment that results in an authorization of hours that cannot be exceeded by a provider invoice.*
- *Recipients receive a copy of the service summary that tells them the number of hours of service they are eligible to receive. Recipients are advised they can choose when those hours are provided and direct the individual provider when to provide them. Case Managers also advise recipients to contact them if they are not receiving the hours (or care) for which they are eligible.*
- *Recipients are expected to keep copies of timesheets for their individual providers. Case Managers periodically review these time sheets and verify with the recipient that authorized services have been provided. Case managers are instructed to document the review of time sheets and the discussion of service verification in a Service Episode Record.*
- *Timesheet auditing has been added to the annual Quality Assurance monitoring cycle.*
    - *In August 2011, all IPs delivering personal care services received a written reminder of their obligation to keep a record of the date/time that in-home services are provided to ADSA recipients and complete and retain copies of their timesheets.*
    - *In September 2011, ADSA audited a statistically valid sample of IP time sheets to ensure that services billed for were consistent with timesheet documentation submitted. In instances where the billed hours differed from timesheet records or timesheets were not provided, service receipt was verified with the recipient. Corrective actions were taken which included contract termination and processing overpayments.*
- *The Department, through its Payment Review Program, runs algorithms to detect possible fraudulent claims. Overpayments are initiated and referrals are made to the Medicaid Fraud Control Unit as indicated by findings.*
- *The Social Service Payment System will not process payments in excess of hours authorized. A provider is therefore unable to claim and be reimbursed for hours that exceed those authorized by the case manager.*

New Controls:
The Department has added service verification monitoring to the Quality Assurance monitoring cycle. Monitoring will be completed on a randomly-selected, statistically-valid sample of in-home

providers. In October 2012, the Department will verify with the selected recipients that Medicaid billed services were received. Based on the findings, correction action will be taken. Such action might include processing of overpayments, procuring the needed services that were not provided, terminating contracts with the providers, and referrals to the Medicaid Fraud Control Unit for further action.

In addition to service verification monitoring, time sheet monitoring will continue to be a component of the annual Quality Assurance monitoring cycle.

Additional Electronic Controls:
If the final budget does not include funding for ProviderOne Phase Two, the Department will continue to explore additional electronic options to verify that clients received the services authorized.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 42, code of Federal Regulations, Section 455 states in part:

§455.1 Basis and scope.
This part sets forth requirements for a State fraud detection and investigation program, and for disclosure of information on ownership and control.

(a) Under the authority of sections 1902(a)(4), 1903(i)(2), and 1909 of the Social Security Act, Subpart A provides State plan requirements for the identification, investigation, and referral of suspected fraud and abuse cases. In addition, the subpart requires that the State—
   (1) Report fraud and abuse information to the Department; and
   (2) Have a method to verify whether services reimbursed by Medicaid were actually furnished to recipients.
(b) Subpart B implements sections 1124, 1126, 1902(a)(36), 1903(i)(2), and 1903(n) of the Act. It requires that providers and fiscal agents must agree to disclose ownership and control information to the Medicaid State agency.
(c) Subpart C implements section 1936 of the Act. It establishes the Medicaid Integrity Program under which the Secretary will promote the integrity of the program by entering into contracts with eligible entities to carry out the activities of subpart C.

[51 FR 34787, Sept. 30, 1986, as amended at 72 FR 67655, Nov. 30, 2007]

§455.20 Recipient verification procedure.

(a) The agency must have a method for verifying with recipients whether services billed by providers were received.
(b) In States receiving Federal matching funds for a mechanized claims processing and information retrieval system under part 433, subpart C, of this subchapter, the agency must provide prompt written notice as required by §433.116 (e) and (f).

11-36 The Department of Social and Health Services, Aging and Disability Services Administration, does not have adequate controls in place to ensure all applicant-owned assets are counted when Medicaid eligibility is determined.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Eligibility	
Questioned Cost Amount:	None	

Background

The Medicaid program covers long-term care services for individuals who are unable to afford it. In order to ensure the availability of long-term care services for people who truly need them, the Federal Deficit Reduction Act of 2005 tightened Medicaid rules to make it more difficult for individuals with resources to pay for their own long-term care to inappropriately transfer assets for less than fair market value in order to qualify for coverage.

When an individual applies for Medicaid coverage for long-term care, the state conducts a review, or "look-back", to determine whether the individual (or his or her spouse) transferred assets to another person or party for less than fair market value to become eligible. The Act lengthened the "look-back period" to 60 months (five years) prior to the date of the application.

When an individual transfers assets at less than fair market value in order to qualify for Medicaid long-term care services, he or she is subject to a penalty that delays the date Medicaid long-term care services begin. Under the Act, the penalty period for transfers made on or after February 8, 2006, begins on either the date of the asset transfer or the date the individual is determined to be eligible for Medicaid coverage, whichever is later.

The Department of Social and Health Services, Aging and Disability Services Administration, administers long-term care services under Medicaid. In fiscal year 2011, the Department spent almost $1.5 billion on these services.

Description of Condition

In our past three audits we reported findings relating to the Department's inadequate controls over the look-back. In answer to our previous year's finding, the Department responded that it did not concur with the finding and believed relying on self-declaration by the client regarding asset transfers or sales within is sufficient.

During our current audit, we found no changes in the conditions reported in our previous three audits:

- The Department limits its review to the client's bank statements, which does not provide a reasonable picture of the applicant's financial situation over the five-year look-back period or to ensure the Department is able to identify all assets owned or transferred by applicants.

- The Department relies on a self-declaration from the client that he or she has not transferred or sold any assets within the past five years.

Cause of Condition

The Department does not agree that federal rules require review of financial activities for the previous five years, unless a client declares he or she made an asset transfer or sale, or if it finds inconsistent information in financial records or other problems with the application.

Effect of Condition

Lack of adequate procedures to identify the financial resources of applicants when Medicaid eligibility is determined increases the risk of ineligible individuals receiving long-term care through the Medicaid program.

Recommendation

We recommend the Department establish and follow internal controls that will reasonably ensure all assets applicants own during the look-back period are counted when Medicaid eligibility is determined.

Department's Response

The Department does not concur with this finding. Our reasons for not concurring are the same reasons provided in response to prior audits. However, we do have new information about real estate and vehicles owned or transferred by clients during the five year look-back period.

The "Description of Condition" by the SAO states that the Department limits its review to bank statements and self-declaration, and finds this method to be sufficient. The description leaves out other things we are doing in order to evaluate resources held or transferred such as contacting assessors' offices. More importantly, it fails to acknowledge that the Department has not had systems in place to obtain most or all of the client's financial history in a manner that is cost-effective and would meet other federal requirements for standards of promptness and an application process that is simple and is in the best interest of the majority of applicants and recipients. We have pointed out these facts each year.

The Department recently executed a contract with LexisNexis for a trial of their database software that provides records of property and vehicles owned or transferred during the last five years and beyond. We analyzed the file for 1535 current recipients and found that properties and transfers we know about were found. In addition, we found a small number of properties and transfers we did not know about and apparently were not reported. We plan to purchase at least one license for each HCSO in the near future and screen each new applicant with the product prior to the initial interview. While the trial does not indicate that we have a large number of cases with unreported properties or transfers, it will only take a couple of cases for this type of cost avoidance to cover our costs.

Should a similar tool become available that offers a history of transactions at banks and other financial institutions we will evaluate it and purchase licenses if it is a good product that is cost-effective.

In the meantime, all of our previous reasons for non-concurrence are still applicable:

- *Requiring clients to provide five years of bank statements would only pertain to bank accounts that are declared. No system is in place to identify undeclared bank accounts and other types of undeclared transfers which is the primary reason for reliance on self-declaration.*
- *Most clients do not have proof of all financial activities that occurred during the last five years, which would be all of their financial statements from banks and other financial institutions. This is a very onerous request to make of clients, most of whom have not transferred assets in order to qualify. The process that the client or Department would have to go through to provide that much history would be lengthy and expensive, and would not meet the federal requirement in 42CFR*

435.902 that an agency's policies and procedures for determining eligibility must be conducted in a manner consistent with simplicity of administration and is in the best interests of applicants and recipients.

- *The Department would have to pay banks to provide archived statements that the clients no longer have per WAC 388-490-0005(7). The length of time it would take to request and then review a minimum of 60 bank statements, with the possibility of hundreds more if there are multiple accounts at different banks, would make it impossible to meet our standard of promptness for Medicaid applications with existing staff. Many additional FTEs would be required. Requiring all clients to provide 60 months of bank statements would not be cost-effective.*
- *Unless transfers were made with the intent of qualifying for long-term care benefits the Department cannot impose a transfer penalty. RCW 74.08.080(2)(g) states that the burden is on the department to prove by a preponderance of the evidence that the person knowingly and willingly assigned or transferred the resource at less than fair market value for the purpose of qualifying…for medical assistance". Applicants who have or had enough resources to consider transferring assets are usually applying for public assistance for the first time. If transfers occurred between 2 – 5 years prior to applying, what we find is that those persons were usually unaware of Medicaid policies at that time because they were in reasonably good health, were not contemplating future long-term care needs, and were simply helping family members. If they were transferring assets to qualify that long ago it is often difficult to prove. Specific planning for future Medicaid eligibility usually occurs within a few months of the application.*
- *The Department is committed to ensuring that Medicaid clients are financially eligible for the program benefits that they receive and will continue to pursue and verify any asset transfers that it becomes aware of through the written application, the subsequent interview, or discovered through other means. Applicants complete the DSHS Application for Benefits. This form specifically asks if the applicant or applicant's spouse has sold, traded, given away, or transferred a resource in the last five years, and if so, what and when. The application states that the person signing it is declaring an understanding that they can be criminally prosecuted for making a false statement or failing to report something. The signature certifies and declares under penalty of perjury under the laws of the State of Washington that the information given is true and correct. In addition, the Department is taking the following actions:*

    - *Staff will routinely check online county assessor systems to see if clients have transferred property within the county they reside in.* ***(purchase of LexisNexis software will make this step obsolete)***
    - *If the bank statements from the last three or six months contain payments or credits that present red flags we will look as far into this as necessary to resolve the issue.*
    - *If the client declares a transfer, staff will request and obtain verification and thoroughly evaluate that transfer to ensure that it is consistent with Medicaid rules.*
    - *If the interview is inconsistent with the application, staff will evaluate and probe inconsistencies as necessary.*
    - *If staff learn of possible transfers through other means they always follow-up and verify.*

The Department submitted policies and procedures to Maria Garza, our regional representative at Region 10 CMS, in June 2009. We asked them to review them and comment on whether they meet federal guidelines. We received CMS' email response December 22, 2009. The following is a direct quote from the CMS email:

> *"While we understand your dilemma with the State Auditor's Office on the matter of documenting 5-years of bank statement to ensure all assets of applicants during the look-back period are countable when Medicaid eligibility is determined. The CMS cannot specifically comment on the state process for conducting the 5-year look back for transfer of assets which could impact a state's flexibility in documenting and verifying these transfers. This continues to be an operational matter, states have flexibility to implement this provision according to the general "rules of reason" and to give workers procedural guidance as to how to explore or document past financial transactions that might have been asset transfers. CMS affirms the initial guidance on flexibility given to states to implement policies that provide for looking back 5 years.*

The 5-year look back period only changes for transfer made after February 8, 2006, the effective date of the law. States are actively engaged in the pursuit of the asset verification systems which will provide for external verification of the reported financial information made by applicants, until then states must have sufficient procedures to capture and verify the reported client information.

If you require any additional information please let me know.

Maria"

The Department believes this response validates our position that asking for bank statements for the entire look-back period is not required. The Department believes the methods described above meet the "rules of reason" test referred to by CMS in their email.

Auditor's Remarks

We thank the Department for its response and commitment to continuing discussions on this issue. We expect the Department to have internal controls that will reasonably ensure all assets applicants own during the look-back period are countable when Medicaid eligibility is determined. The current internal controls the Department has cannot provide a reasonable picture of the applicant's financial situation over the five year look-back period.

We look forward to reviewing the new controls the Department plans to implement during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 42, United States Code, section 1396p, as amended by the Deficit Reduction Act of 2005, states in part:

> (c)(1)(B)(i) The look-back date specified in this subparagraph is a date that is … (…in the case of any other disposal of assets made on or after the date of the enactment of the Deficit Reduction Act of 2005, 60 months) before the date specific in clause (ii).
>
> (c)(1)(D)(ii) In the case of a transfer of asset made on or after the date of the enactment of the Deficit Reduction Act of 2005, the date specified in this subparagraph is the first day of a month during or after which assets have been transferred for less than fair market value, or the date on which the individual is eligible for medical assistance under the State plan and would otherwise be receiving institutional level care described in subparagraph (C) based on an approved application for such care but for the application of the penalty period, whichever is later, and which does not occur during any other period of ineligibility under this subsection.

Revised Code of Washington 74.08.335, Transfers of property to qualify for assistance, states:

> Temporary assistance for needy families and disability lifeline benefits shall not be granted to any person who has made an assignment or transfer of property for the purpose of rendering himself or herself eligible for the assistance. There is a rebuttable presumption that a person who has transferred or transfers any real or personal property or any interest in property within two years of the date of application for the assistance without receiving adequate monetary consideration

therefore, did so for the purpose of rendering himself or herself eligible for the assistance. Any person who transfers property for the purpose of rendering himself or herself eligible for assistance, or any person who after becoming a recipient transfers any property or any interest in property without the consent of the secretary, shall be ineligible for assistance for a period of time during which the reasonable value of the property so transferred would have been adequate to meet the person's needs under normal conditions of living: PROVIDED, That the secretary is hereby authorized to allow exceptions in cases where undue hardship would result from a denial of assistance.

Revised Code of Washington 74.39A.160, Transfer of assets — Penalties, states:

(1) A person who receives an asset from an applicant for or recipient of long-term care services for less than fair market value shall be subject to a civil fine payable to the department if:
   (a) The applicant for or recipient of long-term care services transferred the asset for the purpose of qualifying for state or federal coverage for long-term care services and the person who received the asset was aware, or should have been aware, of this purpose;
   (b) Such transfer establishes a period of ineligibility for such service under state or federal laws or regulations; and
   (c) The department provides coverage for such services during the period of ineligibility because the failure to provide such coverage would result in an undue hardship for the applicant or recipient.
(2) The civil fine imposed under this section shall be imposed in a judicial proceeding initiated by the department and shall equal (a) up to one hundred fifty percent of the amount the department expends for the care of the applicant or recipient during the period of ineligibility attributable to the amount transferred to the person subject to the civil fine plus (b) the department's court costs and legal fees.
(3) Transfers subject to a civil fine under this section shall be considered null and void and a fraudulent conveyance as to the department. The department shall have the right to petition a court to set aside such transfers and require all assets transferred returned to the applicant or recipient.

11-37 The Health Care Authority and the Department of Social and Health Services do not have adequate controls to correctly report all Medicaid expenditures that are eligible for additional Children Health Insurance Program (CHIP) funds.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.720 State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775 State Medicaid Fraud Controls
	93.776 Hurricane Katrina Relief Program
	93.777 State Survey and Certification of Health Care Providers and Suppliers
	93.778 Medical Assistance Program (Medicaid; Title XIX)
	93.778A Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA
Applicable Compliance Component:	Activities Allowed; Cost Principles; Reporting
Questioned Cost Amount:	None

Background

In Washington, Medicaid and the Children's Health Insurance Program (CHIP) provide medical assistance for children through age 18 who reside in certain low-income households. Both are jointly financed by the state and federal government.

The state is required to pay CHIP and Medicaid expenditures and may seek reimbursement from the federal government for eligible costs. The state is reimbursed for approximately 65 percent of its CHIP expenditures and 50 percent of Medicaid expenditures. The American Recovery and Reinvestment Act of 2009 increased the Medicaid reimbursement rate to approximately 62 percent.

Medicaid expenditures for children who reside in households with income between 133 percent and 200 percent of the Federal Poverty Level are eligible for CHIP funding. When states identify eligible Medicaid expenditures, they may claim the higher CHIP reimbursement rate. If the Medicaid costs already have been claimed and reimbursed, the state still can claim the difference between the Medicaid and CHIP rates.

The federal government awards states an annual CHIP allotment. States must return any unused amounts. The total CHIP allotment for the state for the last five years was approximately $418 million; the state spent and was reimbursed approximately $155 million, has returned the excess $199 million.

The table below summarizes the CHIP allotment, claimed amounts and returned amounts for the last five federal fiscal years:

FFY	CHIP Allotment	Claimed Amount	Returned
FFY2006	$ 64,705,479	$ 41,485,854	$ 23,219,625
FFY2007	$ 79,883,308	$ 35,411,865	$ 44,471,443
FFY2008	$ 79,883,308	$ 36,071,047	$ 43,812,261
FFY2009	$ 94,285,111	$ 6,642,932	$ 87,642,179
FFY2010	$ 99,438,161	$ 35,579,863	[1]

1. As of June 30, 2011. The returned amount of FFY2010 allotment will be determined when the allotment is closed.

Description of Condition

Federal regulations say the same income criteria used to determine eligibility for Medicaid clients should be used to identify Medicaid expenditures eligible for the additional CHIP funds. The Department uses net income to determine eligibility for the Medicaid program.

In our audit for fiscal year 2010, we recommended the Department use correct income criteria in determining Medicaid children who are eligible for additional CHIP money. During the current audit, we found the Department still incorrectly used gross income, rather than net income, to determine CHIP funds eligible Medicaid clients.

We also noted the Department did not have adequate procedures to account for all Medicaid expenditures that might qualify for additional CHIP funds.

Cause of Condition

The Department is working on developing a system. However, due to the complexity of extracting necessary information from its eligibility database, gross income was still used to identify eligible Medicaid expenditures during the audit period.

Prior to 2009, states could use only up to 20 percent of their CHIP allotment for additional reimbursements for eligible Medicaid expenditures. The Department had been able to identify enough eligible Medicaid expenditures in the Medicaid payment system to claim that 20 percent. In 2009, a change in federal regulation eliminated the 20 percent limit on these types of costs. The Department continued to look only to limited Medicaid claim data to identify costs eligible for transfer to CHIP, instead of searching the entire Medicaid data base for potentially eligible claims.

Effect of Condition

Since the Department used incorrect criteria to identify Medicaid expenditures for additional CHIP funds, it cannot ensure those costs were eligible for transfer and the higher reimbursement rate.

Because the Department did not identify all eligible Medicaid costs, it did not claim all available CHIP funds available to the state. During our audit we noted that the Department did not account for managed care premium payments for Medicaid children in the amount of $517 million incurred in 2010 when it claimed additional CHIP funds. A portion of those payments are eligible for additional CHIP funds. Because accurate client eligibility data was not available, we were unable to determine the exact amount of eligible payments.

Recommendation

We recommend the Department:

- Ensure correct income criterion is used in determining Medicaid children who are eligible for additional CHIP funds.
- Develop systems to ensure all current and future Medicaid costs eligible are identified and claimed from CHIP to the extent possible.
- Review CHIP funds claimed and work with the U.S. Department of Health and Human Services to determine if any costs charged to CHIP funds must be refunded.

Department's Response

The Health Care Authority agrees with the finding and is taking the following corrective actions:

1. *The agency will develop a report using data from its Medicaid Management Information System to identify claims by Recipient Aid Category (RAC) and Federal Poverty Level (FPL) based on net income.*

2. *In November 2011, the agency retroactively transferred all eligible Managed Care claims to CHIP. The agency is currently working with the Washington State Department of Social and Health Services' Aging and Disability Services Administration (ADSA) to ensure all eligible Medicaid claims for clients are transferred to CHIP.*

3. *The Health Care Authority now monitors CHIP funds on a monthly basis, and an internal staff workgroup conducts an additional review using an Excel tracking spreadsheet with data from Agency Financial Reporting System (AFRS) to ensure accuracy and proper use of funds.*

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Sec. 2105. [42 U.S.C. 1397ee] Payments states in part:

(g) Authority for qualifying states to use certain funds for Medicaid expenditures.—

(1) State option.—

(A) In general.—Notwithstanding any other provision of law subject to paragraph (4)[67], a qualifying State (as defined in paragraph (2)) may elect to use not more than 20 percent of any allotment under section 2104 for fiscal year 1998, 1999, 2000, 2001, or 2004, 2005, 2006, 2007, or 2008[68] (insofar as it is available under subsections (e) and (g) of such section) for payments under title XIX in accordance with subparagraph (B), instead of for expenditures under this title.

(B) Payments to states.—

(i) In general.—In the case of a qualifying State that has elected the option described in subparagraph (A), subject to the availability of funds under such subparagraph with respect to the State, the Secretary shall pay the State an amount each quarter equal to the additional amount that would have been paid to the State under title XIX with respect to expenditures described in clause (ii) if the enhanced FMAP (as determined under subsection (b)) had been substituted for the Federal medical assistance percentage (as defined in section 1905(b)).

(ii) Expenditures described.—For purposes of this subparagraph, the expenditures described in this clause are expenditures, made after the date of the enactment of this subsection and during the period in which funds are available to the qualifying State for use under subparagraph (A), for medical assistance under title XIX to individuals who have not attained age 19 and whose family income exceeds 150 percent of the poverty line.

(iii) No impact on determination of budget neutrality for waivers.—In the case of a qualifying State that uses amounts paid under this subsection for expenditures described in clause (ii) that are incurred under a waiver approved for the State,

any budget neutrality determinations with respect to such waiver shall be determined without regard to such amounts paid.

(2) Qualifying state.—In this subsection, the term "qualifying State" means a State that, on and after April 15, 1997, has an income eligibility standard that is at least 184 percent of the poverty line with respect to any 1 or more categories of children (other than infants) who are eligible for medical assistance under section 1902(a)(10)(A) or, in the case of a State that has a statewide waiver in effect under section 1115 with respect to title XIX that was first implemented on August 1, 1994, or July 1, 1995, has an income eligibility standard under such waiver for children that is at least 185 percent of the poverty line, or, in the case of a State that has a statewide waiver in effect under section 1115 with respect to title XIX that was first implemented on January 1, 1994, has an income eligibility standard under such waiver for children who lack health insurance that is at least 185 percent of the poverty line, or, in the case of a State that had a statewide waiver in effect under section 1115 with respect to title XIX that was first implemented on October 1, 1993, had an income eligibility standard under such waiver for children that was at least 185 percent of the poverty line and on and after July 1, 1998, has an income eligibility standard for children under section 1902(a)(10)(A) or a statewide waiver in effect under section 1115 with respect to title XIX that is at least 185 percent of the poverty line.

(3) Construction.—Nothing in paragraphs (1) and (2) shall be construed as modifying the requirements applicable to States implementing State child health plans under this title.

(4) [69] Option for allotments for fiscal years 2009 through 2013.—

(A) Payment of enhanced portion of matching rate for certain expenditures.—In the case of expenditures described in subparagraph (B), a qualifying State (as defined in paragraph (2)) may elect to be paid from the State's allotment made under section 2104 for any of fiscal years 2009 through 2013 (insofar as the allotment is available to the State under subsections (e) and (m) of such section) an amount each quarter equal to the additional amount that would have been paid to the State under title XIX with respect to such expenditures if the enhanced FMAP (as determined under subsection (b)) had been substituted for the Federal medical assistance percentage (as defined in section 1905(b)).

(B) Expenditures described.—For purposes of subparagraph (A), the expenditures described in this subparagraph are expenditures made after the date of the enactment of this paragraph and during the period in which funds are available to the qualifying State for use under subparagraph (A), for the provision of medical assistance to individuals residing in the State who are eligible for medical assistance under the State plan under title XIX or under a waiver of such plan and who have not attained age 19 (or, if a State has so elected under the State plan under title XIX, age 20 or 21), and whose family income equals or exceeds 133 percent of the poverty line but does not exceed the Medicaid applicable income level.

11-38 The Health Care Authority does not comply with state law and the federal Deficit Reduction Act of 2005, increasing the likelihood that the state is paying claims that should have been paid by liable third parties.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
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	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles	
Questioned Cost Amount:	None	

Background

Medicaid is the "payer of last resort," meaning the Authority should identify other payment sources prior to submitting claims to Medicaid. Third-party liability refers to the legal obligation of third-party resources, usually insurance companies, to pay medical and pharmaceutical claims of Medicaid recipients prior to Medicaid coverage. The function of third-party liability within the Medicaid program is to ensure non-Medicaid resources are the primary source of payment. Federal regulations require states to have processes to identify third parties liable for payment of services before Medicaid dollars are used.

The federal Deficit Reduction Act of 2005 requires health insurers to provide states with eligibility and coverage information that will enable Medicaid agencies to determine whether recipients have third-party coverage. The Act directs states, as a condition of receiving Medicaid money, to have laws requiring health insurers doing business in that state to provide the eligibility and coverage information upon the request of the state.

To comply with this requirement, the state Legislature passed a law (RCW 74.09A) in 2007 that requires the Authority to provide Medicaid client eligibility and coverage information to insurers doing business in the state. The insurers are required to use that information to identify Medicaid clients with third-party coverage and to provide those results to the Authority. The law requires this process to be performed no less than twice per year. The law, if followed, would provide a comprehensive identification of potential third-party payers.

In our past three audits, 2008 through 2010, we reported findings regarding the Authority's noncompliance with the state law. In other audits performed by our Office, we identified 567 claims with Medicaid payments totaling $22,592 that were duplicates of workers' compensation insurance payments made the by Department of Labor and Industries.

The state had Medicaid expenditures of approximately $7.5 billion in fiscal year 2011, more than $4.7 billion of which was federal dollars.

Description of Condition

The Authority has not performed the semi-annual data share with insurers as required by state law.

Cause of Condition

The Authority believes it is meeting the requirements of state law and federal regulation by making data available to all insurers without exchanging eligibility and coverage data.

Effect of Condition

When Medicaid-eligible individuals with third-party liability coverage are not identified, Medicaid is no longer the payer of last resort and the Authority is paying claims that should have been paid by liable third parties.

Recommendation

We recommend the Authority complete all necessary steps to provide routine and periodic computerized information to health insurers regarding client eligibility and coverage information and receive joint beneficiary information in order to better identify all third parties liable for Medicaid beneficiary claims.

Department's Response

The agency continues to disagree with this finding.

The agency maintains that it is in compliance with the Deficit Reduction Act of 2005 (DRA) and applicable state law. The Department meets this standard by making data available to all insurers to use for Third Party Liability (TPL) reporting and by matching data directly with those insurers most likely to provide third party coverage to Medicaid recipients.

The agency is taking the following steps to enhance its recovery effort:

- *Submitted a system change request to incorporate a tool that the federal Centers for Medicare and Medicaid Services (CMS) has identified for DRA data exchange requirements. This activity could not be pursued until CMS issued its guidance in June 2010. The agency will implement the change request based on prioritization against all other system change requests in their order of importance.*

- *The agency's position on compliance was further corroborated by an independent review conducted by Health Management Systems (HMS) in March 2010. That review stated, "HMS's review of the DSHS confirms a strong Medicaid TPL program…" This report also noted areas of industry best practices that the agency could explore to enhance its cost avoidance and recovery. As a result of this review, the agency entered into a contract with HMS to strengthen and improve our efforts in the area of TPL recoveries as HMS provides for enhanced data-matching to better identify a client's medical insurance coverage. The contracted activities include: conducting electronic data exchanges with health insurers, and verifying and updating the insurance eligibility of Medicaid recipients for billing liable third parties on behalf of HCA.*

Although the agency has been in compliance with the DRA since it was passed into law in April 2007, the above actions demonstrate how HCA continues to improve ways to share Medicaid information with health insurers so the state is <u>not</u> paying for claims that should have been paid by a liable third party.

Auditor's Remarks

We thank the Authority for its response. However, it does not conduct the semi-annual data share with insurers as required by state law. We affirm our finding.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 42, United States Code, Part 1396a(a)(25).states:

(A) that the State or local agency administering such plan will take all reasonable measures to ascertain the legal liability of third parties (including health insurers, self-insured plans, group health plans (as defined in section 607(1) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1167(1)]), service benefit plans, managed care organizations, pharmacy benefit managers, or other parties that are, by statute, contract, or agreement, legally responsible for payment of a claim for a health care item or service) to pay for care and services available under the plan, including—
  (i) the collection of sufficient information (as specified by the Secretary in regulations) to enable the State to pursue claims against such third parties, with such information being collected at the time of any determination or redetermination of eligibility for medical assistance, and
  (ii) the submission to the Secretary of a plan (subject to approval by the Secretary) for pursuing claims against such third parties, which plan shall be integrated with, and be monitored as a part of the Secretary's review of, the State's mechanized claims processing and information retrieval systems required under section 1396b(r) of this title;

(B) that in any case where such a legal liability is found to exist after medical assistance has been made available on behalf of the individual and where the amount of reimbursement the State can reasonably expect to recover exceeds the costs of such recovery, the State or local agency will seek reimbursement for such assistance to the extent of such legal liability;

(C) that in the case of an individual who is entitled to medical assistance under the State plan with respect to a service for which a third party is liable for payment, the person furnishing the service may not seek to collect from the individual (or any financially responsible relative or representative of that individual) payment of an amount for that service (i) if the total of the amount of the liabilities of third parties for that service is at least equal to the amount payable for that service under the plan (disregarding section 1396*o* of this title), or (ii) in an amount which exceeds the lesser of (I) the amount which may be collected under section 1396*o* of this title, or (II) the amount by which the amount payable for that service under the plan (disregarding section 1396*o* of this title), exceeds the total of the amount of the liabilities of third parties for that service;

(D) that a person who furnishes services and is participating under the plan may not refuse to furnish services to an individual (who is entitled to have payment made under the plan for the services the person furnishes) because of a third party's potential liability for payment for the service;

(E) that in the case of prenatal or preventive pediatric care (including early and periodic screening and diagnosis services under section 1396d(a)(4)(B) of this title) covered under the State plan, the State shall--
  (i) make payment for such service in accordance with the usual payment schedule under such plan for such services without regard to the liability of a third party for payment for such services; and
  (ii) seek reimbursement from such third party in accordance with subparagraph (B);

(F) that in the case of any services covered under such plan which are provided to an individual on whose behalf child support enforcement is being carried out by the State agency under part D of subchapter IV of this chapter, the State shall--

(i) make payment for such service in accordance with the usual payment schedule under such plan for such services without regard to any third-party liability for payment for such services, if such third-party liability is derived (through insurance or otherwise) from the parent whose obligation to pay support is being enforced by such agency, if payment has not been made by such third party within 30 days after such services are furnished; and

(ii) seek reimbursement from such third party in accordance with subparagraph (B);

(G) that the State prohibits any health insurer (including a group health plan, as defined in section 607(1) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1167(1)], a self-insured plan, a service benefit plan, a managed care organization, a pharmacy benefit manager, or other party that is, by statute, contract, or agreement, legally responsible for payment of a claim for a health care item or service), in enrolling an individual or in making any payments for benefits to the individual or on the individual's behalf, from taking into account that the individual is eligible for or is provided medical assistance under a plan under this subchapter for such State, or any other State;

(H) that to the extent that payment has been made under the State plan for medical assistance in any case where a third party has a legal liability to make payment for such assistance, the State has in effect laws under which, to the extent that payment has been made under the State plan for medical assistance for health care items or services furnished to an individual, the State is considered to have acquired the rights of such individual to payment by any other party for such health care items or services; and

(I) that the State shall provide assurances satisfactory to the Secretary that the State has in effect laws requiring health insurers, including self-insured plans, group health plans (as defined in section 607(1) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1167(1)]), service benefit plans, managed care organizations, pharmacy benefit managers, or other parties that are, by statute, contract, or agreement, legally responsible for payment of a claim for a health care item or service, as a condition of doing business in the State, to—

(i) provide, with respect to individuals who are eligible (and, at State option, individuals who apply or whose eligibility for medical assistance is being evaluated in accordance with section 1396a(e)(13)(D) of this title) for, or are provided, medical assistance under the State plan under this subchapter (and, at State option, child health assistance under subchapter XXI), upon the request of the State, information to determine during what period the individual or their spouses or their dependents may be (or may have been) covered by a health insurer and the nature of the coverage that is or was provided by the health insurer (including the name, address, and identifying number of the plan) in a manner prescribed by the Secretary;

(ii) accept the State's right of recovery and the assignment to the State of any right of an individual or other entity to payment from the party for an item or service for which payment has been made under the State plan;

(iii) respond to any inquiry by the State regarding a claim for payment for any health care item or service that is submitted not later than 3 years after the date of the provision of such health care item or service; and

(iv) agree not to deny a claim submitted by the State solely on the basis of the date of submission of the claim, the type or format of the claim form, or a failure to present proper documentation at the point-of-sale that is the basis of the claim, if—

(I) the claim is submitted by the State within the 3-year period beginning on the date on which the item or service was furnished; and

(II) any action by the State to enforce its rights with respect to such claim is commenced within 6 years of the State's submission of such claim;

Revised Code of Washington (RCW) 74.09A.005 states:

The legislature finds that:

(1) Simplification in the administration of payment of health benefits is important for the state, providers, and health insurers;

(2) The state, providers, and health insurers should take advantage of all opportunities to streamline operations through automation and the use of common computer standards;
(3) It is in the best interests of the state, providers, and health insurers to identify all third parties that are obligated to cover the cost of health care coverage of joint beneficiaries; and
(4) Health insurers, as a condition of doing business in Washington, must increase their effort to share information with the department and accept the department's timely claims consistent with 42 U.S.C. 1396a(a)(25).

Therefore, the legislature declares that to improve the coordination of benefits between the department of social and health services and health insurers to ensure that medical insurance benefits are properly utilized, a transfer of information between the department and health insurers should be instituted, and the process for submitting requests for information and claims should be simplified.

RCW 74.09A.020 states:

Computerized information — Provision to health insurers.

(1) The department shall provide routine and periodic computerized information to health insurers regarding client eligibility and coverage information. Health insurers shall use this information to identify joint beneficiaries. Identification of joint beneficiaries shall be transmitted to the department. The department shall use this information to improve accuracy and currency of health insurance coverage and promote improved coordination of benefits.
(2) To the maximum extent possible, necessary data elements and a compatible database shall be developed by affected health insurers and the department. The department shall establish a representative group of health insurers and state agency representatives to develop necessary technical and file specifications to promote a standardized database. The database shall include elements essential to the department and its population's health insurance coverage information.
(3) If the state and health insurers enter into other agreements regarding the use of common computer standards, the database identified in this section shall be replaced by the new common computer standards.
(4) The information provided will be of sufficient detail to promote reliable and accurate benefit coordination and identification of individuals who are also eligible for department programs.
(5) The frequency of updates will be mutually agreed to by each health insurer and the department based on frequency of change and operational limitations. In no event shall the computerized data be provided less than semiannually.
(6) (6) The health insurers and the department shall safeguard and properly use the information to protect records as provided by law, including but not limited to chapters 42.48, 74.09, 74.04, 70.02, and 42.56 RCW, and 42 U.S.C. Sec. 1396a and 42 C.F.R. Sec. 43 et seq. The purpose of this exchange of information is to improve coordination and administration of benefits and ensure that medical insurance benefits are properly utilized.
(7) The department shall target implementation of this section to those health insurers with the highest probability of joint beneficiaries.

Washington Administrative Code 182-501-0200 states:

(1) The department requires a provider to seek timely reimbursement from a third party when a client has available third-party resources, except as described under subsections (2) and (3) of this section.
(2) The department pays for medical services and seeks reimbursement from the liable third party when the claim is for any of the following:

(a) Prenatal care;
(b) Labor, delivery, and postpartum care (except inpatient hospital costs) for a pregnant woman; or
(c) Preventive pediatric services as covered under the EPSDT program.

(3) The department pays for medical services and seeks reimbursement from any liable third party when both of the following apply:
(a) The provider submits to the department documentation of billing the third party and the provider has not received payment after thirty days from the date of services; and
(b) The claim is for a covered service provided to a client on whose behalf the office of support enforcement is enforcing an absent parent to pay support. For the purpose of this section, "is enforcing" means the absent parent either:
(i) Is not complying with an existing court order; or
(ii) Received payment directly from the third party and did not pay for the medical services.

(4) The provider may not bill the department or the client for a covered service when a third party pays a provider the same amount as or more than the department rate.

(5) When the provider receives payment from the third party after receiving reimbursement from the department, the provider must refund to the department the amount of the:
(a) Third-party payment when the payment is less than the department's maximum allowable rate; or
(b) The department payment when the third-party payment is equal to or greater than the department's maximum allowable rate.

(6) The department is not responsible to pay for medical services when the third-party benefits are available to pay for the client's medical services at the time the provider bills the department, except as described under subsections (2) and (3) of this section.

(7) The client is liable for charges for covered medical services that would be paid by the third party payment when the client either:
(a) Receives direct third-party reimbursement for such services; or
(b) Fails to execute legal signatures on insurance forms, billing documents, or other forms necessary to receive insurance payments for services rendered. See WAC 388-505-0540 for assignment of rights.

(8) The department considers an adoptive family to be a third-party resource for the medical expenses of the birth mother and child only when there is a written contract between the adopting family and either the birth mother, the attorney, the provider, or the adoption service. The contract must specify that the adopting family will pay for the medical care associated with the pregnancy.

(9) A provider cannot refuse to furnish covered services to a client because of a third party's potential liability for the services.

(10) For third-party liability on personal injury litigation claims, the department is responsible for providing medical services as described under WAC 388-501-0100.

11-39 The Health Care Authority did not investigate information on potential Medicaid fraud or abuse in accordance with federal law, risking the loss of Medicaid resources.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Utilization Control and Program Integrity	
Questioned Cost Amount:	None	

Background

Federal regulations require state Medicaid agencies to have a process to verify with Medicaid clients whether they received services billed by providers. This process is intended to improve program integrity and to identify potential fraud or abuse of the Medicaid program.

The Health Care Authority is responsible for this process, including selecting claims for verification from all eligible claims paid within the last 45 days, sending Medical Services Verification surveys to clients and following up when questions regarding the legitimacy of a claim arise. Federal regulations do not require 100 percent verification; a sampling method may be used. Under federal rule, certain types of claims are exempt from this process.

The Authority sends clients a survey asking if they received the listed services. Authority staff review returned surveys and identify responses that require follow up. Regulations require follow up for surveys in which clients indicate they did not receive the service and/or paid for the service listed.

If follow-through identifies credible suspicions of fraud or abuse, the Authority is to forward that information to the State Attorney General's Office Medicaid Fraud Control Unit. The Centers for Medicare and Medicaid Services (CMS), which is the federal agency that oversees Medicaid, estimated that improper Medicaid payments were $21.9 billion across the nation in fiscal year 2011.

The state had Medicaid expenditures of approximately $7.5 billion in fiscal year 2011, more than $4.7 billion of which was federal dollars.

Description of Condition

During fiscal year 2011, the Authority sent more than 34,662 surveys to clients. Over 11,600 (34 percent) were returned to the Authority. When it receives a negative response, the Authority must conduct a preliminary investigation to determine if it has sufficient basis to warrant a full investigation.

Medical Services Verification (MSV)	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
MSVs sent	9,492	8,841	7,554	8,775	34,662
MSVs received	2,644	2,990	2,416	3,626	11,676
MSVs with negative response	59	113	75	173	420
MSVs received (%)	28%	34%	32%	41%	34%
MSVs with negative response (%)	2%	4%	3%	5%	4%

We found that for July 2010 through January 2011, the Authority followed up on all negative responses to determine if further investigation was necessary. It has not performed any follow-through since January 2011.

Cause of Condition

The Authority made the medical services verification process a low priority as it considers the process to have limited value. The Authority also stated it does not have adequate staffing to perform timely follow-through.

Effect of Condition

Due to the lack of timely follow-through on returned surveys, Medicaid fraud may go undetected and take away Medicaid resources that would otherwise be directed to the truly needy citizens of Washington.

We recommend the Department:

We recommend the Authority conduct a preliminary investigation on all returned surveys to determine whether there is sufficient basis to warrant a full investigation.

Department's Response

The agency does not agree with the finding that there is a "lack of timely follow-through on returned surveys" as there are no federal timeline requirements for Medical Services Verification reviews.

The Health Care Authority prioritizes its program integrity/SUR resources in areas that have proven to yield a higher return on investment. Data analytics have proven in the past to better identify suspicious provider patterns. Past investigations have been targeted on cases that have the highest potential to lead to a fraud or audit referral.

The SAO asked the Health Care Authority to review 10 surveys that SAO believed merited a full investigation. Agency staff determined that several of the claims contained inaccurate information stemming from inaccurate information and conversation data linked to the implementation of ProviderOne, the agency's new Medicaid Management Information System. Of the 10, only one was ultimately found to be worthy of a full investigation.

In its corrective action plan, the Health Care Authority will:

- *Conduct initial review on all returned surveys received between January 1, 2011, through June 30, 2011, to determine whether further review and prioritization of individual cases are warranted for detection Medicaid fraud.*

- *The Surveillance and Utilization Review unit will triage returned Medical Services Verification surveys in the future and follow up as resources are available.*

Auditor's Concluding Remarks

We thank the Authority for its response. When the Authority receives surveys in which clients indicate they did not receive the listed service, federal regulations require the Authority to conduct *a preliminary investigation to determine whether there is sufficient basis to warrant a full investigation. The Authority did not review negative responses it received since January 2011.*

We affirm our finding and will review the status of the Authority's corrective action during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 42, Code of Federal Regulations, Section 455 states in part:

> §455.1 Basis and scope.
> This part sets forth requirements for a State fraud detection and investigation program, and for disclosure of information on ownership and control.
> (a) Under the authority of sections 1902(a)(4), 1903(i)(2), and 1909 of the Social Security Act, Subpart A provides State plan requirements for the identification, investigation, and referral of suspected fraud and abuse cases. In addition, the subpart requires that the State—
> (1) Report fraud and abuse information to the Department; and
> (2) Have a method to verify whether services reimbursed by Medicaid were actually furnished to recipients.
> (b) Subpart B implements sections 1124, 1126, 1902(a)(36), 1903(i)(2), and 1903(n) of the Act. It requires that providers and fiscal agents must agree to disclose ownership and control information to the Medicaid State agency.
> (c) Subpart C implements section 1936 of the Act. It establishes the Medicaid Integrity Program under which the Secretary will promote the integrity of the program by entering into contracts with eligible entities to carry out the activities of subpart C.
> §455.13 Methods for identification, investigation, and referral.
> The Medicaid agency must have—
> (a) Methods and criteria for identifying suspected fraud cases;
> (b) Methods for investigating these cases that—
> (1) Do not infringe on the legal rights of persons involved; and
> (2) Afford due process of law; and
> (c) Procedures, developed in cooperation with State legal authorities, for referring suspected fraud cases to law enforcement officials.
> §455.14 Preliminary investigation.
> If the agency receives a complaint of Medicaid fraud or abuse from any source or identifies any questionable practices, it must conduct a preliminary investigation to determine whether there is sufficient basis to warrant a full investigation.
> §455.15 Full investigation.
> If the findings of a preliminary investigation give the agency reason to believe that an incident of fraud or abuse has occurred in the Medicaid program, the agency must take the following action, as appropriate:
> (a) If a provider is suspected of fraud or abuse, the agency must—

(1) In States with a State Medicaid fraud control unit certified under subpart C of part 1002 of this title, refer the case to the unit under the terms of its agreement with the unit entered into under §1002.309 of this title; or
(2) In States with no certified Medicaid fraud control unit, or in cases where no referral to the State Medicaid fraud control unit is required under paragraph (a)(1) of this section, conduct a full investigation or refer the case to the appropriate law enforcement agency.

(b) If there is reason to believe that a recipient has defrauded the Medicaid program, the agency must refer the case to an appropriate law enforcement agency.
(c) If there is reason to believe that a recipient has abused the Medicaid program, the agency must conduct a full investigation of the abuse.

§455.20 Recipient verification procedure.
(a) The agency must have a method for verifying with recipients whether services billed by providers were received.
(b) In States receiving Federal matching funds for a mechanized claims processing and information retrieval system under part 433, subpart C, of this subchapter, the agency must provide prompt written notice as required by §433.116 (e) and (f).

Title 42, Code of Federal Regulations, Section 433.116 states in part:
FFP for operation of mechanized claims processing and information retrieval systems.
(a) Subject to 42 CFR 433.113(c), FFP is available at 75 percent of expenditures for operation of a mechanized claims processing and information retrieval system approved by CMS, from the first day of the calendar quarter after the date the system met the conditions of initial approval, as established by CMS (including a retroactive adjustment of FFP if necessary to provide the 75 percent rate beginning on the first day of that calendar quarter). Subject to 45 CFR 95.611(a), the State shall obtain prior written approval from CMS when it plans to acquire ADP equipment or services, when it anticipates the total acquisition costs will exceed thresholds, and meets other conditions of the subpart.
(b) CMS will approve the system operation if the conditions specified in paragraphs (c) through (h) of this section are met.
(c) The conditions of §433.112(b) (1) through (4) and (7) through (9), as periodically modified under §433.112(b)(2), must be met.
(d) The system must have been operating continuously during the period for which FFP is claimed.
(e) The system must provide individual notices, within 45 days of the payment of claims, to all or a sample group of the persons who received services under the plan.
(f) The notice required by paragraph (e) of this section—
(1) Must specify—
(i) The service furnished;
(ii) The name of the provider furnishing the service;
(iii) The date on which the service was furnished; and
(iv) The amount of the payment made under the plan for the service; and
(2) Must not specify confidential services (as defined by the State) and must not be sent if the only service furnished was confidential.
(g) The system must provide both patient and provider profiles for program management and utilization review purposes.
(h) If the State has a Medicaid fraud control unit certified under section 1903(q) of the Act and §455.300 of this chapter, the Medicaid agency must have procedures to assure that information on probable fraud or abuse that is obtained from, or developed by, the system is made available to that unit. (See §455.21 of this chapter for State plan requirements.)

11-40 The Health Care Authority's internal controls are insufficient to ensure payment rates for its Healthy Options managed care program are accurate.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles	
Questioned Cost Amount:	None	

Background

From July 2010 through June 2011, the state paid more than $1.34 billion to managed care organizations, an increase of more than $161 million over the previous year. During this period, the number of Medicaid clients enrolled in managed care programs increased by more than 14,000 and the average premium paid by the state increased by more than $13 per person. These payments include funds made available through the American Recovery and Reinvestment Act of 2009.

The Health Care Authority pays managed healthcare providers a uniform, pre-determined, per-patient monthly rate regardless of the number of times a patient is seen each month or the services provided. This is known as a capitation rate. Different managed health care plans may have different rates. Providers are required to submit information regarding the patient visit to the Authority, including the cost of the services and demographic, diagnostic and geographic data.

The Authority contracts with an actuary to analyze this data to use in developing capitation rates. In general, the rate is higher for plans including more seriously ill people.

In a report in August 2010, the U.S. Government Accountability Office stated the accuracy and completeness of data used to set managed care rates is a critical component to ensure rates are appropriate. In fiscal years 2003 through 2010, we reported concerns regarding the Administration's lack of review of the accuracy of data received from providers that is used to determine the rates in this state.

Description of Condition

We found the Authority does not verify the accuracy of data from providers that is used to determine the rates, even though it has the knowledge and expertise to do so. It has an actuarially sound process for calculating rates; however actuarial certification does not ensure the reported data is reliable. If underlying data used is inaccurate or incomplete, it could result in inaccurate rates.

Cause of Condition

The Authority does not agree with the finding and believes its controls are sufficient to ensure data used in the rate-setting process is accurate and complete. Specifically, the Authority cites:

- The actuary's comparisons of data to managed healthcare providers' financial statements and prior year data, and a limited review of individual services provided by managed healthcare facilities.

- Fraud and abuse controls at the healthcare providers to prevent fraud.
- That it has had no findings regarding rate-setting in two Centers for Medicare and Medicaid Services (CMS) reviews.
- CMS approved its rates.

The controls the Authority cites are not specifically designed to verify the accuracy and completeness of the data, and therefore cannot be relied on to achieve that objective. A lack of identified fraud or findings by CMS does not reasonably ensure data integrity.

Effect of Condition

The Authority is increasing the risk that rates paid to providers are inaccurate.

Recommendation

We recommend the Authority establish and follow controls to provide reasonable assurance that data used in rate-setting is accurate and complete.

Department's Response

The Health Care Authority continues to disagree with this audit finding.

There are sufficient controls in-place to assure that managed care rates are set based on the verified managed care organizations (MCO) actual costs of care. Actuarially certified, proprietary cost information is submitted directly to the agency's actuary. The actuary verifies the information submitted by comparing it to audited financial statements submitted to the Office of the Insurance Commissioner and encounter data submitted to the agency. As part of the verification, the actuary has the MCOs complete a reconciliation of cost information with encounter data. The actuary also does analysis of prior years, compares MCOs to each other and resolves outliers that arise from its verification and analyses with the MCOs.

The MCOs each have fraud and abuse controls. The controls provide reasonable assurance that the data used in rate-setting is accurate and complete. This assertion is supported by the fact that the agency has had no findings regarding rate setting in the Centers for Medicare and Medicaid Services (CMS) reviews and has had its rates consistently approved by CMS with their full understanding of our rate setting methodology.

Auditor's Remarks

We thank the Authority for its response. Without reviewing the accuracy and completeness of data used to set managed care rates, the Authority cannot ensure the rates are appropriate. We re-affirm our finding and will follow up during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 42, Code of Federal Regulations, Section 456.3 states, in part:

> The Medicaid agency must implement a statewide surveillance and utilization control program that –
>
> 1. a. Safeguards against unnecessary or inappropriate use of Medicaid services and against excess payments

Title 42 CFR 438.6 Contract requirements, states in part:

(c) Payments under risk contracts —
- (1) Terminology. As used in this paragraph, the following terms have the indicated meanings:
  - (i) Actuarially sound capitation rates means capitation rates that—
    - (A) Have been developed in accordance with generally accepted actuarial principles and practices;
    - (B) Are appropriate for the populations to be covered, and the services to be furnished under the contract; and
    - (C) Have been certified, as meeting the requirements of this paragraph (c), by actuaries who meet the qualification standards established by the American Academy of Actuaries and follow the practice standards established by the Actuarial Standards Board. . .
- (3) Requirements for actuarially sound rates. In setting actuarially sound capitation rates, the State must apply the following elements, or explain why they are not applicable:
  - (i) Base utilization and cost data that are derived from the Medicaid population, or if not, are adjusted to make them comparable to the Medicaid population. . .
- (4) Documentation. The State must provide the following documentation:
  - (i) The actuarial certification of the capitation rates.
  - (ii) An assurance (in accordance with paragraph (c)(3) of this section) that all payment rates are—
    - (A) Based only upon services covered under the State plan (or costs directly related to providing these services, for example, MCO, PIHP, or PAHP administration).
    - (B) Provided under the contract to Medicaid-eligible individuals.

11-41 The Health Care Authority does not perform a retrospective drug use review of pharmaceutical claims data to identify patterns of fraud or abuse as required by federal law.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Utilization Control and Program Integrity	
Questioned Cost Amount:	None	

Background

Medicaid is a state and federal partnership that provides coverage for certain low–income individuals who might otherwise go without medical care. This coverage includes prescription drugs. The Authority paid more than $434 million to pharmacies for services to Medicaid clients in fiscal year 2011.

The Authority's point-of-sale system processes pharmaceutical claims for Medicaid client prescriptions. It runs each request for payment through a series of criteria, known as edits, within the system. The Authority pays the claims if they successfully pass all edits.

Federal laws require state Medicaid programs to have a retrospective drug use review program to identify patterns of fraud, abuse, gross overuse or inappropriate or medically unnecessary use. Medicaid administrators such as the Authority must do these reviews at least quarterly to examine the activities of physicians, pharmacists and Medicaid recipients. Federal law requires this examination to include an analysis of physicians' prescribing practices, drug use by patients and, where appropriate, dispensing practices of pharmacies.

A U.S Government Accountability Office report dated September, 2009, *Medicaid Fraud and Abuse Related to Controlled Substances*, stated it found tens of thousands of Medicaid beneficiaries and providers involved in potential fraudulent purchases of controlled substances, abusive purchases of controlled substances, or both, in Medicaid programs in California, Illinois, New York, North Carolina, and Texas.

In our audits for fiscal years 2008, 2009, and 2010, we reported concerns regarding the Authority's noncompliance with federal law that requires a retrospective drug use review of pharmaceutical claims date at least quarterly.

Description of Condition

During our audit, we found no changes in the conditions that we reported in our previous audits. The Authority does not perform a retrospective drug use review of pharmaceutical claims data at least quarterly as required by federal regulation.

Cause of Condition

The Authority believes its review of the medical appropriateness of prescribing and dispensing drugs is sufficient to fulfill the fraud and abuse-related requirements of federal law. It has not provided us any information on how often or how it does that analysis.

Effect of Condition

Because the Authority is not analyzing pharmaceutical claim data and other records to identify patterns of fraud, abuse, or misuse of Medicaid funds, it is increasing the risk these situations could occur and not be detected in a timely manner, if at all.

Recommendation

We recommend the Authority comply with federal law regarding quarterly analysis of pharmaceutical claims data to identify patterns of fraud, abuse, and misuse of pharmaceuticals paid for with Medicaid funds.

Department's Response

The agency disagrees with this finding.

The Auditor asserts that the Health Care Authority does not perform a retrospective drug use review of pharmaceutical claims data to identify patterns of fraud or abuse as required by federal law.

In fact, the Health Care Authority performs ongoing periodic examination of claims data and other records in order to identify patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care among physicians, pharmacists, and Medicaid recipients, or associated with specific drugs or groups of drugs, as required by 42 CFR § 456.709.

The agency agrees that federal regulation, specifically 42 CFR § 456.709, requires the Health Care Authority to have a retrospective drug use review program through which it conducts ongoing periodic examinations, at least quarterly, of claims data and other records in order to identify patterns of fraud, abuse, gross overuse, inappropriate or medically unnecessary care. The Auditor's finding is in error because it fails to cite to or apply 42 CFR § 456.714 which operates to limit 42 CFR § 456.709.

42 CFR § 456.714 acknowledges that the retrospective drug use review requirements in 42 CFR § 456.709 are duplicative of the Surveillance and Utilization Review requirements provided for in 42 CFR Part 456, subpart A and 42 CFR Part 455. The regulation then expressly permits the Health Care Authority "to limit review activities to those that focus on what constitutes appropriate and medically necessary care to avoid duplication . . .." This is precisely what the Health Care Authority has done. The agency operates a robust Surveillance and Utilization Review program. The Health Care Authority, in full compliance with federal law, focuses its retrospective drug use review activities on ensuring appropriate and medically necessary care.

The Auditor states that "[t]he Authority believes its review of the medical appropriateness of prescribing and dispensing drugs is sufficient to fulfill the fraud and abuse-related requirements of federal law." This is incorrect. Again, it is the Health Care Authority's Surveillance and Utilization Review program that fulfills the fraud and abuse-related requirements of federal law. In accordance with federal law the agency's retrospective drug use review program focuses on what constitutes appropriate and medically necessary care and does not duplicate the fraud and abuse activities under the Surveillance and Utilization Review program. Other business units within the agency perform analysis in the remaining areas of concern to the Auditor, per 42 CFR § 456.714 allowing states to limit the review activity of DUR staff to avoid duplication of activities related to fraud and abuse.

The Auditor states that "[the Authority] has not provided us any information on how often or how it does that analysis." The Auditor also states that "the Authority is not analyzing pharmaceutical claim data and other records to identify patterns of fraud, abuse, or misuse of Medicaid funds ...." Both of these statements are incorrect.

See below for a complete description of the Health Care Authority's extensive fraud and abuse detection programs:

Potential for Fraud and Abuse by Pharmacies
Office of Program Integrity

The Office of Program Integrity uses pharmacy claims data to identify potential Medicaid fraud, waste or abuse. The same office also has the responsibility for escalating, reporting, and making referrals to the Attorney General's Medicaid Fraud Control Unit as warranted for either pharmacies or prescribing providers.

- *The Payment Review Program (PRP) runs data analysis algorithms against pharmacy claims data to identify potential overpayments. Algorithms look at things such as "near duplicate" claims; possible misuse of expedited prior authorization; and drug quantities that may be billed inappropriately for the National Drug Code (NDC) or refilled too soon. Fifteen different forms of fraud and abuse algorithms are run regularly throughout the year.*

- *Surveillance and Utilization Review (SURS) staff performs provider reviews on pharmacies based on either data analysis findings or constituent/intra-agency referrals. SURS staff reviews can produce referrals to audit, provider education, referrals to Quality Management Team (QMT) or overpayment identification. SURS staff also uses the iSURS tool, within ProviderOne, which peer groups pharmacy providers based on their claims data. Several pharmacies are in the process of review each month.*

- *The Medical Audit unit conducts desk and on-site audits of pharmacy providers. They also conduct third-party liability audits against paid pharmacy claims.*

Potential for Fraud and Abuse by Clients
Patient Review and Coordination (PRC)

The PRC program restricts identified clients to specific health care providers and services including one primary prescriber, one narcotic prescriber, and one pharmacy. These restrictions reduce the client's ability to potentially abuse the Medicaid benefit and obtain inappropriate and excessive pharmacy services.

Clients are identified for possible placement into the PRC program through pharmacy claim algorithms for high numbers of narcotic prescription from at least four different prescribers in a three-month period. Through data analysis and clinical review, clients are removed from the set if there is evidence of medical necessity for their prescription use. If no evidence of medical necessity is identified, the client is enrolled in the PRC program with all associated restrictions. Legal authorities may be notified whenever fraud (such as forging prescriptions) is identified on the part of a Medicaid recipient.

Aberrant prescribing patterns by providers are sometimes identified in these client reviews through prescription records, high numbers of clients seeing the same narcotic prescriber, or multiple PRC clients requesting the same 'lock-in' prescriber. When provider problems are identified, they are referred to QMT, and providers with an open QMT cannot serve as a client's" lock-in" prescriber.

Potential for Fraud and Abuse by Prescribers
Office of Program Integrity

An agency contractor (OptumInsight) provides data analysis for the agency's "Generics First Provider Feedback Reports." These reports compare prescribing providers to their peers in prescribing generic over brand drugs for certain drug classes, including Schedule II drugs such as long acting opioids and Attentio Deficit Hyperactivity Disorder (ADHD) medications. Data is analyzed by the Office of the Chief Medical Officer, who follows up with prescribers who show ongoing aberrance in their prescribing practices. If this analysis reveals potential fraud, referrals are made back to the Office of Program Integrity and the Quality Management Team (QMT).

Quality Management Team

QMT staff investigates complaints or information about quality of care issues or concerns, evaluates that information, and documents all cases in the Optum/Ingenix® Fraud and Abuse Detection System (FADS) case tracking database. QMT makes evidence-based decisions using medical/dental claims and encounter data, prescribing data, medical/dental record review, and clinical resources. If the provider under review has prescriptive authority, a full analysis of claims data for prescriptions written by the provider is conducted. Approximately 280 cases were reviewed in FFY 2011.

Severe cases are presented at the Medical Dental Advisory Committee (MDAC) meetings. The agency's Chief Medical Officer makes the final determination on all cases presented at MDAC meetings. Determinations may include termination of the provider's Medicaid contract or referral to the Office of Program Integrity for audit.

Auditor's Concluding Remarks

We thank the Authority for its response. The Authority is responsible for performing a pharmaceutical claims data analysis to identify patterns of fraud and abuse. Authority management can determine which division will best fulfill that responsibility. For the last four years, the State Auditor's office has asked for any evidence of how often and how the Authority performs a retrospective drug use review of pharmaceutical claims data to identify patterns of fraud or abuse as required by federal and state law. The Authority has not supplied us with any evidence of that analysis.

We look forward to reviewing the evidence the Authority described during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 42, Code of Federal Regulations, Section 456.703 states in part:

> (a) *General.* Except as provided in paragraphs (b) and (c) of this section, in order for FFP to be paid or made available under section 1903 of the Act for covered outpatient drugs, the State must have in operation, by not later than January 1, 1993, a DUR program consisting of prospective drug review, retrospective drug use review, and an educational program that meets the requirements of this subpart. The goal of the State's DUR program must be to ensure appropriate drug therapy, while permitting sufficient professional prerogatives to allow for individualized drug therapy.

Title 42, Code of Federal Regulations, Section 456.709 states:

(a) General. The State plan must provide for a retrospective DUR program for ongoing periodic examination (no less frequently than quarterly) of claims data and other records in order to identify patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care among physicians, pharmacists, and Medicaid recipients, or associated with specific drugs or groups of drugs. This examination must involve pattern analysis, using predetermined standards, of physician prescribing practices, drug use by individual patients and, where appropriate, dispensing practices of pharmacies. This program must be provided through the State's mechanized drug claims processing and information retrieval systems approved by CMS (that is, the Medicaid Management Information System (MMIS)) or an electronic drug claims processing system that is integrated with MMIS. States that do not have MMIS systems may use existing systems provided that the results of the examination of drug claims as described in this section are integrated within their existing system.

(b) Use of predetermined standards. Retrospective DUR includes, but is not limited to, using predetermined standards to monitor for the following:
   (1) Therapeutic appropriateness, that is, drug prescribing and dispensing that is in conformity with the predetermined standards.
   (2) Overutilization and underutilization, as defined in Sec. 456.702.
   (3) Appropriate use of generic products, that is, use of such products in conformity with State product selection laws.
   (4) Therapeutic duplication as described in Sec. 456.705(b)(1).
   (5) Drug-disease contraindication as described in Sec. 456.705(b)(2).
   (6) Drug-drug interaction as described in Sec. 456.705(b)(3).
   (7) Incorrect drug dosage as described in Sec. 456.705(b)(4).
   (8) Incorrect duration of drug treatment as described in Sec. 456.705(b)(5).
   (9) Clinical abuse or misuse as described in Sec. 456.705(b)(7).

Title 42 Code of Federal Regulations 455.2 states in part:

Abuse means provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care. It also includes recipient practices that result in unnecessary cost to the Medicaid program.

Title 42 Code of Federal Regulations 455.14 Preliminary investigation states:

If the agency receives a complaint of Medicaid fraud or abuse from any source or identifies any questionable practices, it must conduct a preliminary investigation to determine whether there is sufficient basis to warrant a full investigation.

Title 42 Code of Federal Regulations 455.15 Full investigation states:

If the findings of a preliminary investigation give the agency reason to believe that an incident of fraud or abuse has occurred in the Medicaid program, the agency must take the following action, as appropriate:

(a) If a provider is suspected of fraud or abuse, the agency must—
   (1) In States with a State Medicaid fraud control unit certified under subpart C of part 1002 of this title, refer the case to the unit under the terms of its agreement with the unit entered into under Sec.1002.309 of this title; or
   (2) In States with no certified Medicaid fraud control unit, or in cases where no referral to the State Medicaid fraud control unit is required under paragraph (a)(1) of this section, conduct a full investigation or refer the case to the appropriate law enforcement agency.

(b) If there is reason to believe that a recipient has defrauded the Medicaid program, the agency must refer the case to an appropriate law enforcement agency.

(c) If there is reason to believe that a recipient has abused the Medicaid program, the agency must conduct a full investigation of the abuse.

Title 42 Code of Federal Regulations 455.16 Resolution of full investigation states:

A full investigation must continue until—
(a) Appropriate legal action is initiated;
(b) The case is closed or dropped because of insufficient evidence to support the allegations of fraud or abuse; or
(c) The matter is resolved between the agency and the provider or recipient. This resolution may include but is not limited to—
  (1) Sending a warning letter to the provider or recipient, giving notice that continuation of the activity in question will result in further action;
  (2) Suspending or terminating the provider from participation in the Medicaid program;
  (3) Seeking recovery of payments made to the provider; or
  (4) Imposing other sanctions provided under the State plan.

Washington Administrative Code (WAC) 388-530-4050 [recodifed as WAC 182-530-4050] Drug use and claims review states:

(1) The department's drug use review (DUR) consists of:
  (a) A prospective drug use review (Pro-DUR) that requires all pharmacy providers to:
    (i) Obtain patient histories of allergies, idiosyncrasies, or chronic condition(s) which may relate to drug utilization;
    (ii) Screen for potential drug therapy problems; and
    (iii) Counsel the patient in accordance with existing state pharmacy laws and federal regulations
  (b) A retrospective drug use review (Retro-DUR), in which the department provides for the ongoing periodic examination of claims data and other records in order to identify patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care among physicians, pharmacists, and individuals receiving benefits.
(2) The department reviews a periodic sampling of claims to determine if drugs are appropriately dispensed and billed. If a review of the sample finds that a provider is inappropriately dispensing or billing for drugs, the department may implement corrective action that includes, but is not limited to:
  (a) Educating the provider regarding the problem practice(s);
  (b) Requiring the provider to maintain specific documentation in addition to the normal documentation requirements regarding the provider's dispensing or billing actions;
  (c) Recouping the payment for the drug(s); and/or
  (d) Terminating the provider's core provider agreement (CPA).

11-42 The Health Care Authority did not adequately monitor sub-recipients to ensure Medicaid expenditures are allowable and supported.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Sub-recipient Monitoring	
Questioned Cost Amount:	None	

Background

Medicaid is a jointly funded state and federal partnership providing coverage for low-income individuals who otherwise might go without medical care. The Health Care Authority (HCA) administers the Medicaid program in Washington State. It contracts with governmental entities across the state, such as school districts and local health jurisdictions, to conduct activities to support program goals. As part of the Medicaid Administrative Match (MAM) program, HCA reimburses these entities for the activities.

School districts and local health jurisdictions participate in time studies to determine amounts they will charge to Medicaid. School districts perform a five-day time study each quarter. Local health jurisdictions base their time studies on surveys that obtain information about employee activities at particular moments in time. Each location completes a time study to allocate their costs. The time study produces rates that determine the amount of participating employee salaries charged to Medicaid. The Centers for Medicare and Medicaid Services (CMS) approves the time study methodology used by sub-recipients.

The state Medicaid program paid more than $68 million in federal funding to sub-recipients during fiscal year 2011, $37 million of which went directly to participants of the MAM program. Sixty-four school districts and 16 local health jurisdictions spent the majority of the funds, $13.7 million and $21.6 million respectively.

Description of Condition

The Authority has not performed on-site fiscal monitoring of school districts and local health jurisdictions since the MAM program began. The accuracy of claims depends on the accuracy of the expenditures reported and time study results. Audits performed by our Office at school districts have found some submit inaccurate payroll costs for reimbursement. Without verifying the allowability and accuracy of the expenditures the Authority cannot ensure claims are allowable and supported.

Cause of Condition

The Authority has never performed on-site fiscal monitoring. It did not consider verification of the expenditures charged through time studies as a necessary monitoring activity.

Effect of Condition

The Authority risks reimbursing sub-recipients for expenditures that may be for unsupported and unallowable activities.

Recommendation

We recommend the Authority perform fiscal monitoring of school districts and local health jurisdictions to ensure costs reimbursed within the MAM program are supported and allowable.

Department's Response

The agency agrees with the finding.

To improve oversight, the Medicaid Administrative Match program plans to add a fiscal component to all monitoring activities of school districts and local health jurisdictions.

The improved monitoring activity will include:

> *Sampling time study participant transactions will be performed using the programs approved monitoring cycle. Those results will be reviewed and compared to actual salary and benefits claimed.*

Auditor's Remarks

We appreciate the cooperation and assistance provided by the Authority throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states in part:

> The auditee shall:
>
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 400, states in part:

> (d) Pass-through entity responsibilities. A pass-through entity shall perform the following for the Federal awards it makes:
>
> (1) Identify Federal awards made by informing each subrecipient of CFDA title and number, award name and number, award year, if the award is R&D, and name of Federal agency. When some of this information is not available, the pass-through entity shall provide the best information available to describe the Federal award.
>
> (2) Advise subrecipients of requirements imposed on them by Federal laws, regulations, and the provisions of contracts or grant agreements as well as any supplemental requirements imposed by the pass-through entity.
>
> (3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

(4) Ensure that subrecipients expending $300,000 *($500,000 for fiscal years ending after December 31, 2003)* or more in Federal awards during the subrecipient's fiscal year have met the audit requirements of this part for that fiscal year.
(5) Issue a management decision on audit findings within six months after receipt of the subrecipient's audit report and ensure that the subrecipient takes appropriate and timely corrective action.
(6) Consider whether subrecipient audits necessitate adjustment of the pass-through entity's own records.
(7) Require each subrecipient to permit the pass-through entity and auditors to have access to the records and financial statements as necessary for the pass-through entity to comply with this part.

OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* (2 CFR 225) Appendix B states in part:

h. Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation.
(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection 8.h.(5) unless a statistical sampling system (see subsection 8.h.(6)) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:
(a) More than one Federal award,
(b) A Federal award and a non Federal award,
(c) An indirect cost activity and a direct cost activity,
(d) Two or more indirect activities which are allocated using different allocation bases, or
(e) An unallowable activity and a direct or indirect cost activity.

(5) Personnel activity reports or equivalent documentation must meet the following standards:
(a) They must reflect an after the fact distribution of the actual activity of each employee,
(b) They must account for the total activity for which each employee is compensated,
(c) They must be prepared at least monthly and must coincide with one or more pay periods, and
(d) They must be signed by the employee.
(e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:
(i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;
(ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and
(iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.
(6) Substitute systems for allocating salaries and wages to Federal awards may be used in place of activity reports. These systems are subject to approval if required by the cognizant agency. Such systems may include, but are not limited to, random moment sampling, case counts, or other quantifiable measures of employee effort.
(a) Substitute systems which use sampling methods (primarily for Temporary Assistance to Needy Families (TANF), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:

(i) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in subsection 8.h.(c);
(ii) The entire time period involved must be covered by the sample; and
(iii) The results must be statistically valid and applied to the period being sampled.

(b) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.

(c) Less than full compliance with the statistical sampling standards noted in subsection (a) may be accepted by the cognizant agency if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the governmental unit will result in lower costs to Federal awards than a system which complies with the standards.

(7) Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards.

OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* (2 CFR 225); Appendix A - General Principles for Determining Allowable Costs; Section C - Basic Guidelines state in part:

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
   d. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
   j. Be adequately documented.

11-43 The Health Care Authority does not have adequate controls to ensure Medicaid is the payer of last resort.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles	
Questioned Cost Amount:	None	

Background

Medicaid is the "payer of last resort", meaning those who administer it are to identify and bill other payment sources prior to submitting claims to Medicaid. Third-party liability refers to the legal obligation of third-party resources, usually insurance companies, to pay medical and pharmaceutical claims of Medicaid recipients prior to Medicaid coverage.

Pharmacies submit claims for Medicaid client prescriptions through an electronic point-of-sale system, which processes requests for payment through a series of criteria, known as edits, within the system. The Authority pays claims if they successfully pass all edits.

Pharmacies that submit claims to Medicaid must document potential third-party payers. If a provider submits a claim on behalf of a client who has other insurance without accurately entering the third-party resource, the point-of-sale system will deny the claim. However, the pharmacy may use manual override codes to override the system edits intended to identify and deny these claims. Override codes are recognized nationally as part of electronic claims processing standards. They were established for uses such as processing payment for a drug the client's insurance does not cover, but which is covered by Medicaid.

The Authority paid more than $415 million to pharmacies for services to Medicaid clients in fiscal year 2011. Of that, more than $13.4 million was paid for claims using override codes.

Description of Condition

Pharmacies can enter either accurate third-party information or override codes to bypass the system. Due to this significant, inherent control weakness, claims for pharmaceutical payments are susceptible to errors or abuse. The Medicaid program could pay claims that should have been paid in whole or in part by third parties.

To compensate, the Authority established a post-payment audit program to identify and recover payments made to providers who inappropriately billed Medicaid. We analyzed post payment audits the Authority performed in fiscal years 2008 through 2010. The total pharmacy claims paid using override codes during that period were approximately $55 million and the Authority audited 5 percent of those claims, or $2.5 million. The Authority audits identified an average of 51 percent of payments audited, or approximately $1.3 million to be inappropriate. This is an indication other coverage codes are being misused to bypass controls within the point-of-sale system.

In our audits for fiscal years 2006 through 2010, we recommended the Authority either strengthen controls over the entry of claims into its payment system or increase post-payment audits as long as it is cost-effective. The Authority has requested a change in procedure which would require pharmacies to enter the date of third party liability confirmation into the point-of-sale system. However, this has not been done.

Cause of Condition

The Authority stated it has compensating controls in place to provide reasonable assurance that improper payments will be recovered through its post-payment audit process.

The Authority stated it does not have sufficient resources to expand post-payment audit staffing.

Effect of Condition

Without adequate internal controls over override codes, claims for pharmaceutical payments are susceptible to errors or abuse. The Medicaid program could pay claims that should have been paid in whole or in part by third parties.

Recommendation

We recommend the Authority:

- Strengthen controls over the entry of claims into its payment system to ensure third-party payers are properly billed as the primary source of payment, or
- Increase its post payment audit coverage to ensure improper payments are identified and recovered.

Department's Response

The agency disagrees with this finding.

The Office of Program Integrity currently has two full-time auditors dedicated to reviewing pharmacy third party liability claims for inappropriate use of override codes. It may be that additional system enhancements could strengthen controls over the use of overrides. The agency will continue to communicate with and educate pharmacy providers on the proper use of third party liability override codes.

In addition, the agency has strengthened and improved our efforts in the area of Third-Party Liability (TPL) recoveries by contracting with Health Management Systems (HMS) to augment recovery efforts. This is done by performing enhanced data-matching available through HMS to better identify a client's medical insurance coverage. The contracted activities include: conducting electronic data exchanges with health insurers, and verifying and updating the insurance eligibility of Medicaid recipients for billing liable third parties on behalf of HCA.

With the enhanced data matching, the agency has mitigated the potential loss of recoveries and the inappropriate use of override codes. This is a much more cost effective way to enforce TPL controls.

Auditor's Remarks

We thank the Authority for its response. We look forward to reviewing the improvements the Authority implements during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 42 Code of Federal Regulations, Section 433.139 (b) (1) states:

> If the agency has established the probable existence of third party liability at the time the claim is filed, the agency must reject the claim and return it to the provider for a determination of the amount of liability. The establishment of third party liability takes place when the agency receives confirmation from the provider or a third party resource indicating the extent of third party liability. When the amount of liability is determined, the agency must then pay the claim to the extent that payment allowed under the agency's payment schedule exceeds the amount of the third party's payment.

Title 42 Code of Federal Regulations, Section 433.140 FFP and repayment of Federal share, states in part.

(a) FFP is not available in Medicaid payments if—
  (1) The agency failed to fulfill the requirements of §§433.138 and 433.139 with regard to establishing liability and seeking reimbursement from a third party;
  (2) The agency received reimbursement from a liable third party; or
  (3) A private insurer would have been obligated to pay for the service except that its insurance contract limits or excludes payments if the individual is eligible for Medicaid.

(b) FFP is available at the 50 percent rate for the agency's expenditures in carrying out the requirements of this subpart.

Washington Administrative Code 182-501-0200 states:

Third-party resources.

(1) The department requires a provider to seek timely reimbursement from a third party when a client has available third-party resources, except as described under subsections (2) and (3) of this section.

(2) The department pays for medical services and seeks reimbursement from the liable third party when the claim is for any of the following:
  (a) Prenatal care;
  (b) Labor, delivery, and postpartum care (except inpatient hospital costs) for a pregnant woman; or
  (c) Preventive pediatric services as covered under the EPSDT program.

(3) The department pays for medical services and seeks reimbursement from any liable third party when both of the following apply:
  (a) The provider submits to the department documentation of billing the third party and the provider has not received payment after thirty days from the date of services; and
  (b) The claim is for a covered service provided to a client on whose behalf the office of support enforcement is enforcing an absent parent to pay support. For the purpose of this section, "is enforcing" means the absent parent either:
    (i) Is not complying with an existing court order; or
    (ii) Received payment directly from the third party and did not pay for the medical services.

(4) The provider may not bill the department or the client for a covered service when a third party pays a provider the same amount as or more than the department rate.

(5) When the provider receives payment from the third party after receiving reimbursement from the department, the provider must refund to the department the amount of the:
   (a) Third-party payment when the payment is less than the department's maximum allowable rate; or
   (b) The department payment when the third-party payment is equal to or greater than the department's maximum allowable rate.
(6) The department is not responsible to pay for medical services when the third-party benefits are available to pay for the client's medical services at the time the provider bills the department, except as described under subsections (2) and (3) of this section.
(7) The client is liable for charges for covered medical services that would be paid by the third party payment when the client either:
   (a) Receives direct third-party reimbursement for such services; or
   (b) Fails to execute legal signatures on insurance forms, billing documents, or other forms necessary to receive insurance payments for services rendered. See WAC 388-505-0540 for assignment of rights.
(8) The department considers an adoptive family to be a third-party resource for the medical expenses of the birth mother and child only when there is a written contract between the adopting family and either the birth mother, the attorney, the provider, or the adoption service. The contract must specify that the adopting family will pay for the medical care associated with the pregnancy.
(9) A provider cannot refuse to furnish covered services to a client because of a third party's potential liability for the services.
(10) For third-party liability on personal injury litigation claims, the department is responsible for providing medical services as described under WAC 388-501-0100.

11-44 The Health Care Authority improperly claimed $111,108.98 in federal reimbursement for the Medicaid program.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Eligibility; Activities Allowed or Unallowed; Allowable Costs / Cost Principles	
Questioned Cost Amount:	$91,038.03 Non ARRA	
	$20,070.95 ARRA	

Background

Medicaid is a state and federal partnership that provides medical assistance to certain low-income individuals and individuals with disabilities. The state administers its Medicaid program in accordance with a state plan approved by Centers for Medicare and Medicaid. Although the state has considerable flexibility in designing and operating its Medicaid program, it must comply with applicable federal requirements.

The state Medicaid program spent more than $7.5 billion during fiscal year 2011, more than $4.7 billion of which was federal dollars. Approximately $750 million of this came from the American Recovery and Reinvestment Act.

Federal and state laws and regulations establish Medicaid eligibility requirements. To be eligible, an individual must, among other things, meet citizenship requirements; furnish his or her Social Security number; be eligible for the specific services received; and not exceed income and financial resource levels established in state regulation.

Federal regulations and the state plan define allowable services. For the period under audit, the Health Care Authority administered Medicaid and was responsible for ensuring services were allowable and supported.

When the state provides services to ineligible individuals, or the services are unallowable and/or unsupported, the service cannot be claimed for federal reimbursement.

Description of Condition

During our audit, we noted the Authority claimed the following unallowable expenditures for federal reimbursement:

Medicaid payments for ineligible individuals

We reviewed all Social Security numbers of Medicaid beneficiaries in the Authority's new Medicaid Management Information System named ProviderOne and independently verified those numbers with the Social Security Administration's database.

We found 101 individuals who did not have a valid Social Security number. The table below summarizes the results of our work:

Description	Number of clients	Payments	Federal share[1]	
			Non-ARRA	ARRA
Invalid Social Security number	24	$20,294.99	$10,153.58	$2,238.54
No Social Security number	64	$68,425.44	$34,233.25	$7,547.33
Number belongs to deceased person	13	$ 4,956.72	$ 2,479.85	$ 546.73
Total	**101**	**$93,677.15**	**$46,866.68**	**$10,332.60**

Medicaid payments for unallowable services

Nonqualified aliens are not eligible to receive general Medicaid benefits, but may be eligible for care and services necessary in an emergency medical situation. Non-emergency services provided to nonqualified aliens are not allowable.

We found 299 non-emergency services provided to 45 nonqualified aliens. The table below summarizes the results of our work:

Description	Number of transactions	Payments	Federal share[1]	
			Non-ARRA	ARRA
Non emergency services provided to nonqualified aliens.	299	$27,985.96	$14,001.38	$3,086.85

Medicaid payments for unsupported services

Federal regulations state an overpayment is the amount a Medicaid agency paid to a provider in excess of the amount allowable for services furnished. Therefore, most payments to providers after the date of a Medicaid client's death are classified as overpayments.

We found 202 services provided after a client's death. The table below summarizes the results of our work:

Description	Number of claims	Payments	Federal share[1]	
			Non-ARRA	ARRA
Services provided after date of death.	202	$60,303.76	$30,169.97	$6,651.50

In total, we identified $181,966.87 unallowable expenditures. We are questioning $111,108.98, which is the federal portion of the expenditures.

Cause of Condition

The Authority has Social Security number verification procedures and has made improvements in its training and monitoring. The Authority has also reviewed unallowable Medicaid payments for services provided to nonqualified aliens and payments for services provided after a client's death. However, it is still not preventing or catching all unallowable payments.

[1] The federal share is calculated by using an average of FMAP rates for fiscal year 2011.

Effect of Condition and Questioned Costs

The Authority paid $181,966.87 to providers for services for ineligible individuals or unallowable activities. We are questioning $111,108.98, the federal portion of the unallowable costs.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support its expenditures.

Recommendation

We recommend the Authority:

- Follow up on 101 clients who did not have a valid Social Security number and re-determine their Medicaid eligibility.
- Strengthen procedures to ensure that Medicaid services provided to nonqualified aliens are restricted to emergency services.
- Strengthen procedures for identifying deceased beneficiaries to prevent overpayments.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Department's Response

The agency agrees with this finding. The Health Care Authority concurs that 152 clients apparently received some benefits in error, and the agency will review those claims to determine the reason for the erroneous payments and the cost. While the payments cited by the State Auditor's Office are a relatively small amount of the funds handled by the Health Care Authority, the agency's target continues to be 100 percent accuracy in payments.

- *Health Care Authority will review all the payments cited by the State Auditor's Office to deceased persons or other ineligible people and will identify and correct any payments made in error after the person's date of death or made to someone other than the rightful holder of the Social Security Number in question. Past findings involving Social Security Number matching have often proven to be explainable – a widow continuing to cite a spouse's Social Security Number, for example.*
- *Health Care Authority will arrange repayment of any federal funds received in error, in the manner previous repayments have been completed, after the agency has completed the reviews mentioned in this response. The agency expects that review to take approximately four weeks, or until April 1, 2012.*
- *Health Care Authority continues to strengthen procedures to improve accuracy of all payments and claims that are paid for unallowable services. HCA does provide some programs for nonqualified and undocumented aliens that utilize multiple funding streams to pay for services that are not allowed by federal matching dollars. A portion of the 111 transaction errors found by the SAO was for clients in programs that have these multiple funding streams. In this way, necessary non-Medicaid allowable services can be provided by other funds, such as state dollars or Title XXI funds, that do allow those services for the aliens in question.*

- *The agency will review all transactions listed by the SAO to capture and correct any errors in these payments. Health Care Authority administers medical assistance for more than 1.2 million Washington state residents. As the State Auditor's Office reported, in fiscal year 2011, HCA spent more than $7.5 billion, of which more than $4.7 billion was in federal matching funds. One hundred percent accuracy remains the goal for all HCA transactions and eligibility determinations.*

Auditor's Concluding Remarks

We thank the Authority for its cooperation and assistance throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, states:

> Section 510 - Audit findings.
>
> (a) Audit findings reported. The auditor shall report the following as audit findings in a schedule of findings and questioned costs:
> (3) Known questioned costs which are greater than $10,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor.

OMB Circular A-87: *Cost Principles for State, Local and Indian Tribal Governments* (2 CFR 225); Appendix A - General Principles for Determining Allowable Costs; Section C - Basic Guidelines state in part:

> 1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
> p. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
> q. Be allocable to Federal awards under the provisions of 2 CFR part 225.
> r. Be authorized or not prohibited under State or local laws or regulations.
> s. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
> t. Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.
> u. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
> v. Except as otherwise provided for in 2 CFR part 225, be determined in accordance with generally accepted accounting principles.
> w. Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation.
> x. Be the net of all applicable credits.
> y. Be adequately documented.

Title 42, Code of Federal Regulations, Part 433.304 defines an overpayment as following:

> *Overpayment* means the amount paid by a Medicaid agency to a provider which is in excess of the amount that is allowable for services furnished under section 1902 of the Act and which is required to be refunded under section 1903 of the Act.

Title 42, Code of Federal Regulations, Section 435.910 (a) specifically states in part:

> The agency must require, as a condition of eligibility that each individual (including children) requesting Medicaid services furnish each of his or her own social security numbers . . . .

Title 42, Code of Federal Regulations, Section 435.910 (g) states:

> The agency must verify each SSN of each applicant and recipient with SSA, as prescribed by the commissioner, to insure that each SSN furnished was issued to that individual and to determine whether any others were issued.

Title 42, Code of Federal Regulations, Section 435.910 (e) states:

> If a Medicaid applicant cannot remember or has not been issued a Social Security number the agency must:
> (1) Assist the applicant in completing an application for an SSN;
> (2) Obtain evidence required under SSA regulations to establish the age, the citizenship or alien status, and the true identity of the applicant; and
> (3) Either send the application to SSA or, if there is evidence that the applicant has previously been issued a SSN, request SSA to furnish the number.

Title 42, Code of Federal Regulations, Section 435.916 (a) states in part:

> The agency must re-determine the eligibility of Medicaid recipients, with respect to circumstances that may change, at least every 12 months . . .

Title 42, Code of Federal Regulations, Section 435.920 (a-c) states:

(a) In re-determining eligibility, the agency must review case records to determine whether they contain the recipient's SSN or, in the case of families, each family member's SSN.
(b) If the case record does not contain the required SSNs, the agency must require the recipient to furnish them and meet other requirements of 435.910.
(c) For any recipient whose SSN was established as part of the case record without evidence required under the SSN regulations as to age, citizenship, alien status, or true identity, the agency must obtain verification of these factors in accordance with 435.910.

Title 42, Code of Federal Regulations, Section 440.255, Limited services available to certain aliens states:

(a) FFP for services. FFP is available for services provided to aliens described in this section which are necessary to treat an emergency medical condition as defined in paragraphs (b)(1) and (c) or services for pregnant women described in paragraph (b)(2).
(b) Legalized aliens eligible only for emergency services and services for pregnant women. Aliens granted lawful temporary resident status, or lawful permanent resident status under sections 245A, 210 or 210A of the Immigration and Nationality Act, who are not in one of the exempt groups described in §§435.406(a)(3) and 436.406(a)(3) and who meet all other requirements for Medicaid will be eligible for the following services—
    (1) Emergency services required after the sudden onset of a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:

(i) Placing the patient's health in serious jeopardy;
(ii) Serious impairment to bodily functions; or
(iii) Serious dysfunction of any bodily organ or part.

(2) Services for pregnant women which are included in the approved State plan. These services include routine prenatal care, labor and delivery, and routine post-partum care. States, at their option, may provide additional plan services for the treatment of conditions which may complicate the pregnancy or delivery.

(c) Effective January 1, 1987, aliens who are not lawfully admitted for permanent residence in the United States or permanently residing in the United States under the color of law must receive the services necessary to treat the condition defined in paragraph (1) of this section if—

(1) The alien has, after sudden onset, a medical condition (including emergency labor and delivery) manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:
(i) Placing the patient's health in serious jeopardy;
(ii) Serious impairment to bodily functions; or
(iii) Serious dysfunction of any bodily organ or part, and

(2) The alien otherwise meets the requirements in §§435.406(c) and 436.406(c) of this subpart.

Title 42, Code of Federal Regulations, Section 435.406, Citizenship and alienage states:

(a) The agency must provide Medicaid to otherwise eligible residents of the United States who are —

(1) Citizens: (i) Under a declaration required by section 1137(d) of the Act that the individual is a citizen or national of the United States; and
(ii) The individual has provided satisfactory documentary evidence of citizenship or national status, as described in §435.407.
(iii) An individual for purposes of the declaration and citizenship documentation requirements discussed in paragraphs (a)(1)(i) and (a)(1)(ii) of this section includes both applicants and recipients under a section 1115 demonstration (including a family planning demonstration project) for which a State receives Federal financial participation in their expenditures, as though the expenditures were for medical assistance.
(iv) Individuals must declare their citizenship and the State must document the individual's citizenship in the individual's eligibility file on initial applications and initial redeterminations effective July 1, 2006.
(v) The following groups of individuals are exempt from the requirements in paragraph (a)(1)(ii) of this section:
(A) Individuals receiving SSI benefits under title XVI of the Act.
(B) Individuals entitled to or enrolled in any part of Medicare.
(C) Individuals receiving disability insurance benefits under section 223 of the Act or monthly benefits under section 202 of the Act, based on the individual's disability (as defined in section 223(d) of the Act).
(D) Individuals who are in foster care and who are assisted under Title IV-B of the Act, and individuals who are recipients of foster care maintenance or adoption assistance payments under Title IV–E of the Act.

(2)(i) Except as specified in 8 U.S.C. 1612(b)(1) (permitting States an option with respect to coverage of certain qualified aliens), qualified aliens as described in section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1641) (including qualified aliens subject to the 5-year bar) who have provided satisfactory documentary evidence of Qualified Alien status, which status has been verified with the Department of Homeland Security (DHS) under a declaration

required by section 1137(d) of the Act that the applicant or recipient is an alien in a satisfactory immigration status.

(ii) The eligibility of qualified aliens who are subject to the 5-year bar in 8 U.S.C. 1613 is limited to the benefits described in paragraph (b) of this section.

(b) The agency must provide payment for the services described in §440.255(c) of this chapter to residents of the State who otherwise meet the eligibility requirements of the State plan (except for receipt of AFDC, SSI, or State Supplementary payments) who are qualified aliens subject to the 5-year bar or who are non-qualified aliens who meet all Medicaid eligibility criteria, except non-qualified aliens need not present a social security number or document immigration status.

Washington Administrative Code (WAC) 182-500-0030, Medical definitions, states in part:

"Emergency medical condition" means the sudden onset of a medical condition (including labor and delivery) manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:

*Placing the patient's health in serious jeopardy;
*Serious impairment to bodily functions; or
*Serious dysfunction of any bodily organ or part.

Washington Administrative Code (WAC) 388-438-0115 states:

(1) A person nineteen years of age or older who is not pregnant and meets the eligibility criteria under WAC 388-438-0110 is eligible for the alien emergency medical program's scope of covered services described in this section if the person meets (a) and (b) below, or (c) below:
   (a) The department's health and recovery services administration determines that the primary condition requiring treatment meets the definition of an emergency medical condition as defined in WAC 388-500-0005, and the condition is confirmed through review of clinical records; and
   (b) The person's qualifying emergency medical condition is treated in one of the following hospital settings:
      (i) Inpatient;
      (ii) Outpatient surgery;
      (iii) Emergency room services, which must include an evaluation and management (E&M) visit by a physician; or
   (c) Involuntary Treatment Act (ITA) and voluntary inpatient admissions to a hospital psychiatric setting that are authorized by the department's inpatient mental health designee (see subsection (5) of this section).
(2) If a person meets the criteria in subsection (1), the department will cover and pay for all related medically necessary health care services and professional services provided:
   (a) By a physician in his office or in a clinic setting immediately prior to the transfer to the hospital, resulting in a direct admission to the hospital; and
   (b) During the specific emergency room visit, outpatient surgery or inpatient admission. These services include, but are not limited to:
      (i) Medications;
      (ii) Laboratory, X ray, and other diagnostics and the professional interpretations;
      (iv) Medical equipment and supplies;
      (iv) Anesthesia, surgical, and recovery services;
      (v) Physician consultation, treatment, surgery, or evaluation services;
      (vi) Therapy services;
      (vii) Emergency medical transportation; and
      (viii) Nonemergency ambulance transportation to transfer the person from a hospital to a long term acute care (LTAC) or an inpatient physical medicine and rehabilitation (PM&R) unit, if that admission is prior authorized by the department as described in subsection (3) of this section.
(3) The department will cover admissions to an LTAC facility or an inpatient PM&R unit if:

(a) The original admission to the hospital meets the criteria as described in subsection (1) of this section;
(b) The person is transferred directly to this facility from the hospital; and
(c) The admission is prior authorized according to LTAC and PM&R program rules (see WAC 388-550-2590 for LTAC and WAC 388-550-2561 for PM&R).

(4) The department does not cover any services, regardless of setting, once the person is discharged from the hospital after being treated for a qualifying emergency medical condition authorized by the department under this program. Exception: Pharmacy services, drugs, devices, and drug-related supplies listed in WAC 388-530-2000, prescribed on the same day and associated with the qualifying visit or service (as described in subsection (1) of this section) will be covered for a one-time fill and retrospectively reimbursed according to pharmacy program rules.

(5) Medical necessity of inpatient psychiatric care in the hospital setting must be determined, and any admission must be authorized by the department's inpatient mental health designee according to the requirements in WAC 388-550-2600.

(6) There is no precertification or prior authorization for eligibility under this program. Eligibility for the AEM program does not have to be established before an individual begins receiving emergency treatment.

(7) Under this program, certification is only valid for the period of time the person is receiving services under the criteria described in subsection (1) of this section. The exception for pharmacy services is also applicable as described in subsection (4) of this section.
(a) For inpatient care, the certification is only for the period of time the person is in the hospital, LTAC, or PM&R facility - the admission date through the discharge date. Upon discharge the person is no longer eligible for coverage.
(b) For an outpatient surgery or emergency room service the certification is only for the date of service. If the person is in the hospital overnight, the certification will be the admission date through the discharge date. Upon release from the hospital, the person is no longer eligible for coverage.

(8) Under this program, any visit or service not meeting the criteria described in subsection (1) of this section is considered not within the scope of service categories as described in WAC 388-501-0060. This includes, but is not limited to:
(a) Hospital services, care, surgeries, or inpatient admissions to treat any condition which is not considered by the department to be a qualifying emergency medical condition, including but not limited to:
(i) Laboratory X ray, or other diagnostic procedures;
(ii) Physical, occupational, speech therapy, or audiology services;
(iii) Hospital clinic services; or
(iv) Emergency room visits, surgery, or hospital admissions.
(b) Any services provided during a hospital admission or visit (meeting the criteria described in subsection (1) of this section), which are not related to the treatment of the qualifying emergency medical condition;
(c) Organ transplants, including preevaluations, post operative care, and anti-rejection medication;
(d) Services provided outside the hospital settings described in subsection (1) of this section, including but not limited to:
(i) Office or clinic-based services rendered by a physician, an ARNP, or any other licensed practitioner;
(ii) Prenatal care, except labor and delivery;
(iii) Laboratory, radiology, and any other diagnostic testing;
(iv) School-based services;
(vi) Personal care services;
(vii) Physical, respiratory, occupational, and speech therapy services;
(vii) Waiver services;
(viii) Nursing facility services;
(ix) Home health services;
(x) Hospice services;

(xi) Vision services;
(xii) Hearing services;
(xiii) Dental services;
(xiv) Durable and non durable medical supplies;
(xv) Nonemergency medical transportation;
(xvi) Interpreter services; and
(xvii) Pharmacy services, except as described in subsection (4).

(9) The services listed in subsection (8) of this section are not within the scope of service categories for this program and therefore the exception to rule process is not available.

(10) Providers must not bill the department for visits or services that do not meet the qualifying criteria described in this section. The department will identify and recover payment for claims paid in error.

11-45 The Health Care Authority does not have adequate controls to ensure controlled substances prescribed for Medicaid clients are authorized and allowable.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Allowable Costs / Cost Principles	
Questioned Cost Amount:	$26,051.78	

Background

The federal Drug Enforcement Administration (DEA) classifies all controlled substances as scheduled drugs ranging from level 1-5; the number represents the potential risk of abuse the drug poses to the client. Schedule 1 drugs, such as heroin, are illegal. The rest are considered legitimate for medical use and range from morphine (schedule 2), to cough syrup with codeine (schedule 5).

Federal regulations require individuals who prescribe controlled substances to register with the DEA. These individuals must have an active medical license in the state in which they practice. This registration allows the DEA to track all prescribers of controlled substances in a national database and to monitor all prescriptions. The DEA assigns all registrants an identification number. All Medicaid providers are also required to have a National Provider Identifier (NPI) number issued by the U.S. Department of Health and Human Services, regardless of whether they prescribe scheduled drugs.

Pharmacies submit claims for Medicaid client prescriptions through an electronic point-of-sale system that in real time processes requests for payment through a series of criteria (edits) within the system. Prescribers can use either their DEA numbers or NPI numbers as identification; the system will accept either, even when processing a scheduled drug claim. Claims are paid if the prescriber passes all edits.

Federal grant regulations require the Authority to have controls that provide reasonable assurance that Medicaid expenditures are allowable. These expenditures must be supported, authorized and allowable under federal, state laws or regulations. Controlled substances are allowable expenditures for Medicaid only when prescribed by prescribers with valid DEA numbers.

In a report issued in September 2009, the U.S. Government Accountability Office found tens of thousands of Medicaid beneficiaries and providers involved in potential fraudulent purchases of controlled substances, abusive purchases of controlled substances, or both, in five states: California, Illinois, New York, North Carolina, and Texas[1]. Investigations by GAO also uncovered other issues, such as doctors writing controlled substance prescriptions without having required DEA authorization.

[1] GAO 09-957

The Authority paid more than $41 million in claims for schedule two through five drugs between July 1, 2010 and June 30, 2011.

Description of Condition

In our past three audits we reported the Authority's controls over payments for schedule 2-5 prescription drug claims were inadequate. The Authority has procedures to ensure a prescriber of schedule 2 drugs has a DEA number, but the procedures do not verify whether the DEA number is valid. For schedule 3-5 drugs the Authority does not have any procedure to ensure prescribers have valid DEA numbers.

Claims for these medications are paid without assurance that the prescriber has proper DEA authorization.

Cause of Condition

The Authority stated it needs a complete source of data that provides the necessary NPI to DEA crosswalk to fully implement an efficient edit for all scheduled drugs. The data was not available during our audit.

Effect of Condition and Questioned Costs

We reviewed schedule 2-5 prescription drug claims with DEA numbers processed through the point-of-sale system and verified the validity of those DEA numbers with DEA databases available from the National Technical Information Service (NTIS), an agency of the Department of Commerce. We identified 214 prescribers who did not have valid DEA numbers at the time of the transaction. Those prescribers prescribed 1,428 scheduled drugs, as shown in the table below:

Schedule	Transactions with invalid DEA number	
	Transactions	Expenditures
Schedule 2	470	$ 27,704.82
Schedule 3	446	$ 5,265.81
Schedule 4	480	$ 4,041.53
Schedule 5	32	$ 5,656.99
Total	1,428	$ 42,669.15

The Authority paid $42,669.15 for these claims. We are questioning $ 26,051.78, which is the federal portion of the expenditures.

Without adequate controls to validate prescriber's DEA number for scheduled drugs, the Authority is unable to ensure all expenditures related to the claims are properly authorized and allowable.

Recommendation

We recommend the Authority:

- Ensure prescribers of controlled substances have valid DEA numbers that demonstrate they are authorized to provide this service in accordance with federal requirements.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Department's Response

The Health Care Authority (HCA) disagrees with this finding.

There are no federal or state statutes that require a payer (e.g., the Health Care Authority) to validate the Drug Enforcement Administration (DEA) number of a prescriber. Therefore, the agency disagrees that the lack of an edit that validates DEA for Schedule 2-5 drugs constitutes inadequate internal controls or that the lack of such validation renders the payment unallowable.

The Health Care Authority believes that responsibility for compliance with controlled substance requirements lies with the prescribing provider and the dispensing pharmacies. The Controlled Substance Act (21 USC Sec. 821) and the State Uniform Controlled Substance Act (Chapter 69.50 RCW) do not regulate payment for controlled substances, and there are no provisions in either that could be interpreted as a requirement relating to payment of claims for controlled substances. Title 21 CFR Section 1306.04 clearly states that the prescribing practitioner is responsible for assuring that the prescription conforms in all essential respects to the law and regulation:

> *(a) A prescription for a controlled substance to be effective must be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his professional practice. The responsibility for the proper prescribing and dispensing of controlled substances is upon the prescribing practitioner, but a corresponding responsibility rests with the pharmacist who fills the prescription."*

This finding indicates that "the Authority has procedures to ensure a prescriber of schedule 2 drugs has a DEA number, but the procedures do not verify whether the DEA number is valid." That statement is incorrect. The agency's Pharmacy Point of Sale (POS) system maintains a prescriber network of known NPI/DEA associations, and it is updated by state staff as new associations become known. System functionality includes manual updates to a "blocked prescriber list" that identifies prescriber DEAs prevented from prescribing Schedule II drugs. Claims for Schedule 2 drugs are validated against the DEAs on the prescriber network. The problem identified by SAO is not a lack of validation. Rather, the DEA regular file update is received into the POS on a monthly basis, resulting in a lag in the DEA effective dates and a discrepancy with the DEA file that SAO used to conduct the audit. As noted in previous years, there continues to be no complete external file that accurately and completely associates NPI to DEA.

In addition to the POS edit that validates the DEA for Schedule II drugs, the Health Care Authority has a set of robust Program Integrity activities -- including pharmacy utilization review, pharmacy rules-based algorithms that identify improper payments, and data mining activities that identify patterns outside the norm. In the absence of any requirement to validate the DEA number for controlled substances, the agency believes this set of Program Integrity activities provides adequate controls to ensure that controlled substances are authorized and allowable.

Auditor's Concluding Remarks

We thank the Authority for its response.

The Authority is responsible for ensuring services provided to Medicaid clients are allowable. In order for a controlled substance prescription to be an allowable Medicaid service, it must be prescribed by a provider with a valid DEA number.

We will review this area during our next audit.

Applicable Laws and Regulations

Circular No. A-133, Subpart C, §_.300 Auditee responsibilities. states in part:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

OMB Circular A-87: *Cost Principles for State, Local and Indian Tribal Governments* (2 CFR 225); Appendix A - General Principles for Determining Allowable Costs; Section C - Basic Guidelines state in part:

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
   a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
   b. Be allocable to Federal awards under the provisions of 2 CFR part 225.
   c. Be authorized or not prohibited under State or local laws or regulations.
   d. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
   e. Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.
   f. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
   g. Except as otherwise provided for in 2 CFR part 225, be determined in accordance with generally accepted accounting principles.
   h. Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation.
   i. Be the net of all applicable credits.
   j. Be adequately documented.

Title 21, Code of Federal Regulations, Section 1301 states in part:

§1301.11 Persons required to register; requirement of modification of registration authorizing activity as an online pharmacy.

(a) Every person who manufactures, distributes, dispenses, imports, or exports any controlled substance or who proposes to engage in the manufacture, distribution, dispensing, importation or exportation of any controlled substance shall obtain a registration unless exempted by law or pursuant to §§1301.22 through 1301.26. Except as provided in paragraph (b) of this section, only persons actually engaged in such activities are required to obtain a registration; related or affiliated persons who are not engaged in such activities are not required to be registered. (For example, a stockholder or parent corporation of a corporation manufacturing controlled substances is not required to obtain a registration.)

(b) As provided in sections 303(f) and 401(h) of the Act (21 U.S.C. 823(f) and 841(h)), it is unlawful for any person who falls within the definition of "online pharmacy" (as set forth in section 102(52) of the Act (21 U.S.C.802(52)) and §1300.04(h) of this chapter) to deliver, distribute, or dispense a controlled substance by means of the Internet if such person is not validly registered with a modification of such registration authorizing such activity (unless such person is exempt from such modified registration requirement under the Act or this chapter). The Act further provides that the Administrator may only issue such modification of registration to a person who is registered as a pharmacy under section 303(f) of the Act (21 U.S.C. 823(f)). Accordingly, any pharmacy registered pursuant to §1301.13 of this part that falls within the definition of an online pharmacy and proposes to dispense controlled substances by means of the Internet must obtain a

modification of its registration authorizing such activity following the submission of an application in accordance with §1301.19 of this part. This requirement does not apply to a registered pharmacy that does not fall within the definition of an online pharmacy set forth in §1300.04(h). Under the Act, persons other than registered pharmacies are not eligible to obtain such a modification of registration but remain liable under section 401(h) of the Act (21 U.S.C. 841(h)) if they deliver, distribute, or dispense a controlled substance while acting as an online pharmacy without being validly registered with a modification authorizing such activity.

Title 21, Code of Federal Regulations, Section 1306 states in part:

§1306.03 Persons entitled to issue prescriptions.

(a) A prescription for a controlled substance may be issued only by an individual practitioner who is:
  (1) Authorized to prescribe controlled substances by the jurisdiction in which he is licensed to practice his profession and
  (2) Either registered or exempted from registration pursuant to §§1301.22(c) and 1301.23 of this chapter.

(b) A prescription issued by an individual practitioner may be communicated to a pharmacist by an employee or agent of the individual practitioner.

§1306.21 Requirement of prescription.

(a) A pharmacist may dispense directly a controlled substance listed in Schedule III, IV, or V that is a prescription drug as determined under section 503(b) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 353(b)) only pursuant to either a paper prescription signed by a practitioner, a facsimile of a signed paper prescription transmitted by the practitioner or the practitioner's agent to the pharmacy, an electronic prescription that meets the requirements of this part and part 1311 of this chapter, or an oral prescription made by an individual practitioner and promptly reduced to writing by the pharmacist containing all information required in §1306.05, except for the signature of the practitioner.

(b) An individual practitioner may administer or dispense directly a controlled substance listed in Schedule III, IV, or V in the course of his/her professional practice without a prescription, subject to §1306.07.

(c) An institutional practitioner may administer or dispense directly (but not prescribe) a controlled substance listed in Schedule III, IV, or V only pursuant to a written prescription signed by an individual practitioner, or pursuant to a facsimile of a written prescription or order for medication transmitted by the practitioner or the practitioner's agent to the institutional practitioner-pharmacist, or pursuant to an oral prescription made by an individual practitioner and promptly reduced to writing by the pharmacist (containing all information required in Section 1306.05 except for the signature of the individual practitioner), or pursuant to an order for medication made by an individual practitioner which is dispensed for immediate administration to the ultimate user, subject to §1306.07.

§1306.22 Refilling of prescriptions.

(a) No prescription for a controlled substance listed in Schedule III or IV shall be filled or refilled more than six months after the date on which such prescription was issued. No prescription for a controlled substance listed in Schedule III or IV authorized to be refilled may be refilled more than five times.

(b) Each refilling of a prescription shall be entered on the back of the prescription or on another appropriate document or electronic prescription record. If entered on another document, such as a medication record, or electronic prescription record, the document or record must be uniformly maintained and readily retrievable.

(c) The following information must be retrievable by the prescription number:
  (1) The name and dosage form of the controlled substance.
  (2) The date filled or refilled.

(3) The quantity dispensed.
(4) The initials of the dispensing pharmacist for each refill.
(5) The total number of refills for that prescription.

(d) If the pharmacist merely initials and dates the back of the prescription or annotates the electronic prescription record, it shall be deemed that the full face amount of the prescription has been dispensed.

(e) The prescribing practitioner may authorize additional refills of Schedule III or IV controlled substances on the original prescription through an oral refill authorization transmitted to the pharmacist provided the following conditions are met:
(1) The total quantity authorized, including the amount of the original prescription, does not exceed five refills nor extend beyond six months from the date of issue of the original prescription.
(2) The pharmacist obtaining the oral authorization records on the reverse of the original paper prescription or annotates the electronic prescription record with the date, quantity of refill, number of additional refills authorized, and initials the paper prescription or annotates the electronic prescription record showing who received the authorization from the prescribing practitioner who issued the original prescription.
(3) The quantity of each additional refill authorized is equal to or less than the quantity authorized for the initial filling of the original prescription.
(4) The prescribing practitioner must execute a new and separate prescription for any additional quantities beyond the five-refill, six-month limitation.

(f) As an alternative to the procedures provided by paragraphs (a) through (e) of this section, a computer application may be used for the storage and retrieval of refill information for original paper prescription orders for controlled substances in Schedule III and IV, subject to the following conditions:
(1) Any such proposed computerized application must provide online retrieval (via computer monitor or hard-copy printout) of original prescription order information for those prescription orders that are currently authorized for refilling. This shall include, but is not limited to, data such as the original prescription number; date of issuance of the original prescription order by the practitioner; full name and address of the patient; name, address, and DEA registration number of the practitioner; and the name, strength, dosage form, quantity of the controlled substance prescribed (and quantity dispensed if different from the quantity prescribed), and the total number of refills authorized by the prescribing practitioner.
(2) Any such proposed computerized application must also provide online retrieval (via computer monitor or hard-copy printout) of the current refill history for Schedule III or IV controlled substance prescription orders (those authorized for refill during the past six months). This refill history shall include, but is not limited to, the name of the controlled substance, the date of refill, the quantity dispensed, the identification code, or name or initials of the dispensing pharmacist for each refill and the total number of refills dispensed to date for that prescription order.
(3) Documentation of the fact that the refill information entered into the computer each time a pharmacist refills an original paper, fax, or oral prescription order for a Schedule III or IV controlled substance is correct must be provided by the individual pharmacist who makes use of such an application. If such an application provides a hard-copy printout of each day's controlled substance prescription order refill data, that printout shall be verified, dated, and signed by the individual pharmacist who refilled such a prescription order. The individual pharmacist must verify that the data indicated are correct and then sign this document in the same manner as he would sign a check or legal document (*e.g.,* J.H. Smith, or John H. Smith). This document shall be maintained in a separate file at that pharmacy for a period of two years from the dispensing date. This printout of the day's controlled substance prescription order refill data must be provided to each pharmacy using such a computerized application within 72 hours of the date on which the refill was dispensed. It must be verified and signed by each pharmacist who is involved with such dispensing. In lieu of such a printout, the pharmacy shall maintain a bound log book, or separate file, in which

each individual pharmacist involved in such dispensing shall sign a statement (in the manner previously described) each day, attesting to the fact that the refill information entered into the computer that day has been reviewed by him and is correct as shown. Such a book or file must be maintained at the pharmacy employing such an application for a period of two years after the date of dispensing the appropriately authorized refill.

(4) Any such computerized application shall have the capability of producing a printout of any refill data that the user pharmacy is responsible for maintaining under the Act and its implementing regulations. For example, this would include a refill-by-refill audit trail for any specified strength and dosage form of any controlled substance (by either brand or generic name or both). Such a printout must include name of the prescribing practitioner, name and address of the patient, quantity dispensed on each refill, date of dispensing for each refill, name or identification code of the dispensing pharmacist, and the number of the original prescription order. In any computerized application employed by a user pharmacy the central recordkeeping location must be capable of sending the printout to the pharmacy within 48 hours, and if a DEA Special Agent or Diversion Investigator requests a copy of such printout from the user pharmacy, it must, if requested to do so by the Agent or Investigator, verify the printout transmittal capability of its application by documentation (*e.g.,* postmark).

(5) In the event that a pharmacy which employs such a computerized application experiences system down-time, the pharmacy must have an auxiliary procedure which will be used for documentation of refills of Schedule III and IV controlled substance prescription orders. This auxiliary procedure must ensure that refills are authorized by the original prescription order, that the maximum number of refills has not been exceeded, and that all of the appropriate data are retained for online data entry as soon as the computer system is available for use again.

(g) When filing refill information for original paper, fax, or oral prescription orders for Schedule III or IV controlled substances, a pharmacy may use only one of the two applications described in paragraphs (a) through (e) or (f) of this section.

(h) When filing refill information for electronic prescriptions, a pharmacy must use an application that meets the requirements of part 1311 of this chapter.

§1306.23 Partial filling of prescriptions.

The partial filling of a prescription for a controlled substance listed in Schedule III, IV, or V is permissible, provided that:

(a) Each partial filling is recorded in the same manner as a refilling,

(b) The total quantity dispensed in all partial fillings does not exceed the total quantity prescribed, and

(c) No dispensing occurs after 6 months after the date on which the prescription was issued.

11-46 The Health Care Authority did not have adequate controls to ensure violations of Medicaid laws and regulations by providers are identified and are referred to the Medicaid Fraud Control Unit (MFCU), risking the loss of public resources.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Medicaid Fraud Control Unit	
Questioned Cost Amount:	None	

Background

Medicaid is a jointly funded state and federal partnership providing coverage for low-income individuals who otherwise might go without medical care. The state Medicaid program spent more than $7.5 billion during fiscal year 2011. More than $4.5 billion of that relates to activities of the Health Care Authority, which paid more than $4.4 billion of that directly to providers.

States are required to maintain a Medicaid Fraud Control Unit (MFCU), which investigates and prosecutes fraud by health care providers. The Washington State MFCU is part of the Criminal Justice Division of the Attorney General's Office. Any suspected criminal violations of Medicaid laws and regulations identified by the state Medicaid program must be referred to MFCU for investigation.

When the Health Care Authority receives a complaint of Medicaid fraud or abuse from any source or identifies questionable practices, it must conduct a preliminary investigation to determine whether it has sufficient evidence to warrant a full investigation. This responsibility is designated to the Surveillance and Utilization Review Section (SURS) within the Authority's Office of Program Integrity (OPI).

SURS receives cases requiring a preliminary investigation from a number of sources. Other units within the Authority may identify provider cases based on data mining, submitted claims, or communication with clients. In addition, OPI handles client verification notices and an 800 fraud line, which allow clients and citizens to notify the Authority of suspicious activities. SURS staff also may identify cases during the course of their work. All provider cases forwarded to or identified by SURS are entered into OPI's electronic Case Tracking system.

When a case is entered, it is assigned to an analyst who will determine whether the suspected violations are substantiated. SURS refers any case determined to require a full investigation to MFCU.

Description of Condition

In order for cases of Medicaid provider fraud to be identified, the Authority's SURS Unit must first review any complaints received. If provider fraud is occurring, it is important for SURS to identify this as quickly as possible.

Our audit examined whether the Authority maintains adequate controls to ensure cases involving violations of Medicaid laws and regulations were identified and referred to MFCU in a timely manner.

SURS received a total of 388 cases during fiscal year 2011, and completed a review of 142. The other 246 cases remained open and required additional review at year end. For the open cases, more than 78 percent remained in the system beyond 90 days, and more than 62 percent remained in the system beyond 180 days. Timeframes for an additional 16 percent could not be determined as the dates were missing or inaccurate.

The table below summarizes the results work.

Total Time in System	Closed Cases	Open Cases
0-30 days	85	5
31-60 days	11	7
61-90 days	5	2
91-120 days	11	24
121-150 days	5	6
151-180 days	1	8
More than 180 days	12	154
Inaccurate or missing dates	12	40
Total	**142**	**246**

During fiscal year 2011 SURS referred six cases to MFCU.

Cause of Condition

The Authority stated high caseloads and limited resources did not allow it to do a timely review of cases.

Effect of Condition

By not performing timely preliminary investigations, referrals to MFCU will be delayed and Medicaid fraud may go undetected, resulting in the loss of public resources.

Recommendation

We recommend the Authority complete a timely review of all suspected cases of provider fraud to determine if *sufficient evidence exists to warrant a full investigation*.

Department's Response

The Health Care Authority disagrees with this finding.

The agency has adequate controls to ensure that violations of Medicaid law and regulations are identified and referred to the Medicaid Fraud Control Unit. This is supported by a review of cases in the Case Tracking System and the timeliness in which they are worked. The Case Tracking System is used to track a variety of cases; thus, the timeframes in which those cases are resolved does not necessarily lead to the conclusion of inadequate controls.

Processes are in place to prioritize the work of SURS investigators, ensuring that the agency is addressing those cases with the highest potential for fraud, waste and abuse. These are also the cases that yield the highest return on investment.

SAO's "Description of Condition" and "Recommendation" above do not comport with the Purpose of this Audit as originally described to the Health Care Authority. During detailed analyses conducted with HCA and per SAO's Case Tracking Results spreadsheet, audit purposes included:

- *"To determine if Office of Program Integrity (OPI) analysts are appropriately documenting reasons for not referring cases to MFCU within the Department's Case Tracking System." The conclusion was that OPI analysts were appropriately documenting reasons for not referring cases to MFCU.*
- *To determine if all provider cases entered into OPI's Case Tracking System during SFY11 have been assigned to an analyst for review." The conclusion to this finding was that 95% of the cases were assigned to analysts for review. The cases that were not assigned to an analyst for review are Medical Service Verification (MSV) surveys, which were reviewed in a separate SAO audit and finding.*
- *"To determine how long closed cases remained in OPI's Case Tracking system before being closed." SAO spreadsheet finds that 65% of cases are closed within 30 days of entry.*

The agency believes these findings should be included in this document.

Above, the Auditor states: "By not performing timely preliminary investigations, referrals to MFCU will be delayed and Medicaid fraud may go undetected, resulting in the loss of public resources." This statement is inaccurate. Medicaid fraud will not go undetected. The Health Care Authority completes an initial triage upon the entry of every case into the Case Tracking System. If there is evidence of potential fraud at first review, then the case is worked immediately. The Case Tracking System is used to track a variety of cases, including cases which are entered as "placeholders" and reminders to review provider activities as resources become available. Sixty percent of the cases in the Case Tracking System that were identified as open more than 180 days are Medical Service Verification (MSV) receipts. These have been reviewed in a separate SAO audit and finding. As noted in the response to that finding, there are no federal timeline requirements for MSV reviews. They are assigned a lower priority in HCA since they have not historically led to identification of fraud, and are considered to have limited value.

Auditor's Remarks

We thank the Authority for its response. In order to ensure cases of fraud are properly identified and prosecuted, the Authority must complete its review of suspected cases in a timely manner. It is our determination that control weaknesses are preventing a timely review. By not performing timely preliminary investigations, referrals to MFCU will be delayed and Medicaid fraud may go undetected. The longer frauds go undetected, the larger the potential for the loss of public resources.

We will continue to work with and discuss this issue with the Authority.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

> The auditee shall:
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 42, code of Federal Regulations, Section 455 states in part:

> §455.1 Basis and scope.
> This part sets forth requirements for a State fraud detection and investigation program, and for disclosure of information on ownership and control.
> (a) Under the authority of sections 1902(a)(4), 1903(i)(2), and 1909 of the Social Security Act, Subpart A provides State plan requirements for the identification, investigation, and

referral of suspected fraud and abuse cases. In addition, the subpart requires that the State—

(1) Report fraud and abuse information to the Department; and
(2) Have a method to verify whether services reimbursed by Medicaid were actually furnished to recipients.

(b) Subpart B implements sections 1124, 1126, 1902(a)(36), 1903(i)(2), and 1903(n) of the Act. It requires that providers and fiscal agents must agree to disclose ownership and control information to the Medicaid State agency.

(c) Subpart C implements section 1936 of the Act. It establishes the Medicaid Integrity Program under which the Secretary will promote the integrity of the program by entering into contracts with eligible entities to carry out the activities of subpart C.

§455.13 Methods for identification, investigation, and referral.

The Medicaid agency must have—

(a) Methods and criteria for identifying suspected fraud cases;
(b) Methods for investigating these cases that—
  (1) Do not infringe on the legal rights of persons involved; and
  (2) Afford due process of law; and
(c) Procedures, developed in cooperation with State legal authorities, for referring suspected fraud cases to law enforcement officials.

§455.14 Preliminary investigation.

If the agency receives a complaint of Medicaid fraud or abuse from any source or identifies any questionable practices, it must conduct a preliminary investigation to determine whether there is sufficient basis to warrant a full investigation.

§455.15 Full investigation.

If the findings of a preliminary investigation give the agency reason to believe that an incident of fraud or abuse has occurred in the Medicaid program, the agency must take the following action, as appropriate:

(a) If a provider is suspected of fraud or abuse, the agency must—
  (1) In States with a State Medicaid fraud control unit certified under subpart C of part 1002 of this title, refer the case to the unit under the terms of its agreement with the unit entered into under §1002.309 of this title; or
  (2) In States with no certified Medicaid fraud control unit, or in cases where no referral to the State Medicaid fraud control unit is required under paragraph (a)(1) of this section, conduct a full investigation or refer the case to the appropriate law enforcement agency.
(b) If there is reason to believe that a recipient has defrauded the Medicaid program, the agency must refer the case to an appropriate law enforcement agency.
(c) If there is reason to believe that a recipient has abused the Medicaid program, the agency must conduct a full investigation of the abuse.

11-47 The Health Care Authority's internal controls are inadequate to ensure non-emergency medical transportation expenditures are allowable and adequately supported.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles	
Questioned Cost Amount:	None	

Background

The Health Care Authority provides eligible Medicaid recipients transportation to and from non-emergency, medically necessary appointments. Medicaid clients who qualify are provided transportation or are reimbursed for travel costs. The appointments must be for services eligible to be paid by the Medicaid program.

Transportation services include public transit, client and volunteer mileage reimbursement, wheel chair-equipped vans, taxis, ferries and fuel vouchers. In less frequent cases, if a client must travel to a distant provider, lodging and food may be included.

Since 1989, Washington State has used a brokerage system to provide non-emergency medical transportation for eligible Medicaid clients. Brokers contract with HCA to deal directly with the clients to arrange, authorize or deny transportation services. Brokers decide the form of transportation a client receives.

Brokers are expected to verify the client's eligibility with the eligibility database and to authorize or deny the transportation request based on whether it is medically necessary. Brokers are responsible for contracting with transportation providers. The brokers keep all documentation to support allowability of transportation services; the providers keep documentation supporting the trip.

It is the responsibility of the Authority to monitor the brokers to ensure they and the providers comply with federal and state Medicaid regulations and that transportation services are legitimate, allowable, reasonable and adequately supported.

The state has six brokers in nine regions and spent approximately $73.6 million on the program in fiscal year 2011.

Description of Condition

During the previous three audits, we reported the Authority did not adequately monitor brokers to ensure non-emergency transportation expenditures were allowable and supported. To improve monitoring, the Authority planned to make enhancements to their trip information database to enable the input of trip information from brokers. The Authority also planned on-site monitoring of the brokers. However, the trip

information database was not improved and the Authority did not perform on-site monitoring during fiscal year 2011.

Cause of Condition

The Authority stated travel restrictions imposed by the Governor due to budget cuts temporarily prevented it from performing on-site monitoring. The Authority also was not able to use trip information from the trip information database as a monitoring tool because it was not completed.

Effect of Condition

Without adequate monitoring, the Authority cannot ensure non-emergency medical transportation expenditures are legitimate, reasonable and adequately supported.

Recommendation

We recommend the Authority monitor transportation broker contracts and operations to ensure all Medicaid rules are followed and services the brokers provided are legitimate, reasonable and adequately supported.

Department's Response

The Health Care Authority agrees with the finding, but notes that the solution to these issues is now in place. The auditor's report stated incorrectly that the trip information database has not improved.

During SFY2011, the agency did build a trip information database that can be used to verify that all Medicaid rules are followed and that all services the transportation brokers provide are legitimate, reasonable and adequately supported. The database includes new data fields that will allow the agency to more closely monitor transportation services, operations and expenditures.

Brokers began adding information to the system in early 2011, and the agency was able to test the new database with positive results between March 2011 through June 2011.

Other monitoring activities:

- *Desk audits using SAO monitoring tools*
- *Review of financial and operating reports*
- *Review of fleet inventories and inspection schedules*
- *Monthly review of brokers invoices and reports*
- *Reviewed broker reports of incidents and accidents*
- *Reviewed brokers annual independent audits*

From July 2011 through December 2011, the agency conducted on-site monitoring of all six transportation brokers with the new trip information database, and found all six to be in compliance with Medicaid rules and regulations.

Auditor's Remarks

We thank the Authority for its cooperation and assistance throughout the audit. We will review the status of the Authority's corrective action during our next audit.

Applicable Laws and Regulations

Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, states in part:

Section 300

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Section 210(f) - Compliance responsibility for vendors.

In most cases, the auditee's compliance responsibility for vendors is only to ensure that the procurement, receipt, and payment for goods and services comply with laws, regulations, and the provisions of contracts or grant agreements. Program compliance requirements normally do not pass through to vendors. However, the auditee is responsible for ensuring compliance for vendor transactions which are structured such that the vendor is responsible for program compliance or the vendor's records must be reviewed to determine program compliance. Also, when these vendor transactions relate to a major program, the scope of the audit shall include determining whether these transactions are in compliance with laws, regulations, and the provisions of contracts or grant agreements.

Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* (2 CFR 225), states in part:

Appendix A, Section C - Basic Guidelines:

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
   a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards...
   d. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
   j. Be adequately documented.
2. Reasonable costs. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when governmental units or components are predominately federally-funded. In determining reasonableness of a given cost, consideration shall be given to:
   a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the governmental unit or the performance of the Federal award.
   b. The restraints or requirements imposed by such factors as: Sound business practices; arm's-length bargaining; Federal, State and other laws and regulations; and, terms and conditions of the Federal award.
   c. Market prices for comparable goods or services.
   d. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the governmental unit, its employees, the public at large, and the Federal Government.
   e. Significant deviations from the established practices of the governmental unit which may unjustifiably increase the Federal award's cost.

Washington Administrative Code (WAC) 182-546-5000 Nonemergency transportation – General.

(1) The department covers nonemergency nonambulance transportation to and from covered healthcare services, as provided by the Code of Federal Regulations (42 CFR 431.53 and 42 CFR 440.170) subject to the limitations and requirements under WAC 388-546-5000 through 388-546-6200. See WAC 388-546-1000 for nonemergency ground ambulance transportation.

(2) The department pays for nonemergency transportation for clients covered under state-funded

medical programs subject to funding appropriated by the legislature.

(3) Clients may not select the transportation provider(s) or the mode of transportation.

Washington Administrative Code (WAC) 182-546-5200 Nonemergency transportation broker and provider requirements.

(1) The department requires:
  (a) Brokers and subcontracted transportation providers to be licensed, equipped, and operated in accordance with applicable federal, state, local laws, and the terms specified in their contracts;
  (b) Brokers to:
    (i) Screen their employees and subcontracted transportation providers and employees prior to hiring or contracting, and on an ongoing basis thereafter, to assure that employees and contractors are not excluded from receiving federal funds as required by 42 USC 1320a-7 and 42 USC 1320c-5; and
    (ii) Report immediately to the department any information discovered regarding an employee's or contractor's exclusion from receiving federal funds in accordance with 42 USC 1320a-7 and 42 USC 1320c-5.
  (c) Drivers and passengers to comply with all applicable federal, state, and local laws and regulations during transport.

(2) Brokers:
  (a) Must determine the level of assistance needed by the client (e.g., curb-to-curb, door-to-door, door-through-door, hand-to-hand) and the mode of transportation to be used for each authorized trip;
  (b) Must select the lowest cost available mode or alternative that is both accessible to the client and appropriate to the client's medical condition and personal capabilities;
  (c) Must have subcontracts with transportation providers in order for the providers to be paid by the broker;
  (d) Must provide transportation services comparable to those available to the general public in the local community;
  (e) May subcontract with licensed ambulance providers for nonemergency trips in licensed ground ambulance vehicles; and
  (f) May contract with a federally recognized tribe within the broker's service region to provide transportation services when requested by that tribe. When the department approves the request of a tribe or a tribal agency to administer or provide transportation services under WAC 388-546-5100 through388-546-6200 , tribal members may obtain their transportation services from the tribe or tribal agency with coordination from and payment through the transportation broker.

(3) If the broker is not open for business and is unavailable to give advance approval for transportation to an urgent care appointment or after a hospital discharge, the subcontracted transportation provider must either:
  (a) Provide the transportation in accordance with the broker's instructions and request a retroactive authorization from the broker within two business days of the transport; or
  (b) Deny the transportation, if the requirements of this section cannot be met.

(4) If the subcontracted transportation provider provides transportation as described in subsection (3)(a) of this section, the broker may agree to grant retroactive authorization and must document the reason in the client's trip record.

Washington Administrative Code (WAC) 182-546-5300 Nonemergency transportation – Client eligibility.

(1) The department pays for nonemergency transportation for medical assistance clients, including clients enrolled in a department-contracted managed care organization (MCO), to and from healthcare services when the healthcare service(s) meets the requirements in WAC 388-546-5500.

(2) Clients assigned to the patient review and coordination (PRC) program according to WAC 388-501-0135 may be restricted to certain providers.

(a) Brokers may authorize transportation of a PRC client to only those providers to whom the client is assigned or referred by their primary care provider (PCP), or for covered services which do not require referrals.
(b) If a client assigned to PRC chooses to receive service from a provider, pharmacy, and/or hospital that is not in the client's local community, the client's transportation is limited per WAC 388-546-5700.

Washington Administrative Code (WAC) 182-546-5400 Nonemergency transportation – Client responsibility.

(1) Clients must comply with applicable state, local, and federal laws during transport.
(2) Clients must comply with the rules, procedures and/or policies of the department, brokers, the brokers' subcontracted transportation providers and healthcare service providers.
(3) A client who is noncompliant may have limited transportation mode options available.
(4) Clients must request, arrange, and obtain authorization for transportation at least two business days before a healthcare appointment, except when the request is for an urgent care appointment or a hospital discharge.

Washington Administrative Code (WAC) 182-546-5500 Nonemergency transportation – Covered trips.

(1) The department covers nonemergency transportation for medical assistance clients to and from healthcare services when all of the following apply:
  (a) The healthcare services are:
    (i) Within the scope of coverage of the eligible client's benefit services package; and
    (ii) Covered as defined in WAC 388-501-0050 through388-501-0065 and the specific program rules.
  (b) The healthcare service is medically necessary as defined in WAC 388-500-0005;
  (c) The healthcare service is being provided as follows (see subsection (3) of this section for exceptions):
    (i) Under fee-for-service, by a department-contracted provider;
    (ii) Through a department-contract managed care organization (MCO), by an MCO provider; or
    (iii) Through a regional support network (RSN), by an RSN contractor.
  (d) The trip is to a local provider as defined in WAC 388-546-5100 (see WAC 388-546-5700(3) for local provider exceptions);
  (e) The transportation is the lowest cost available mode or alternative that is both accessible to the client and appropriate to the client's medical condition and personal capabilities;
  (f) The trip is authorized by the broker in advance of a client's travel; and
  (g) The trip is a minimum of three-quarters of a mile from pick-up point to the drop-off point (see WAC 388-546-6200(7) for exceptions to the minimum distance requirement).
(2) Coverage for nonemergency medical transportation is limited to one roundtrip per day, with the exception of multiple medical appointments.
(3) Subsection (1)(c) of this section does not apply if the covered healthcare services is paid for or provided by medicare, a third party insurance, Veteran's Administration, charitable or other voluntary program (Shriners, etc.).

Washington Administrative Code (WAC) 182-546-5550 Nonemergency transportation – Exclusions and limitations.

(1) The following service categories cited in WAC 388-501-0060 are subject to the following exclusions and limitations:
  (a) Adult day health (ADH) - Nonemergency transportation for ADH services is not provided through the brokers. ADH providers are responsible for arranging or providing transportation to ADH services.
  (b) Ambulance - Nonemergency ambulance transportation is not provided through the brokers except as specified in WAC 388-546-5200 (1)(d).

(c) Family planning services - Nonemergency transportation is not provided through the brokers for clients that are enrolled only in TAKE CHARGE or family planning only services.

(d) Hospice services - Nonemergency transportation is not provided through the brokers when the healthcare service is related to a client's hospice diagnosis. See WAC 388-551-1210.

(e) Medical equipment, durable (DME) - Nonemergency transportation is not provided through the brokers for DME services, with the exception of DME equipment that needs to be fitted to the client.

(f) Medical nutrition services - Nonemergency transportation is not provided through the brokers to pick up medical nutrition products.

(g) Medical supplies/equipment, nondurable (MSE) - Nonemergency transportation is not provided through the brokers for MSE services.

(h) Mental health services:

(i) Nonemergency transportation brokers generally provide one round trip per day to or from a mental health service. Additional trips for off-site activities, such as a visit to a recreational park, are the responsibility of the provider/facility.

(ii) Nonemergency transportation of involuntarily detained persons under the involuntary treatment act (ITA) is not a service provided or authorized by transportation brokers. Involuntary transportation is a service provided by an ambulance or a designated ITA transportation provider. See WAC 388-546-4000.

(i) Substance abuse services - Nonemergency transportation is not provided through the brokers for substance abuse services for clients under the state-funded medical programs (medical care services program (MCS)). See WAC 388-546-5200(2).

(j) Chemical dependency services - Nonemergency transportation is not provided through the brokers to or from the following:

(i) Residential treatment;

(ii) Intensive inpatient;

(iii) Recovery house;

(iv) Long-term treatment;

(v) Information and assistance services, which include:

(A) Alcohol and drug information school;

(B) Information and crisis services; and

(C) Emergency service patrol.

(2) The following medical assistance programs have limitations on trips:

(a) State-funded medical care services (MCS) program for clients covered by the disability lifeline program and the Alcohol and Drug Addiction Treatment and Support Act (ADATSA) -Nonemergency transportation for mental health services and substance abuse services is not provided through the brokers. The department does pay for nonemergency transportation to and from medical services as specified in WAC 388-501-0060, excluding mental health services and substance abuse services, and subject to any other limitations in this chapter or other program rules.

(b) Transitional bridge waiver for clients covered by the disability lifeline program and the Alcohol and Drug Addiction Treatment and Support Act (ADATSA)- Nonemergency transportation for mental health services and substance abuse services is not provided through the brokers. The department does pay for nonemergency transportation to and from medical services as covered in the transitional bridge waiver approved by the Centers for Medicare and Medicaid Services, excluding mental health services and substance abuse services, and subject to any other limitations in this chapter or other program rules.

Washington Administrative Code (WAC) 182-546-6000 Nonemergency transportation – Authorization.

(1) The department contracts with brokers to authorize or deny requests for transportation services.

(2) Brokers may refer requests to transport a client to a provider to the department's medical director or designee for a review and/or authorization.
(3) Nonemergency medical transportation, other than ambulance, must be prior authorized by the broker. See WAC 388-546-5200 (3) and (4) and 388-546-6200(4) for granting retroactive authorization.
(4) The broker mails a written notice of denial to each client who is denied authorization of transportation.
(5) A client who is denied nonemergency transportation under this chapter may request an administrative hearing, if one is available under state and federal law.
(6) If the department approves a medical service under exception to rule (ETR), the authorization requirements of this section apply to transportation services related to the ETR service.

Washington Administrative Code (WAC) 182-546-6200 Nonemergency transportation – Reimbursement.

(1) To be reimbursed for trips, meals, and lodging, the requestor must receive prior authorization from the broker at least forty-eight hours in advance of the client's travel.
(2) A client must request reimbursement of preauthorized expenditures for trips, meals, and lodging within thirty days after his or her medical appointment(s). The broker may consider reimbursement requests beyond thirty days if a client shows good cause as defined in WAC 388-02-0020 for having not requested reimbursement within thirty days.
(3) To be reimbursed for mileage, fuel/gas, parking, bridge tolls, and ferry fees, the requestor must provide the broker with legible copies of:
    (a) Receipt(s);
    (b) The operator's driver license;
    (c) Current vehicle registration; and
    (d) Proof of insurance for the vehicle/operator at the time of the trip.
(4) The department or the broker may retroactively authorize and reimburse for transportation costs, including meals and lodging when:
    (a) A client is approved for a retroactive eligibility period, or is approved for a delayed certification period as defined in WAC 388-500-0005;
    (b) The transportation costs were not used to meet a client spenddown liability in accordance with WAC 388-519-0110;
    (c) The transportation costs for which retroactive reimbursement is requested falls within the period of retroactive eligibility or delayed certification;
    (d) The client received medically necessary services that were covered by their medical program for the date(s) of service for which retroactive reimbursement is requested; and
    (e) The request for retroactive reimbursement is made within sixty days from the date of eligibility notification (award letter), not to exceed eight months from the date(s) of service for which reimbursement is requested.
(5) When transportation cost(s) are retroactively authorized, the reimbursement amount must not exceed the reimbursement amount that would have been authorized prior to the date(s) of service.
(6) To be paid by the broker for nonemergency transportation services:
    (a) Ambulance providers must be subcontracted with the broker in accordance with WAC 388-546-5200 (1)(d).
    (b) Nonambulance providers must be subcontracted with the broker in accordance with WAC 388-546-5200 (1)(c).
(7) The department, through its contracted brokers, does not pay for nonemergency transportation when:
    (a) The healthcare service the client is requesting transportation to or from is not a service covered by the client's medical program.
    (b) The covered healthcare service is within three-quarters of a mile from the pick-up point, except when:
        (i) The client's documented and verifiable medical condition and personal capabilities demonstrates that the client is not able to walk three-quarters mile distance;

(ii) The trip involves an area that the broker determines is not physically accessible to the client; or

(iii) The trip involves an area that the department's broker considers to be unsafe for the client, other riders, or the driver.

(c) The client has personal or informal transportation resources that are available and appropriate to the clients' needs;

(d) Fixed-route public transportation service is available to the client within three-quarters of a mile walking distance. Exceptions to this rule may be granted by the transportation broker when the need for more specialized transportation is documented. Examples of such a need may be the client's use of a portable ventilator, a walker, or a quad cane; or

(e) The mode of transport that the client requests is not necessary, suitable, or appropriate to the client's medical condition.

11-48 The Health Care Authority does not have adequate controls to ensure providers meet initial and ongoing eligibility requirements to participate in the Medicaid program.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.776	Hurricane Katrina Relief Program
	93.777	State Survey and Certification of Health Care Providers and Suppliers
	93.778	Medical Assistance Program (Medicaid; Title XIX)
	93.778A	Medical Assistance Program (Medicaid; Title XIX) – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	5-1105WA5MAP; 5-1105WA5ADM; 5-1105WAARRA	
Applicable Compliance Component:	Provider Eligibility	
Questioned Cost Amount:	None	

Background

Medicaid is a jointly funded state and federal partnership providing coverage for certain low-income individuals who otherwise might go without medical care. The state Medicaid program spent more than $7.5 billion during fiscal year 2011. More than $4.5 billion of that relates to activities of the Health Care Authority, which paid more than $4.4 billion of that directly to providers.

The Health Care Authority's Provider Enrollment Unit reviews the qualifications of health care providers who want to participate in the state's Medicaid program.

More than 80 different types of providers, such as durable medical equipment suppliers, physicians, pharmacists, and others, provide services to Medicaid beneficiaries. Federal regulations require any Medicaid provider to have current, valid licenses for their field of service. Each provider must complete and sign a Core Provider Agreement and submit information about their business and what services they provide. Typically, they provide copies of:

- Business license(s).
- Current professional license.
- Internal Revenue Service W-9 (tax identification) form.
- Liability insurance (if applicable).
- Medicare certification (if applicable).
- Drug Enforcement Administration certification (if applicable).

Providers submit these documents to the Provider Enrollment Unit, which reviews them for accuracy and completeness. When the enrollment process is completed, the Unit assigns the provider an identification number.

Certain requirements also apply to specific types of providers, such as those who distribute durable medical equipment, such as wheelchairs, hearing aids and breathing devices. For example, federal law requires these providers to maintain a physical facility from which to do business to ensure clients receive support associated with medical equipment needs. Post office boxes are not considered a physical facility.

During fiscal year 2011, more than 20,000 providers participated in Medicaid programs.

Description of Condition

We reported a finding in our fiscal year 2010 audit regarding a lack of controls to ensure providers meet initial and ongoing Medicaid eligibility requirements.

The Provider Enrollment Unit ensures providers have appropriate licenses when first determining their eligibility. A direct link with the Department of Health has been established to automatically update licensing information. This ensures the Unit has each provider's most current license information. However, the Unit still must ensure any provider with an expired license in the system is not paid for services. This verification did not occur during the fiscal year, which would allow providers with expired licenses to continue providing services to Medicaid clients.

The Unit also must ensure durable medical equipment providers meet eligibility requirements for their field of service. However, the Unit did not ensure equipment providers have a physical location. The Office of Program Integrity's Medical and Hospital Audit Unit completed 28 drive-by verifications over three days in October and November 2010, but have not completed any since then.

In addition, the Affordable Care Act introduced new screening procedures for providers and suppliers as of March 25, 2011. The Act identifies durable medical equipment providers as moderate to high-risk providers, which require unscheduled, unannounced site visits. The Authority has yet to adopt procedures to meet these requirements.

Cause of Condition

The Provider Enrollment Unit uses a computer system that has the capability to deny payment claims from providers who have expired licenses. The Unit stated it has requested a change in procedure to do so, but the change has not been made.

According to the Health Care Authority, budget constraints limited the number of staff assigned to field audits within the Office of Program Integrity during fiscal year 2011. As such, the audit unit did not concentrate on drive-bys of durable medical equipment providers.

Requirements related to the Affordable Care Act were put in place in a short period of time, and the Authority states it was unable to create all the necessary policies and procedures to meet those requirements.

Effect of Condition

Provider eligibility requirements help ensure Medicaid clients receive qualified care and services. Inadequate controls to ensure providers meet continuing eligibility requirements increases the risk ineligible providers may be providing services to Medicaid clients.

Recommendation

We recommend the Authority establish and follow internal controls to ensure:

- All providers participating in the Medicaid program meet eligibility requirements initially and throughout their enrollment. This includes general requirements and requirements specific to medical equipment providers.
- Providers with expired licenses are not paid for services.
- Equipment providers maintain an appropriate physical location for providing services.
- Affordable Care Act requirements are met.

Department's Response

The agency partially agrees with the findings.

However, corrective action steps have already implemented much of the audit recommendations:

- *The Provider Enrollment Unit now ensures appropriate provider licensing eligibility upon initial enrollment and throughout the provider's enrollment. The agency also has established a data-sharing agreement with the Department of Health that automatically updates providers' licensing information. This ensures the Provider Enrollment Unit consistently receives the most current provider licensing information daily. If a Department of Health license has expired, the Health Care Authority is notified, and the ProviderOne payment system ends the taxonomy associated with the provider's file, preventing further payments.*

- *As of March 25, 2011, the Patient Protection and Affordable Care Act introduced new screening procedures for providers and suppliers. The Act identifies Durable Medical Equipment providers as moderate to high-risk business partners who deserve unscheduled, unannounced site visits. The Health Care Authority is finalizing written policies and procedures to comply with the Act. The Health Care Authority estimates it will meet this requirement in January 2013. The agency also has requested computer system changes that will add mandatory data fields needed for compliance with the federal law.*

- *The Health Care Authority has resumed site visits with newly enrolled DME providers. The agency is also planning revalidation site visits for Durable Medical Equipment suppliers not currently enrolled with Medicare or another state's Medicaid agency. The Centers for Medicare and Medicaid Services only requires these providers to be revalidated once every five years. Federal law (42 CFR §455.410 (C) allows the agency to rely on screening, including site visits, conducted by Medicare or another state's Medicaid agency.*

Auditor's Remarks

We thank the Authority for its cooperation and assistance throughout the audit. We will review this area during our next audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 42, Code of Federal Regulations, Section 424.57 states in part - Special payment rules for items furnished by DMEPOS suppliers and issuance of DMEPOS supplier billing privileges.

(c) Application certification standards. The supplier must meet and must certify in its application for billing privileges that it meets and will continue to meet the following standards. The supplier:

(7) Maintains a physical facility on an appropriate site. An appropriate site must meet all of the following:

(i) Must meet the following criteria:

(A) Except for State-licensed orthotic and prosthetic personnel providing custom fabricated orthotics or prosthetics in private practice, maintains a practice location that is at least 200 square feet beginning—

(1) September 27, 2010 for a prospective DMEPOS supplier;
(2) The first day after termination of an expiring lease for an existing DMEPOS supplier with a lease that expires on or after September 27, 2010 and before September 27, 2013; or
(3) September 27, 2013, for an existing DMEPOS supplier with a lease that expires on or after September 27, 2013.

(B) Is in a location that is accessible to the public, Medicare beneficiaries, CMS, NSC, and its agents. (The location must not be in a gated community or other area where access is restricted.)

(C) Is accessible and staffed during posted hours of operation.

(D) Maintains a permanent visible sign in plain view and posts hours of operation. If the supplier's place of business is located within a building complex, the sign must be visible at the main entrance of the building or the hours can be posted at the entrance of the supplier.

(E) Except for business records that are stored in centralized location as described in paragraph (c)(7)(ii) of this section, is in a location that contains space for storing business records (including the supplier's delivery, maintenance, and beneficiary communication records).

(F) Is in a location that contains space for retaining the necessary ordering and referring documentation specified in §424.516(f).

(ii) May be the centralized location for all of the business records and the ordering and referring documentation of a multisite supplier.

(iii) May be a "closed door" business, such as a pharmacy or supplier providing services only to beneficiaries residing in a nursing home, that complies with all applicable Federal, State, and local laws and regulations. "Closed door" businesses must comply with all the requirements in this paragraph.

Title 42, Code of Federal Regulations, Section 424.510 states in part -

Requirements for enrolling in the Medicare program.

(d) Providers and suppliers must meet the following enrollment requirements:

(2) *Content of the enrollment application*. Each submitted enrollment application must include the following:

(iii) Submission of all documentation, including—

(A) All applicable Federal and State licenses, certifications including, but not limited to Federal Aviation Administration; and

(B) Documentation associated with regulatory and statutory requirements necessary to establish a provider's or supplier's eligibility to furnish Medicare covered items or services to beneficiaries in the Medicare program.

Washington Administrative Code 182-502-0010 When the department enrolls.

Nothing in this chapter obligates the department to enroll any eligible healthcare professional, healthcare entity, supplier or contractor of service who requests enrollment.

(2) To enroll as a provider with the department, a healthcare professional, healthcare entity, supplier or contractor of service must, on the date of application:

(a) Be currently licensed, certified, accredited, or registered according to Washington state laws and rules. Persons or entities outside of Washington state, see WAC 388-502-0120;

(b) Have current professional liability coverage, individually or as a member of a group;

(c) Have a current federal drug enforcement agency (DEA) certificate, if applicable to the profession's scope of practice;

(d) Meet the conditions in this chapter and other chapters regulating the specific type of healthcare practitioner;

(e) Sign, without modification, a core provider agreement (CPA) and debarment form (DSHS 09-048) or a contract with the department. (Note: Section 13 of the CPA,

DSHS 09-048 (REV. 08/2005), is hereby rescinded. The department and each provider signing a core provider agreement will hold each other harmless from a legal action based on the negligent actions or omissions of either party under the terms of the agreement.);

(f) Agree to accept the payment from the department as payment in full (in accordance with 42 C.F.R. § 447.15 acceptance of state payment as payment in full and WAC 388-502-0160 billing a client);

(g) Fully disclose ownership and control information requested by the department. If payment for services is to be made to a group practice, partnership, or corporation, the group, partnership, or corporation must enroll and obtain a CPA number to be used for submitting claims as the billing provider. All owners must be identified and fully disclosed in the application; and

(h) Have screened employees and contractors with whom they do business prior to hiring or contracting to assure that employees and contractors are not excluded from receiving federal funds as required by 42 U.S.C. 1320a-7 and 42.U.S.C. 1320c-5.

WAC 182-543-2000
DME and related supplies, prosthetics, orthotics, medical supplies and related services — Eligible providers and provider requirements.

(1) The department pays qualified providers for durable medical equipment (DME) and related supplies, prosthetics, orthotics, medical supplies, repairs, and related services on a fee-for-service basis as follows:
   (a) DME providers for DME and related repair services
   (b) Medical equipment dealers, pharmacies, and home health agencies under their national provider indicator (NPI) for medical supplies;
   (c) Prosthetics and orthotics providers who are licensed by the Washington state department of health in prosthetics and orthotics. Medical equipment dealers and pharmacies that do not require licensure to provide selected prosthetics and orthotics may be paid for those selected prosthetics and orthotics only;
   (d) Physicians who provide medical equipment and supplies in the office. The department may pay separately for medical supplies, subject to the provisions in the department's resource-based relative value scale fee schedule; and
   (e) Out-of-state orthotics and prosthetics providers who meet their state regulations.

(2) Providers and suppliers of durable medical equipment (DME) and related supplies, prosthetics, orthotics, medical supplies and related items must:
   (a) Meet the general provider requirements in chapter 388-502 WAC;
   (b) Have the proper business license and be certified, licensed and/or bonded if required, to perform the services billed to the department;
   (c) Have a valid prescription;
      (i) To be valid, a prescription must:
         (A) Be written on the department's Prescription Form (DSHS 13-794). The department's electronic forms are available on-line at:http://www.dshs.wa.gov/msa/forms/eforms.html;
         (B) Be written by a physician, advanced registered nurse practitioner (ARNP), or physician's assistant certified (PAC);
         (C) Be written, signed (including the prescriber's credentials), and dated by the prescriber on the same day and before delivery of the supply, equipment, or device. Prescriptions must not be back-dated;
         (D) Be no older than one year from the date the prescriber signs the prescription; and
         (E) State the specific item or service requested, diagnosis, estimated length of need (weeks, months, or years), and quantity.
      (ii) For dual eligible medicare/medicaid clients when medicare is the primary payer and the department is being billed for the co-pay and/or deductible only, subsection (2)(a) of this section does not apply.
   (d) Provide instructions for use of equipment;

(e) Furnish only new equipment to clients that includes full manufacturer and dealer warranties. See WAC 388-543-2250(3);
(f) Furnish documentation of proof of delivery, upon department request (see WAC 388-543-2200); and
(g) Bill the department using only the allowed procedure codes listed in published DME and related supplies, prosthetics and orthotics, medical supplies and related items billing instructions.

11-49 The Department of Health charged the National Bioterrorism Hospital Preparedness Program for activities that occurred after the grant period had ended.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.889 National Bioterrorism Hospital Preparedness Program
Federal Award Number:	U3REP090208-01, U3REP080103-01
Applicable Compliance Component:	Period of Availability
Questioned Cost Amount:	$38,574.67

Background

The Washington State Department of Health administers the federal National Bioterrorism Hospital Preparedness Program grant that enhances the ability of hospitals and health care systems to prepare for and respond to biological and other public health emergencies. The Department distributes this money to public and private entities that provide these services and retains a portion to pay administrative costs. The Department spent approximately $8.5 million in grant funds in fiscal year 2011.

Grant money is awarded for predefined project periods during which funds may be expended or obligated for allowable program activities. Once a project period has ended, the Department has 90 days to pay any expenses that were incurred during the project period. Within 90 days of the project period ending the Department must file a financial status report with the U.S. Department of Health and Human Services. From that point forward, it may make no further charges the grant unless the grantor approves an extension.

In our fiscal year 2010 audit, we reported in a finding that the Department violated the period of availability requirements of the grant by charging federal grants for expenditures incurred after the grant period had closed. We reported a significant deficiency in internal controls and questioned approximately $155,000.

Description of Condition

The Department had two federal grants whose project periods ended during fiscal year 2011. One ended on July 30, 2010 and one ended on August 8, 2010. Federal regulations allow obligations incurred prior to these dates to be paid through October 28, 2010 and November 6, 2010, respectively.

We reviewed charges made to the grants and determined that three payments totaling $38,574.67 were made for activities occurring after the grants ended. Two of these payments were also made more than 90-days after the project period ended in violation of federal requirements.

The Department modified its internal controls after we issued our fiscal year 2010 audit report in March 2011. However, we were unable to determine if it was following these corrective measures because it had no grant periods that ended between March and June 2011. The internal control finding from fiscal year 2010 remains unresolved, and we will perform a follow-up as part of the fiscal year 2012 audit.

Cause of Condition

Department management thought that because purchase orders were completed prior to the end of the grant periods, the funds were obligated and the expenditures were allowable.

Effect of Condition and Questioned Costs

By paying for activities that occurred after the grant periods, the Department improperly charged expenditures to the federal grants. This could jeopardize future federal funding to the Department.

Additionally, because the Department continued to charge the grants after the closing date, it was unable to file all required financial reports in a timely manner. Interim financial reports were submitted for the grants, but the final reports were late. The final financial reports were due October 28, 2010 and November 6, 2010, but were both submitted November 18, 2010.

We identified $38,574.67 in expenditures that were improperly charged to the National Bioterrorism Hospital Preparedness Program. We are questioning those costs as unallowable charges. The federal grantor could disallow these charges and require the Department to pay back the money.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support expenditures.

Recommendations

We recommend the Department limit charges to grants for activities that occur prior to the end of the grant period. We also recommend management responsible for monitoring the spending of federal funds receive additional training on federal grant requirements.

The Department should consult with its grantor to determine what, if any, of the questioned costs should be repaid.

Department's Response

We concur with the state auditor's office finding, but wish to be clear that the DOH response to the 2010 finding was implemented as soon as possible after the auditor's had completed their work in March of 2011.

Two of the transactions at issue were completed on 10/29/2010, one day past the ninety day period following the close of the availability period. This was due to a communication problem in getting the transactions entered into the accounting system by the deadline.

We will work with the Office of Financial Management to complete our corrective action plan. We will share this plan with the State Auditor's Office.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300 states in part:

> The auditee shall:
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

Title 45 Code of Federal Regulations, Part 92 – *Uniform Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Tribal Governments,* states*: --*

> Sec. 92.23 Period of availability of funds.
> (a) General. Where a funding period is specified, a grantee may charge to the award only costs resulting from obligations of the funding period unless carryover of unobligated balances is permitted, in which case the carryover balances may be charged for costs resulting from obligations of the subsequent funding period.

(b) Liquidation of obligations. A grantee must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period (or as specified in a program regulation) to coincide with the submission of the annual Financial Status Report (SF-269). The Federal agency may extend this deadline at the request of the grantee.

11-50 The Washington Commission for National and Community Service at the Office of Financial Management does not properly monitor subgrantees to ensure expenditures of AmeriCorps grant funding are allowable and adequately supported.

Federal Awarding Agency:	U.S. Corporation for National and Community Service
Pass-Through Entity:	None
CFDA Number and Title:	94.006 AmeriCorps 94.006A AmeriCorps – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	06AFHWA001; 09ACHWA001; 09RCHWA002; 09RFHWA001; 10ESHWA001; 10FXHWA002; 11ACHWA001
Applicable Compliance Component:	Sub-Recipient Monitoring
Questioned Cost Amount:	None

Background

AmeriCorps is a national program that provides funds to national and local organizations that recruit and train individuals for community service. Full-time members receive a living allowance and are eligible for health insurance and child care benefits. After successfully completing the required term of service, AmeriCorps members receive a voucher that may be used to pay off qualified student loans or to pay qualified educational expenses.

The Office of Financial Management administers the AmeriCorps program through the Washington Commission for National and Community Service. In state fiscal year 2011, 14 non-state entities and five state agencies spent almost $16 million of the approximately $18 million available to the state for the program. For the purpose of this audit, state agencies are not considered separate subgrantees and are audited as a single entity. The majority of the money was spent on living allowances and benefits for approximately 1,300 AmeriCorps members.

The Commission, as the grantee, is legally accountable to the federal Corporation for National and Community Service for ensuring grant funds are properly spent. Federal regulations require the grantee to ensure the eligibility of individuals seeking to become AmeriCorps members.

Because many AmeriCorps members have access to vulnerable populations, one of the requirements is that a member cannot be registered, or required to be registered, on a state sex offender registry. Federal regulations require the state to perform a state criminal registry search and a National Sex Offender Public Registry search. The results of these two checks must be printed and retained at the time they are performed. The Commission has delegated member selection and direct supervision to the subgrantees that oversee the specific projects. The supervising organization collects and retains all required documentation regarding an applicant's eligibility. All requirements must be met and records complete prior to member selection and enrollment in the program. Grant provisions state "The grantee is responsible for ensuring that subgrantees or other organizations carrying out activities under this award comply with these provisions, including regulations and OMB circulars incorporated by reference."

For subgrantees, the Commission reviews member eligibility and compliance with federal regulations, and AmeriCorps grant requirements. It performs a risk assessment of every subgrantee each year to determine the level of monitoring needed. It must perform onsite visits for high- and medium-risk subgrantees. It must pay two visits to high-risk subgrantees, within three months of the program start date. New subgrantees are automatically assessed as high-risk. While not required, the grantor recommends the Commission visit low-risk subgrantees. The Commission is to examine eligibility documentations during on-site visits.

Description of Condition

We examined whether the Commission:

- Is performing risk assessments based on accurate and complete documentation,
- Is performing onsite monitoring in a timely manner and following up on identified non-compliance.
- Is doing a review to ensure payments were being made only to eligible members.

We reviewed grant files for all 13 non-state entity programs for documentation to support each of these elements and found the Commission:

- Assessed one subgrantee new to administering AmeriCorps as low-risk.
- Visited six subgrantees during fiscal year 2011. Of these six, three were assessed as high risk, one was assessed at medium risk and two were assessed at low risk. The grant files for two high-risk subgrantees document only one site visit each.
- Had documentation that showed that all eligibility criteria were met for three of the six subgrantees visited. Documentation for the other three reviews was incomplete, showing less than 30 percent of the background checks were reviewed.
- Performed five of the six onsite reviews five to eight months after the start of the programs.

The Commission relies on its subgrantee monitoring process to ensure that only eligible members are paid, since they do not review or monitor eligibility prior to payments. We found eligibility reviews were not conducted for seven of the 13 subgrantees due to their low-risk status.

Cause of Condition

The Commission was unaware it was responsible for ensuring members were eligible. Because of this, the subrecipient monitoring process was not designed to give the Commission assurance regarding the eligibility of all members. The Commission's monitoring is not adequate because it does not include a full review of member eligibility documentation in a timely manner.

Effect of Condition

Programs at some subgrantees are never examined and the majority of the examinations performed are done after the member has completed 50 percent to 75 percent of the program. Without monitoring to ensure subgrantees comply with federal requirements, the Commission has no assurance members are eligible to participate in the program or that grants funds are being used properly. In addition the AmeriCorps Program cannot be certain that individuals who are registered sex offenders are kept from serving in the program.

Recommendation

We recommend the Commission strengthen internal controls over monitoring sub-recipients to ensure full compliance with federal requirements. We recommend the Commission maintain support showing that sub-recipients are meeting federal grant requirements.

Commission's Response

For clarifying purposes, the Commission is the pass-through entity for federal AmeriCorps funding awarded by the Corporation for National and Community Service (CNCS) and has contractual agreements with all sub-recipients including five state agencies. Each sub-recipient, including five state agencies, is viewed as a distinct sub-recipient. The sub-recipients are required to implement certain program operational requirements and all are accountable to the State Commission.

The use of the word "grantee" has two different applications and when combined the above implies that the grantee is both the Commission and the 17 sub-recipients who have separate and distinct responsibilities.

The Commission's role as grantee is to monitor the activities of sub-recipients to ensure that the federal awards are used for the authorized purpose in compliance with laws, regulations, and the provisions contained in the contractual agreements. Since the Commission does not operate programs, eligibility verification and criminal history checks are properly performed at the sub-recipient program level.
To clarify, the state is not required to perform the two-part background checks. This is the responsibility of the sub-recipient (program operator) to perform state criminal registry and National Sex Offender Public Registry checks.

The above sentence should be clarified that the sex offender registry (National Sex Offender Public Registry) is a national registry, not a state registry as noted above.

The CNCS does not expect any Commission to be in the role of being directly responsible for member selection and supervision. The State Commission does not operate AmeriCorps programs and as such is not required to review eligibility documentation for all 1,300 AmeriCorps to ensure they meet eligibility standards.

The Commission appreciates the other insights and recommendations contained in this report. Based on areas identified for improvement, we will carry out a series of program monitoring enhancements and take the following steps to improve consistency and internal controls in the overall implementation of the monitoring process with the following actions:

- *Require subgrantees to submit eligibility certification confirmation on their member roster, signed by an authorized program official, stating that the members have met CNCS eligibility requirements beginning with the 2012-13 Program Year;*
- *Build a timetable upon receipt of CNCS grant awards to ensure that programs identified in all the risk categories receive the type of thorough monitoring and frequency depending on their classification;*
- *Maintain documentation in the monitoring file that details each finding or corrective action for each program that includes any follow up and resolution to ensure it is completed in a consistent and timely manner;*
- *Revise procedures to have consistent standards regarding the percentage of member files to be reviewed, and identify the random selection process to select members' files chosen for review. (The CNCS does not require a 100% member file verification as part of the monitoring process)*

We look forward to engaging in a dialogue with State Auditor staff to clarify any points and will begin immediately to implement recommendations identified above and found in the preliminary draft report.

Auditor's Concluding Remarks

We thank the Commission for its response. To reiterate, we contend the Commission, as the grantee, is legally accountable to the Corporation for National and Community Service for ensuring compliance with federal regulations and grant funds are properly spent. This includes ensuring all members are eligible. We do not disagree with the delegation of the eligibility determination to the sub-recipients but it is our position that the federal grantor cannot be assured the Commission paid only eligible members based on the current sub-recipient monitoring practices.

We thank the Commission for its cooperation and assistance throughout the audit. We will review the status of the Commission's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* states:

Section 300.

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

(c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

Section 400(d) - Pass-through entity responsibilities.

A pass-through entity shall perform the following for the Federal awards it makes:

(3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

2010 AmeriCorps Grant Provisions, Section IV, Part A, subpart 1 states:

1. Grantee, for the purposes of this agreement, means the direct recipient of this grant "45 CFR part 2542.510". The grantee is legally accountable to the Corporation for the use of grant funds and is bound by the provisions of the grant. The grantee is responsible for ensuring that subgrantees or other organizations carrying out activities under this award comply with these provisions, including regulations and OMB circulars incorporated by reference.

Title 45, Code of Federal Regulations, Part 2540 states in part:

§2540.200 To whom must I apply suitability criteria relating to criminal history?

You must apply suitability criteria relating to criminal history to an individual applying for, or serving in, a position for which an individual receives a Corporation grant-funded living allowance, stipend, education award, salary, or other remuneration.

§2540.201 What suitability criteria must I apply to a covered position?

An individual is ineligible to serve in a covered position if the individual:

(a) Is registered, or required to be registered, on a State sex offender registry or the National Sex Offender Registry; or

(b) Has been convicted of murder, as defined in section 1111 of title 18, United States Code.

§2540.202 What two search components of the National Service Criminal History Check must I satisfy to determine an individual's suitability to serve in a covered position?

Unless the Corporation approves an alternative screening protocol, in determining an individual's suitability to serve in a covered position, you are responsible for conducting and documenting a National Service Criminal History Check, which consists of the following two search components: (a) *State criminal registry search.* A search (by name or fingerprint) of the State criminal registry for the State in which your program operates and the State in which the individual resides at the time of application; and (b) *National Sex Offender Public Registry.* A name-based search of the Department of Justice (DOJ) National Sex Offender Public Registry (NSOPR).

§2540.203 When must I conduct a State criminal registry check and a NSOPR check on an individual in a covered position?

(a) The State criminal registry check must be conducted on Foster Grandparents, Senior Companions, and AmeriCorps State and National participants and grant-funded staff with recurring access to children, persons age 60 or older, or individuals with disabilities, who

enroll in, or are hired by, your program after November 23, 2007. For all other covered individuals, the State criminal registry check must be conducted on an individual who enrolls in, or is hired by, your program on or after October 1, 2009.

(b) The National Sex Offender Public Web site check must be conducted on an individual who is serving, or applies to serve, as a Foster Grandparent, Senior Companion, or AmeriCorps State and National participant or grant-funded staff with recurring access to children, persons age 60 or older, or individuals with disabilities on or after November 23, 2007. For all other covered individuals, the National Sex Offender Public Web site check must be conducted on an individual who enrolls in, or is hired by, your program on or after October 1, 2009.

(c) For an individual who serves consecutive terms of service in your program with a break in service of no more than 30 days, no additional check is required after the first term.

§2540.204 What procedures must I follow in conducting a National Service Criminal History Check for a covered position?

You are responsible for following these procedures: (a) Verify the individual's identity by examining the individual's government-issued photo identification card, such as a driver's license; (b) Obtain prior, written authorization for the State criminal registry check and the appropriate sharing of the results of that check within the program from the individual (but not for the NSOPR check); (c) Document the individual's understanding that selection into the program is contingent upon the organization's review of the individual's criminal history, if any; (d) Provide a reasonable opportunity for the individual to review and challenge the factual accuracy of a result before action is taken to exclude the individual from the position; (e) Provide safeguards to ensure the confidentiality of any information relating to the criminal history check, consistent with authorization provided by the applicant; and (f) Ensure that an individual, for whom the results of a required State criminal registry check are pending, is not permitted to have access to children, persons age 60 and older, or individuals with disabilities without being accompanied by an authorized program representative who has previously been cleared for such access.

§2540.205 What documentation must I maintain regarding a National Service Criminal History Check for a covered position?

You must: (a) Document in writing that you verified the identity of the individual in a covered position by examining the individual's government-issued photo identification card, and that you conducted the required checks for the covered position; and (b) Maintain the results of the National Service Criminal History check (unless precluded by State law) and document in writing that you considered the results in selecting the individual.

11-51 The Employment Security Department did not ensure all background checks were performed for AmeriCorps members as required by federal regulations.

Federal Awarding Agency:	U.S. Corporation for National and Community Service
Pass-Through Entity:	None
CFDA Number and Title:	94.006 AmeriCorps 94.006A AmeriCorps – American Recovery and Reinvestment Act (ARRA)
Federal Award Number:	06AFHWA001; 09ACHWA001; 09RCHWA002; 09RFHWA001; 10ESHWA001; 10FXHWA002; 11ACHWA001
Applicable Compliance Component:	Eligibility
Questioned Cost Amount:	$ 85,554.24 Non-ARRA Actual $506,647.00 Non-ARRA Projected $ 6,014.15 ARRA Actual $ 10,490.00 ARRA Projected

Background

AmeriCorps is a national service program that provides funds to national and locally based organizations to recruit and train AmeriCorps members. Full-time members receive a living allowance and are eligible for health insurance and child care benefits. After successfully completing the required term of service, AmeriCorps members receive a voucher that may be used to pay off qualified student loans or to pay qualified educational expenses.

The Employment Security Department is one of several state agencies that administer the AmeriCorps program. In fiscal year 2011 the Department spent more than $9 million of the approximately $18 million available to the state for the program. Approximately $4.4 million of this was spent on living allowances and benefits for nearly 1,000 AmeriCorps members. Most of these members are selected and directly supervised by organizations the Department oversees, such as non-profits or educational institutions. The supervising organizations collect the required documentation for these members and send it to the Department. The Department must ensure all requirements have been met and records are complete prior to enrolling the member.

The Department also directly oversaw 42 members. Federal regulations state the Department must ensure individuals it will supervise are eligible to become AmeriCorps members. In order to be eligible, individuals cannot be registered, or required to be registered, on a state sex offender registry. Federal regulations require the state to perform a state criminal registry search and a National Sex Offender Public Registry search. The results must be printed and retained at the time they are performed.

The Department requested and received approval from the federal grantor to use an Alternative Search Protocol to ensure background checks are performed for applicants the Department does not directly supervise. The approved Alternative Search Protocol requires the organizations overseeing members to conduct the two required background checks prior to accepting an individual for the program. The organizations must sign a certification for each applicant stating the background checks were performed and no disqualifying offenses were identified and send it to the Department. The Department must retain the certification. In addition, the Department, when performing monitoring visits of organizational sites, must review the member files and ensure the background checks were properly performed and the reports were retained.

Description of Condition

We examined the files of all 42 members supervised by the Department who enrolled during the fiscal year for evidence that background checks were performed. We determined the Department did not do so for 16

prior to the member's term of service. All 16 had a National Sex Offender Public Registry check in the file, but 11 had the dates removed and five were performed after we requested the files. The Department stated it realized the checks were missing so they ran a new check and removed the date for 11 of the files and left the date for the other five. Of the 16 files, nine were also missing a proper state background check. Six of the files contained state background checks performed after we had requested the member's files. The other three had state background checks that were performed in August 2011, after the members had completed their service.

We also randomly selected 62 stipend payments for testing, 17 of which were paid with American Recovery and Reinvestment Act funding. For members who were directly supervised by the Department, we determined whether the Department had a copy of the state and national background checks in the member's file. For members supervised by other organizations, we examined whether the Department had the certification from the organization stating the background check was performed. We determined files for seven members did not contain the required documentation.

Cause of Condition

The Department does not have sufficient internal controls to ensure compliance with federal regulations. The Department relies on one individual to ensure all background check documentation is completed in a timely manner and is in the member's file prior to the member being enrolled. The Department does not have written policies or procedures to guide this process and does no secondary review to ensure background checks have been completed.

Effect of Condition and Questioned Costs

Without the documentation to show background checks were performed, the federal grantor cannot be assured living allowances and benefits were paid only to eligible members. In addition, the Department cannot be certain that all enrolled members do not have disqualifying offenses.

We identified $91,568 in living allowance and benefit payments to members for whom the Department did not have adequate documentation to determine eligibility. Of this amount, $6,014 was funded by Recovery Act money. Additionally, by using a sampling method that allows us to project our results to the entire population of living allowances paid, we estimate questioned costs of $517,137. Of this amount, $10,490 is funded by Recovery Act money.

We question costs when we find an agency has not complied with grant regulations and/or when it does not have adequate documentation to support it expenditures.

Recommendation

We recommend the Department establish internal controls for monitoring member files to ensure eligibility requirements have been met and are fully documented. We also recommend the Department communicate with the federal grantor to determine whether questioned costs need to be repaid.

Department's Response

The Employment Security Department (ESD) does not agree that individuals who served as members in the AmeriCorps program were ineligible. We will work with the grantor agency to resolve this finding and related questioned costs.

ESD recognizes the importance of having established procedures to comply with Commission for National and Community Service (CNCS) grant requirements for member background checks. The department's Washington Service Corps (WSC) has clear expectations regarding the required documentation and the retention of this information. These expectations are regularly communicated to staff and sub-recipients.

The 16 members missing background check documentation had completed certifications on file and those certifications were completed at the time of the members' enrollment in the program. These certifications were signed by department staff that completed the background checks and are attesting the member met CNCS background check requirements. During the audit it was discovered that the original background check documents were missing from the WSC files. They were subsequently rerun during the audit and provided to the auditor. The WSC has verified that enrolled members supervised by department staff for the current program year are in compliance with background check regulations.

The audit provided the WSC with the opportunity to identify areas for internal control improvements. As a result, the WSC immediately initiated corrective action to implement stronger internal controls to ensure eligibility requirements will be fully documented and retained as required by CNCS regulations. This will be an ongoing effort on the part of the Washington Service Corps and includes the following:

- *Creating a background check policy and procedures to ensure compliance with requirements.*
- *Retaining printed copies of the background check documents for all members. These documents will be filed centrally at WSC headquarters.*
- *Contracting with a CNCS approved Federal Bureau of Investigation "channeler" providing a vendor portal to ensure background checks for all potential members are handled within a reasonable period of time and cleared before the member's service start date.*
- *Ensuring all background checks received from sub-recipients are completed prior to the start of the member's term of service. This will be accomplished by a series of reviews by WSC staff. Initially a WSC program coordinator will review all background check documentation submitted by sub-recipients. This review will be for completeness and accuracy of information submitted and validation of documents identified on the enrollment checklist. The review will be performed before the member is authorized to start their term of service. The documentation will then be forwarded to a different WSC program coordinator for a secondary review. A final review will be performed by WSC staff enrolling the member(s) into eGrants. A member's enrollment will not be processed until all required documentation is obtained.*
- *Creating a centralized database of background check results to ensure completeness and compliance of member records for the upcoming 2012-13 program year.*
- *Providing WSC staff and sub-recipient supervisors with mandatory training planned for April 2012 on CNCS background check requirements and new WSC processes. Special emphasis will be on the new centralized process for receiving all background check documentation in WSC headquarters prior to the member starting service. Staff and sub-recipient supervisors will be held accountable for ensuring compliance with these requirements. An additional sub-recipient supervisor training session is scheduled in May 2012 that will incorporate changes to background check requirements resulting from anticipated updates to the Federal Register.*
- *Scheduling an internal WSC staff meeting on September 11, 2012 to evaluate the implementation of the new background check process and solicit feedback for improvements.*
- *Providing updates to staff and sub-recipients on questions or concerns received on background check processes. WSC will routinely discuss background check compliance in regular monthly staff meetings from this point forward to ensure instructions are clear and compliance requirements are understood.*

WSC is in the process of hiring a compliance coordinator with a strong background in compliance monitoring to ensure corrective actions taken by the department are being implemented. This individual will be responsible for:

- *Assisting in the development and delivery of training on the new background check policy and procedures to WSC staff and sub-recipients across the state.*

- *Overseeing transition to the new WSC background check processes and member eligibility requirements for program year 2012-13.*
- *Traveling to sub-recipients across the state to provide on-site monitoring of background check documentation for the 2011-12 program year. This enhanced monitoring effort will supplement the program's established risk-based monitoring process.*

Auditor's Concluding Remarks

We thank the Department for its response. To reiterate, we do not state the Department employed ineligible members. We state the federal grantor cannot be assured the Department paid only eligible members because it did not meet federal requirements. For the 16 directly supervised members the Department refers to in its response, we are aware that certifications were present in some, possibly all files. We did not reference these certifications in our finding because they do not meet requirements and therefore we did not examine them. The documentation on original background checks that was missing is the only acceptable form of documentation per federal law.

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

Applicable Laws and Regulations

U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states:

> The auditee shall:
> (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

Title 45, Code of Federal Regulations, Part 2540 states in part:

> §2540.200 To whom must I apply suitability criteria relating to criminal history?
> You must apply suitability criteria relating to criminal history to an individual applying for, or serving in, a position for which an individual receives a Corporation grant-funded living allowance, stipend, education award, salary, or other remuneration.
>
> §2540.201 What suitability criteria must I apply to a covered position?
> An individual is ineligible to serve in a covered position if the individual:
> (a) Is registered, or required to be registered, on a State sex offender registry or the National Sex Offender Registry; or
> (b) Has been convicted of murder, as defined in section 1111 of title 18, United States Code.
>
> §2540.202 What two search components of the National Service Criminal History Check must I satisfy to determine an individual's suitability to serve in a covered position?
> Unless the Corporation approves an alternative screening protocol, in determining an individual's suitability to serve in a covered position, you are responsible for conducting and documenting a National Service Criminal History Check, which consists of the following two search components: (a) *State criminal registry search.* A search (by name or fingerprint) of the State criminal registry for the State in which your program operates and the State in which the individual resides at the time of application; and (b) *National Sex Offender Public*

Registry. A name-based search of the Department of Justice (DOJ) National Sex Offender Public Registry (NSOPR).

§2540.203 When must I conduct a State criminal registry check and a NSOPR check on an individual in a covered position?

(a) The State criminal registry check must be conducted on Foster Grandparents, Senior Companions, and AmeriCorps State and National participants and grant-funded staff with recurring access to children, persons age 60 or older, or individuals with disabilities, who enroll in, or are hired by, your program after November 23, 2007. For all other covered individuals, the State criminal registry check must be conducted on an individual who enrolls in, or is hired by, your program on or after October 1, 2009.

(b) The National Sex Offender Public Web site check must be conducted on an individual who is serving, or applies to serve, as a Foster Grandparent, Senior Companion, or AmeriCorps State and National participant or grant-funded staff with recurring access to children, persons age 60 or older, or individuals with disabilities on or after November 23, 2007. For all other covered individuals, the National Sex Offender Public Web site check must be conducted on an individual who enrolls in, or is hired by, your program on or after October 1, 2009.

(c) For an individual who serves consecutive terms of service in your program with a break in service of no more than 30 days, no additional check is required after the first term.

§2540.204 What procedures must I follow in conducting a National Service Criminal History Check for a covered position?

You are responsible for following these procedures: (a) Verify the individual's identity by examining the individual's government-issued photo identification card, such as a driver's license; (b) Obtain prior, written authorization for the State criminal registry check and the appropriate sharing of the results of that check within the program from the individual (but not for the NSOPR check); (c) Document the individual's understanding that selection into the program is contingent upon the organization's review of the individual's criminal history, if any; (d) Provide a reasonable opportunity for the individual to review and challenge the factual accuracy of a result before action is taken to exclude the individual from the position; (e) Provide safeguards to ensure the confidentiality of any information relating to the criminal history check, consistent with authorization provided by the applicant; and (f) Ensure that an individual, for whom the results of a required State criminal registry check are pending, is not permitted to have access to children, persons age 60 and older, or individuals with disabilities without being accompanied by an authorized program representative who has previously been cleared for such access.

§2540.205 What documentation must I maintain regarding a National Service Criminal History Check for a covered position?

You must: (a) Document in writing that you verified the identity of the individual in a covered position by examining the individual's government-issued photo identification card, and that you conducted the required checks for the covered position; and (b) Maintain the results of the National Service Criminal History check (unless precluded by State law) and document in writing that you considered the results in selecting the individual.

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State of Washington
Schedule of Expenditures of Federal Awards

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Programs Not Clustered

Institute for Museum Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
03.000	IMS - Contract Number Only Provided	61-5202A, AM 1	3600	36,451	0	PT
	Federal Program 03.000 Total			**36,451**	**0**	
03.307	21st Century Museum Professionals		3600	86,385	8,400	
	Federal Program 03.307 Total			**86,385**	**8,400**	
03.310	Grants to States		0850	3,497,442	613,127	
	Federal Program 03.310 Total			**3,497,442**	**613,127**	
03.312	National Leadership Grants		3600	267,595	77,504	
	Federal Program 03.312 Total			**267,595**	**77,504**	
03.313	Laura Bush 21st Century Librarian Program		3600	211,047	0	
	Federal Program 03.313 Total			**211,047**	**0**	
	Institute for Museum Services Total			**4,098,920**	**699,031**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Programs Not Clustered

National Endowment for the Arts

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
05.024	Promo Grant Arts to Org		3600	159,539	0	
05.024		90072	3700	17,025	0	PT
05.024			3800	15,607	0	
05.024			3870	25,000	0	
05.024		22156	3870	2,225	0	PT
05.024			4650	32,857	0	
	Federal Program 05.024 Total			**252,253**	**0**	
05.024A	ARRA - Promo Grant Arts to Org		3600	(29)	0	
05.024A			3870	53,657	0	
05.024A			4650	12,782	0	
	Federal Program 05.024A Total			**66,410**	**0**	
05.025	Promo of Arts Partnership Agreements	UW BUD# 639161	3600	2,500	0	PT
05.025			3870	1,012,634	0	
	Federal Program 05.025 Total			**1,015,134**	**0**	
	National Endowment for the Arts Total			**1,333,797**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Programs Not Clustered

National Endowment for the Humanities

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
06.000	Neh - Contract Number Only Provided	26-3001-46-62	3600	17,731	0	PT
	Federal Program 06.000 Total			**17,731**	**0**	
06.130	Promotion of the Humanities Challenge Grants		3600	270,862	0	
	Federal Program 06.130 Total			**270,862**	**0**	
06.149	Promotion of the Humanities Division of Preservati		3750	4,760	0	
	Federal Program 06.149 Total			**4,760**	**0**	
06.160	Promotion of the Humanities Fellowships and Stipen		3650	4,847	0	
	Federal Program 06.160 Total			**4,847**	**0**	
06.164	Promotion of the Humanities Public Programs		3650	203,967	0	
	Federal Program 06.164 Total			**203,967**	**0**	
06.169	Promotion of the Humanities Office of Digital Huma		0850	183,079	1,269	
06.169			3600	10,325	0	
06.169			3650	43,726	17,018	
	Federal Program 06.169 Total			**237,130**	**18,287**	
	National Endowment for the Humanities Total			**739,297**	**18,287**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Programs Not Clustered

Office of National Drug Control Policy

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
07.000	Ondcp - Contract Number Only Provided	9009000063	0800	45,000	0	PT
07.000		C081592FED-HMI8	2250	908	0	
07.000		C090207FED-NMI9	2250	10,000	0	PT
07.000		C090665FED-DME9	2250	278,543	0	
07.000		C090665FED-HMI9	2250	34,092	0	
07.000		C090665FED-INX9	2250	56,164	0	
07.000		C100658FED-DME1	2250	68,395	0	
07.000		C100658FED-FOB1	2250	44,632	0	
07.000		C100658FED-HI10	2250	1,083,433	0	
07.000		C100658FED-INX1	2250	34,767	0	
07.000		C100658FED-MT10	2250	35,915	0	
07.000		C110497FED-TFG5	2250	2,224	0	PT
07.000		C110730FED-HI11	2250	124,434	0	
07.000		C110730FED-MT11	2250	4,993	0	
	Federal Program 07.000 Total			**1,823,500**	**0**	
	Office of National Drug Control Policy Total			**1,823,500**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Programs Not Clustered

Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.000	Agriculture - Contract Number Only Provided	06JV11272164063 MOD06	3600	51,391	0	
10.000		07JV11221609281MOD02	3600	9,513	0	
10.000		07JV11221622367MOD02	3600	66,311	0	
10.000		07JV11242300157	3600	16,889	0	
10.000		08CS11021006019MOD01	3600	3,055	0	
10.000		09-JV-11015600-039	3600	7,286	0	
10.000		09-JV-11242309-041	3600	900	0	
10.000		09CR11060600014MOD1	3600	6,613	0	
10.000		09JV11261900039MOD01	3600	15,742	0	
10.000		10-JV-11261927-093	3600	59,652	0	
10.000		10-JV-11261987-092	3600	12,337	0	
10.000		10-JV-11261989-019	3600	40,761	0	
10.000		10CR11060900007MOD01	3600	51,990	0	
10.000		2003-CA-11062764-638	3600	(1,132)	0	
10.000		35540	3600	(14,492)	0	PT
10.000		IPA EXTENSION	3600	49,207	0	
10.000		NO. 310	3600	84,440	0	PT
10.000		PNW 01-CA-11261975-077	3600	(5,849)	0	
10.000		PNW 05-JV-11261991-143	3600	(13)	0	
10.000		PNW 09-CA-11261991-072	3600	16,880	0	
10.000		PNW 09-JV-11261935-064	3600	19,776	0	
10.000		PNW 09-JV-11261976-035	3600	48,341	0	
10.000		PNW 09-JV-11261985-005	3600	23,761	0	
10.000		PNW 10-JV-11261955-063	3600	20,185	0	
10.000		PNW 10-JV-11261975-086	3600	16,418	0	
10.000		PNW08JV11261975355MOD0	3600	19,186	0	
10.000		PNW08JV11261993167MOD0	3600	93,070	0	
10.000		PNW09JV11261985036MOD0	3600	15,499	0	
10.000		PNW09JV11261987002MOD0	3600	871,531	0	
10.000		PNW10JV11261985083MOD0	3600	7,639	0	
10.000		SUBCONTRACT #310B	3600	14,400	0	PT
10.000		UW BUD# 638421	3600	23,454	0	PT
10.000		WAEC-01-005	3600	(440)	(440)	
10.000		06JV11221662221	3650	4,112	0	
10.000		06JV11231300072	3650	26,456	0	
10.000		07CS11020000078	3650	10,009	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.000	Agriculture - Contract Number Only Provided	07JV11221609276	3650	5,676	0	
10.000		0881001300CA	3650	(8)	0	
10.000		08JV11221636133	3650	18,733	0	
10.000		08JV11272138056	3650	12,072	0	
10.000		0971000308CA	3650	27,795	0	
10.000		0981001421CA	3650	8,090	0	
10.000		09JV11221634308	3650	48,279	0	
10.000		09JV11261900006	3650	45,807	18,014	
10.000		09JV11261975028	3650	30,406	19,103	
10.000		101474002	3650	5,435	0	PT
10.000		1081001516CA	3650	2,384	0	
10.000		1081001585CA	3650	3,447	0	
10.000		10CR11221634229	3650	33,299	0	
10.000		10JV11221634007	3650	33,073	0	
10.000		10JV11242309112	3650	68,536	0	
10.000		10JV11261900057	3650	739	0	
10.000		10JV11272138068	3650	12,576	0	
10.000		10JV11272138081	3650	22,097	0	
10.000		11CS11060500014	3650	5,231	0	
10.000		3310WSUNASULGC0114	3650	552	0	PT
10.000		433EAU580039	3650	5,921	0	
10.000		5853547660	3650	102,558	0	
10.000		6197K100065	3650	12,000	0	
10.000		6197K110015	3650	5,000	0	
10.000		6197K110061	3650	12,500	0	
10.000		6395K100023	3650	60,160	0	
10.000		6395K100150	3650	(3,575)	0	
10.000		6395K100223	3650	(2,750)	0	
10.000		6395K100287	3650	9,576	0	
10.000		6395K110008	3650	42,120	0	
10.000		6395K110138	3650	61,650	0	
10.000		6395K110205	3650	44,415	0	
10.000		8000041656	3650	1,310	0	PT
10.000		AG03R6P110061	3650	450	0	
10.000		AG6395P100186	3650	26,182	0	
10.000		C000315874	3650	2,457	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.000	Agriculture - Contract Number Only Provided	GUAR34553636	3650	3,700	0	PT
10.000		NRCS693A759130	3650	109,039	0	
10.000		P0023487	3650	28,801	0	PT
10.000		PNW07JV11261987169	3650	722	0	
10.000		PNW08JV11261975364	3650	840	0	
10.000		WSU000837	3650	4,987	0	PT
10.000		WSU001099	3650	11,346	0	PT
10.000		WSU001201	3650	5,286	0	PT
10.000		WSU001224	3650	48,902	0	
10.000		WSU001260	3650	15,000	0	PT
10.000		11-CR-11061700-020	3750	1,470	0	
10.000		07-CS-11062200-012	4600	15,207	0	
10.000		2010-CS-11062200-009	4600	9,124	0	
10.000		10-CS-11060300-01	4770	1,326	0	
10.000		10-CS-11060900-02	4770	2,256	0	
10.000		10-CS-11061700-04	4770	17,553	0	
10.000		10-CS-11261962-09	4770	3,796	0	
10.000		11-LE-11060500-01	4770	598	0	
	Federal Program 10.000 Total			**2,729,024**	**36,677**	
10.001	Agricultural Research_basic and Applied Research		6990	10,000	0	
	Federal Program 10.001 Total			**10,000**	**0**	
10.025	Plant and Animal Disease, Pest Control, and Animal		3650	1,510,662	0	
10.025			4670	105,437	15,872	
10.025			4770	48,188	0	
10.025			4950	2,175,004	0	
	Federal Program 10.025 Total			**3,839,291**	**15,872**	
10.028	Wildlife Services		3650	46,173	0	
10.028			4770	69,952	0	
	Federal Program 10.028 Total			**116,125**	**0**	
10.069	Conservation Reserve Program		4770	13,330	0	
	Federal Program 10.069 Total			**13,330**	**0**	
10.072	Wetlands Reserve Program		4770	91,993	0	
10.072			4900	5,045	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 10.072 Total			**97,038**	**0**	
10.093	Voluntary Public Access & Habitat Incentive Progra		4770	15,608	0	
	Federal Program 10.093 Total			**15,608**	**0**	
10.103	2009 Aquaculture Grant Program		4950	110,499	110,499	
	Federal Program 10.103 Total			**110,499**	**110,499**	
10.163	Market Protection and Promotion		4950	2,079,639	590,286	
	Federal Program 10.163 Total			**2,079,639**	**590,286**	
10.169	Specialty Crop Block Grant Program		4950	35,090	35,090	
	Federal Program 10.169 Total			**35,090**	**35,090**	
10.170	Specialty Crop Block Grant Program - Farm Bill	N/A	3700	51,169	0	PT
10.170			4950	1,802,957	1,598,869	
	Federal Program 10.170 Total			**1,854,126**	**1,598,869**	
10.210	Food and Agricultural Sciences National Needs Grad		3650	78,608	0	
	Federal Program 10.210 Total			**78,608**	**0**	
10.217	Higher Education Challenge Grants	G23309W2325	3650	77,169	0	PT
	Federal Program 10.217 Total			**77,169**	**0**	
10.223	Hispanic Serving Institutions Education Grants		6990	33,441	0	
	Federal Program 10.223 Total			**33,441**	**0**	
10.225	Community Food Projects	UW BUD# 639704	3600	9,736	0	PT
	Federal Program 10.225 Total			**9,736**	**0**	
10.255	Research Innovation and Development Grants In Econ	233K380	3650	31,382	0	PT
	Federal Program 10.255 Total			**31,382**	**0**	
10.303	Integrated Programs		3650	1,352,631	287,219	
10.303		07001492WA2	3650	52,943	0	PT
10.303		C0368AA	3650	42,901	0	PT
10.303		P0016207	3650	55,219	0	PT
10.303		P0019142	3650	44,490	0	PT
10.303		P0019143	3650	81,055	0	PT
10.303		P0019149	3650	79,579	0	PT
10.303		P0019634	3650	4,925	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 10.303 Total			**1,713,743**	**287,219**	
10.304	Homeland Security_agricultural		3650	356,975	0	
10.304		8700255817	3650	40,464	0	PT
	Federal Program 10.304 Total			**397,439**	**0**	
10.305	International Science and Education Grants		3600	64,420	0	
10.305			3650	74,000	0	
10.305		2008120601	3650	5,194	0	PT
	Federal Program 10.305 Total			**143,614**	**0**	
10.309	Specialty Crop Research Initiative		3650	3,169,263	1,304,312	
10.309		00006986	3650	146,470	0	PT
10.309		0800399602	3650	2,072	0	PT
10.309		1080198219090	3650	133,733	0	PT
10.309		20101304802	3650	98,419	0	PT
10.309		2010136502	3650	57,229	0	PT
10.309		3651	3650	9,046	0	PT
10.309		3826WSUUSDA9561	3650	13,344	0	PT
10.309		614296A	3650	507,724	0	PT
10.309		C0423BA	3650	115,491	0	PT
	Federal Program 10.309 Total			**4,252,791**	**1,304,312**	
10.311	Beginning Farmer and Rancher Development Program		3650	347,056	89,983	
	Federal Program 10.311 Total			**347,056**	**89,983**	
10.312	Biomass Research and Development Initiative Compet		3650	236,718	0	
	Federal Program 10.312 Total			**236,718**	**0**	
10.314	New Era Rural Technology Competitive Grants Prog		6990	24,699	0	
	Federal Program 10.314 Total			**24,699**	**0**	
10.315	ARRA - Trade Adj Assist for Farmers Training Coord	H001344204	3650	275,604	0	PT
10.315		H001344218	3650	29,990	0	PT
	Federal Program 10.315 Total			**305,594**	**0**	
10.443	Outreach and Assistance for Socially Disadvantaged		3650	116,803	0	
	Federal Program 10.443 Total			**116,803**	**0**	
10.450	Crop Insurance		3650	12,503	0	

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Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 10.450 Total			**12,503**	**0**	
10.455	Community Outreach and Assistance Partnership Prog		4950	53,753	0	
	Federal Program 10.455 Total			**53,753**	**0**	
10.459	Commodity Partnerships for Small Agricultural Risk		3650	1,963	0	
	Federal Program 10.459 Total			**1,963**	**0**	
10.479	Food Safety Cooperative Agreements		3030	764,745	48,208	
	Federal Program 10.479 Total			**764,745**	**48,208**	
10.500	Cooperative Extension Service		3650	9,869,278	656,412	
10.500		080018003	3650	4,714	0	PT
10.500		080827002	3650	15,353	0	PT
10.500		11006323B00	3650	10,072	0	PT
10.500		11USDAARMYWSU	3650	35,621	0	PT
10.500		548748872	3650	3,635	0	PT
10.500		8000020482AG	3650	19,152	0	PT
10.500		8000025986AG	3650	4,123	0	PT
10.500		Q01465	3650	3,962	0	PT
10.500		Q01467	3650	5,101	0	PT
10.500		S10088	3650	18,247	0	PT
10.500		S10174	3650	25,293	0	PT
10.500		S11178	3650	8,838	0	PT
10.500		S4079036501	3650	65,354	0	PT
10.500		SL061AA	3650	8,331	0	PT
10.500		TCEIRAQ1	3650	128,065	0	PT
10.500		UTSTUNV46442WA	3650	6,479	0	PT
10.500		UTSTUNV46460EES	3650	2,436	0	PT
10.500		UTSTUNV46467WA2	3650	214	0	PT
10.500		Y550112	3650	4,378	0	PT
	Federal Program 10.500 Total			**10,238,646**	**656,412**	
10.557	Suppl Nutri Prog for WIC		3030	148,064,325	132,863,648	
10.557			3600	24,686	0	
	Federal Program 10.557 Total			**148,089,011**	**132,863,648**	
10.558	Child and Adult Care Food Program		3500	43,283,837	42,710,813	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 10.558 Total			**43,283,837**	**42,710,813**	
10.560	State Administrative Expenses for Child Nutrition		3500	5,043,406	1,735,116	
	Federal Program 10.560 Total			**5,043,406**	**1,735,116**	
10.565	Commodity Supplemental Food Program		3000	41,586	0	NC
10.565			3500	18,673,962	0	NC
10.565			4950	355,042	335,573	
	Federal Program 10.565 Total			**19,070,590**	**335,573**	
10.567	Food Distribution Program on Indian Reservations	WSU001160	3650	16,223	0	PT
	Federal Program 10.567 Total			**16,223**	**0**	
10.572	WIC Farmers' Market Nutrition Program (Fmnp)		3030	621,764	567,695	
10.572		Sub-contract	3750	8,758	0	PT
	Federal Program 10.572 Total			**630,522**	**567,695**	
10.574	Team Nutrition Grants		3500	40,004	0	
10.574		SFM-GR03287.-A10	3750	49,563	0	PT
	Federal Program 10.574 Total			**89,567**	**0**	
10.576	Senior Farmers Market Nutrition Program		3000	233,978	6,555	
	Federal Program 10.576 Total			**233,978**	**6,555**	
10.578	WIC Grants to States (Wgs)		3030	355,368	296,656	
	Federal Program 10.578 Total			**355,368**	**296,656**	
10.579	Child Nutrition Discretionary Grants		3500	326,894	285,988	
	Federal Program 10.579 Total			**326,894**	**285,988**	
10.579A	ARRA - Child Nutrition Discretionary Grants		3500	83,874	83,874	
	Federal Program 10.579A Total			**83,874**	**83,874**	
10.580	Special Nutrition Assistance Program Outreach/Part		3000	17,535	0	
	Federal Program 10.580 Total			**17,535**	**0**	
10.582	Fresh Fruit and Vegetable Program		3500	2,156,435	2,057,424	
	Federal Program 10.582 Total			**2,156,435**	**2,057,424**	
10.604	Technical Assistance for Specialty Crops Program		3650	70,949	0	
10.604			4950	38,000	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 10.604 Total			**108,949**	**0**	
10.664	Cooperative Forestry Assistance		3650	11,994	6,637	
10.664			4900	5,101,870	0	
	Federal Program 10.664 Total			**5,113,864**	**6,637**	
10.675	Urban and Community Forestry Program		3600	643	0	
	Federal Program 10.675 Total			**643**	**0**	
10.676	Forest Legacy Program		4900	2,739,980	0	
	Federal Program 10.676 Total			**2,739,980**	**0**	
10.677	Forest Land Enhancement Program		4770	2,488	0	
	Federal Program 10.677 Total			**2,488**	**0**	
10.678	Forest Stewardship Program		4770	11,581	0	
	Federal Program 10.678 Total			**11,581**	**0**	
10.687	ARRA - Usfs Olympic National Forest		4610	92,061	0	
	Federal Program 10.687 Total			**92,061**	**0**	
10.688	ARRA - Priortize Fuel Treatments		3600	658,160	0	
10.688			3650	13,264	0	
10.688			4900	1,617,911	0	
	Federal Program 10.688 Total			**2,289,335**	**0**	
10.693	Watershed Restoration & Enhancement Agreement Auth		4770	100,634	0	
	Federal Program 10.693 Total			**100,634**	**0**	
10.769	Rural Business Enterprise Grants		6990	45,382	0	
	Federal Program 10.769 Total			**45,382**	**0**	
10.773	Rural Business Opportunity Grants	UW BUD# 662090	3600	(4,878)	0	PT
	Federal Program 10.773 Total			**(4,878)**	**0**	
10.855	Distance Learning and Telemedicine Loans and Grant		6990	(17,945)	0	
	Federal Program 10.855 Total			**(17,945)**	**0**	
10.868	Rural Energy for America Program		1030	41,483	29,000	
	Federal Program 10.868 Total			**41,483**	**29,000**	
10.903	Soil Survey		3650	38,865	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 10.903 Total			**38,865**	**0**	
10.912	Environmental Quality Incentives Program		3650	665,143	264,287	
10.912		20080116039	3650	126,546	0	PT
10.912		WAF0261060910	3650	1,756	0	PT
10.912			4710	749,559	0	
	Federal Program 10.912 Total			**1,543,004**	**264,287**	
10.914	Wildlife Habitat Incentive Program		4770	56,429	0	
10.914			4900	27,118	0	
	Federal Program 10.914 Total			**83,547**	**0**	
10.950	Agricultural Statistics Reports		3650	151,376	0	
	Federal Program 10.950 Total			**151,376**	**0**	
10.960	Technical Agricultural Assistance		3650	55,891	0	
	Federal Program 10.960 Total			**55,891**	**0**	
10.962	Cochran Fellowship Program-International Training-		3650	81,567	0	
	Federal Program 10.962 Total			**81,567**	**0**	
10.999	Department of Agriculture - Undetermined		3600	371,353	0	
10.999			4770	3,797	0	
	Federal Program 10.999 Total			**375,150**	**0**	
	Dept of Agriculture Total			**261,990,390**	**186,016,693**	

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Dept of Commerce

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
11.000	Commerce - Contract Number Only Provided	11-03	3600	19,297	0	PT
11.000		553-3975-003	3600	27,577	0	PT
11.000		AB133F-08-SE-2317	3600	8,704	0	
11.000		AB133F-10-CN0351	3600	46,273	0	
11.000		AB133F-10-SE-2888	3600	46,635	0	
11.000		AB133F-10-SE-2891	3600	32,404	0	
11.000		AB133F-10-SE-3269	3600	7,490	0	
11.000		AB133F-10-SE-3568	3600	4,774	0	
11.000		AB133F-10-SE-3661	3600	21,004	0	
11.000		AB133F03CN0041AM0003	3600	44	0	
11.000		AB133F06CN0297	3600	365,647	0	
11.000		AB133F07CN0155MOD06	3600	111,099	0	
11.000		AB133F07CN0246	3600	64,019	0	
11.000		AB133F07CN0256	3600	27,292	0	
11.000		AB133F07SE3933	3600	(3)	0	
11.000		AB133F07SE4322	3600	7,528	0	
11.000		AB133F07SE5502AM01	3600	1,026	0	
11.000		AB133F08SE3079	3600	7,720	0	
11.000		AB133F08SE3510	3600	10,605	0	
11.000		AB133F08SE4030	3600	(214)	0	
11.000		AB133F08SE5057	3600	(878)	0	
11.000		AB133F09CN0063	3600	69,202	0	
11.000		AB133F09SE3408	3600	11,946	0	
11.000		AB133F09SE4216	3600	29,435	0	
11.000		AB133F09SE4255	3600	6,095	0	
11.000		AB133F09SE4322MOD0001	3600	4,013	0	
11.000		AB133F09SE4323AMEND2	3600	29,004	0	
11.000		AB133F09SE4542AMEND1	3600	(2,454)	0	
11.000		AB133F09SE4556	3600	1,592	0	
11.000		AB133F09SE4651	3600	70,220	0	
11.000		AB133F10CN0137 MOD0003	3600	154,744	0	
11.000		AB133F10CN0345MOD02	3600	67,412	0	
11.000		AB133F10SE2022	3600	52,188	0	
11.000		AB133F10SE2131 AM01	3600	4,132	0	
11.000		AB133F10SE3755	3600	11,822	0	
11.000		AB133R10SE2605	3600	25,922	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Programs Not Clustered

Dept of Commerce

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
11.000	Commerce - Contract Number Only Provided	ABI33F10SE2549	3600	21,950	0	
11.000		CTC-2009	3600	55,631	0	PT
11.000		DG133E06SE4616MOD001	3600	(25,019)	0	
11.000		DG133E09SE2615	3600	(107)	0	
11.000		DG133E09SE4471	3600	40,077	0	
11.000		DG133E10SE2849	3600	98,391	7,919	
11.000		DG133E10SE3687	3600	24,436	0	
11.000		F3813-00	3600	50,295	0	PT
11.000		HA133F-07-SE-3917	3600	(788)	0	
11.000		IP1016	3600	100,640	0	
11.000		IPA#1004	3600	48,173	0	
11.000		NMFS-FHQ-2009-2001464	3600	80,966	0	PT
11.000		NOAAORDERAB133F10SE309	3600	8,056	0	
11.000		PO FP00983	3600	69,009	0	PT
11.000		PO RA1330-03-AU-0008	3600	(9,089)	0	
11.000		R/FISH-208	3600	22,750	0	PT
11.000		R/FISH-208 MOD	3600	24,845	0	PT
11.000		R/FISH-208MOD	3600	32,972	0	PT
11.000		RA133F-09-SE-4602 AM01	3600	6,626	0	
11.000		SB134104W1458,A01	3600	1	0	
11.000		UW BUD# 637814	3600	31,302	0	PT
11.000		UW BUD# 662425	3600	(12,896)	0	PT
11.000		UW BUD# 801214	3600	(24)	0	PT
11.000		06-10	4770	119,691	0	PT
11.000		10-44	4770	15,718	0	PT
11.000		10-78	4770	49,705	0	PT
11.000		10-79	4770	4,612	0	PT
11.000		10-80	4770	3,852	0	PT
11.000		10-81	4770	22,163	0	PT
11.000		10FP5IPA35	4770	14,995	0	
11.000		11-108	4770	8,800	0	PT
11.000		11-31	4770	214,936	0	PT
11.000		11-50	4770	2,005	0	PT
11.000		11-57	4770	84,377	0	PT
11.000		11-59	4770	83,633	0	PT
11.000		11-79	4770	26,389	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Dept of Commerce

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
11.000	Commerce - Contract Number Only Provided	11-80	4770	14,536	0	PT
11.000		11-85	4770	2,788	0	PT
11.000		11-86	4770	3,672	0	PT
11.000		11-87	4770	18,286	0	PT
11.000		11-94	4770	248,132	0	PT
11.000		2010-3	4770	41,858	0	PT
11.000		6F1IPA01	4770	80,211	0	
11.000		G8LPM7A-P00	4770	40,477	0	
11.000		07-01-06494	6990	2,735,801	0	
	Federal Program 11.000 Total			**5,848,150**	**7,919**	
11.303	Economic Development_technical Assistance		3650	113,409	0	
	Federal Program 11.303 Total			**113,409**	**0**	
11.400	Geodetic Surveys and Services (Geodesy and Applica		4900	28,491	0	
	Federal Program 11.400 Total			**28,491**	**0**	
11.407	Interjurisdictional Fisheries Act of 1986		4770	179,566	0	
	Federal Program 11.407 Total			**179,566**	**0**	
11.419	Coastal Zone Management Administration Awards		4610	4,446,307	0	
	Federal Program 11.419 Total			**4,446,307**	**0**	
11.427	Fisheries Development and Utilization Research And		4770	39,359	0	
	Federal Program 11.427 Total			**39,359**	**0**	
11.436	Columbia River Fisheries Development Program		4670	540,014	125,366	
11.436			4770	6,075,359	0	
11.436		11-13	4770	199,342	0	PT
11.436		11-16	4770	141,500	0	PT
	Federal Program 11.436 Total			**6,956,215**	**125,366**	
11.437	Pacific Fisheries Data Program	10-88	4770	410,210	0	PT
11.437		10-89	4770	125,828	0	PT
11.437		11-36	4770	185,494	0	PT
11.437		11-46	4770	45,901	0	PT
11.437		Agreement	4770	163,589	0	PT
	Federal Program 11.437 Total			**931,022**	**0**	
11.438	Pacific Coast Salmon Recovery_pacific Salmon Treat	COOP 10-029	3600	131,052	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Programs Not Clustered

Dept of Commerce

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
11.438	Pacific Coast Salmon Recovery_pacific Salmon Treat	COOP 11012	3600	31,385	0	PT
11.438		COOP-09-009	3600	(968)	0	PT
11.438		COOP-10-008, AMEND #1	3600	39,776	0	PT
11.438		PROJ # 11145128	3600	5,041	0	PT
11.438			4670	26,707,439	18,661,538	
11.438			4770	1,907,906	0	
	Federal Program 11.438 Total			**28,821,631**	**18,661,538**	
11.439	Marine Mammal Data Program		4770	88,167	0	
11.439		11-18	4770	107,382	0	PT
	Federal Program 11.439 Total			**195,549**	**0**	
11.441	Regional Fishery Management Councils	06-11	4770	110,000	0	PT
	Federal Program 11.441 Total			**110,000**	**0**	
11.460	Special Oceanic and Atmospheric Projects	A100609,AMEND#2	3600	15,606	0	PT
	Federal Program 11.460 Total			**15,606**	**0**	
11.463	Habitat Conservation		3650	50,908	0	
11.463			4770	179,834	0	
11.463			4780	10,000	0	
	Federal Program 11.463 Total			**240,742**	**0**	
11.469	Congressionally Identified Awards and Projects	SA#10-25	3600	14,359	0	PT
11.469			4610	72,659	0	
11.469			6990	72,237	0	
	Federal Program 11.469 Total			**159,255**	**0**	
11.473	Coastal Services Center		3600	2,534,107	1,252,579	
	Federal Program 11.473 Total			**2,534,107**	**1,252,579**	
11.478	Center for Sponsored Coastal Ocean Research_coasta		3600	394,853	0	
11.478			3800	23,297	0	
	Federal Program 11.478 Total			**418,150**	**0**	
11.550	Public Telecommunications Facilities Planning And		3650	186,529	0	
11.550			6990	107,121	0	
	Federal Program 11.550 Total			**293,650**	**0**	
11.555	Public Safety Interoperable Communications Grant P		2450	4,951,454	4,806,887	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Programs Not Clustered

Dept of Commerce

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 11.555 Total			**4,951,454**	**4,806,887**	
11.557	ARRA - Broad Tech Opportunities Prog (Btop)		1550	783,654	0	
11.557		53-42-B10585	3600	5,933	0	PT
	Federal Program 11.557 Total			**789,587**	**0**	
11.609	Measurement & Engineering Research & Stand		6990	9,971	0	
	Federal Program 11.609 Total			**9,971**	**0**	
11.999	Department of Commerce - Undetermined		3600	8,536	0	
11.999			4770	945,458	0	
11.999		None	4770	62,008	0	PT
	Federal Program 11.999 Total			**1,016,002**	**0**	
	Dept of Commerce Total			**58,098,223**	**24,854,289**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Programs Not Clustered

Dept of Defense

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.000	Dod - Contract Number Only Provided	FA4620-11-C-A001	6990	570,213	0	
12.000		FA4620-11-C-A003	6990	1,145,926	0	
12.000		FA4620-11-P-A038	6990	38,189	0	
12.000		W911S810D0022	6990	234,339	0	
	Federal Program 12.000 Total			**1,988,667**	**0**	
12.112	Payments to States In Lieu of Real Estate Taxes		0050	35,567	0	
	Federal Program 12.112 Total			**35,567**	**0**	
12.400	Military Construction, National Guard		2450	343,739	0	
12.400		669610 AM01	3600	212,635	0	PT
	Federal Program 12.400 Total			**556,374**	**0**	
12.401	Natl Guard Military Oper & Maint		2450	17,733,241	0	
	Federal Program 12.401 Total			**17,733,241**	**0**	
12.401A	ARRA - Natl Guard Military Oper & Maint		2450	381,010	0	
	Federal Program 12.401A Total			**381,010**	**0**	
12.404	National Guard Civilian Youth Opportunities		2450	2,354,665	0	
	Federal Program 12.404 Total			**2,354,665**	**0**	
12.550	National Flagship Language Program Grants to U.S.	4926-1	3600	(21,720)	0	PT
	Federal Program 12.550 Total			**(21,720)**	**0**	
12.901	Mathematical Sciences Grants Program		3600	39,242	0	
	Federal Program 12.901 Total			**39,242**	**0**	
12.999	Department of Defense - Undetermined		3500	144,256	0	
12.999			3600	718,670	0	
12.999			4770	68,277	0	
	Federal Program 12.999 Total			**931,203**	**0**	
	Dept of Defense Total			**23,998,249**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Programs Not Clustered

Housing & Urban Development

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
14.000	HUD - Contract Number Only Provided	PL110-161:95x1350	1480	34,996	0	PT
14.000		PL110-289:95x1350	1480	64,876	0	PT
14.000		PL111-117:95x1350	1480	414,655	0	PT
14.000		PL111-8:95x1350	1480	3,263	0	PT
14.000		Seattle Training	1480	2,279	0	PT
14.000		RED092008-02	3600	48,942	0	PT
14.000		KC10410	3650	9,874	0	PT
	Federal Program 14.000 Total			**578,885**	**0**	
14.169	Housing Counseling Assistance Program		1480	363,286	340,516	
	Federal Program 14.169 Total			**363,286**	**340,516**	
14.171	Manufactured Home Construction and Safety Standard		2350	78,965	0	
	Federal Program 14.171 Total			**78,965**	**0**	
14.231	Emergency Shelter Grants Program		1030	1,401,977	1,397,932	
	Federal Program 14.231 Total			**1,401,977**	**1,397,932**	
14.235	Supportive Housing Program		1030	117,743	0	
	Federal Program 14.235 Total			**117,743**	**0**	
14.239	Home Investment Partnerships Program		1030	15,699,468	15,005,496	
14.239		FY 2011 HK Bremerton	1480	5,964	0	PT
14.239		FY 2011 HKP King Cnty	1480	16,768	0	PT
14.239		FY 2011 HKPArch	1480	18,000	0	PT
14.239		FY 2011 HKPS	1480	241,566	0	PT
	Federal Program 14.239 Total			**15,981,766**	**15,005,496**	
14.241	Housing Opportunities for Persons With AIDS		1030	940,003	910,319	
	Federal Program 14.241 Total			**940,003**	**910,319**	
14.256	ARRA - Neighborhood Stabilization Program	FY 2011 HK Federal Way	1480	316,703	0	PT
	Federal Program 14.256 Total			**316,703**	**0**	
14.257	ARRA - Homeless Prev & Rapid Re-Housing Prog		1030	5,109,743	4,943,770	
	Federal Program 14.257 Total			**5,109,743**	**4,943,770**	
14.258	ARRA - Tax Credit Assistance Program		1480	31,978,092	31,978,092	
	Federal Program 14.258 Total			**31,978,092**	**31,978,092**	
14.401	Fair Housing Assistance Program_state and Local		1200	308,524	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Housing & Urban Development

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 14.401 Total			**308,524**	**0**	
14.514	Hispanic-Serving Institutions Assisting Communitie		6990	587,631	0	
	Federal Program 14.514 Total			**587,631**	**0**	
	Housing & Urban Development Total			**57,763,318**	**54,576,125**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Federal Programs Not Clustered

Dept of the Interior

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.000	Doi - Contract Number Only Provided	0106PO39861	3600	(5)	0	
15.000		10100-0-J001MOD4	3600	103,081	0	
15.000		13580-90-J087 MOD01	3600	107,984	0	
15.000		1434-04HQRU1587 WO90	3600	20,941	0	
15.000		G10PX00905 MOD01	3600	1,075	0	
15.000		G11PX00936	3600	133	0	
15.000		H8W07060001J8W07100003	3600	14,834	0	
15.000		H8W07060001TOJ8W070700	3600	(165)	0	
15.000		J8W07060017,H8W0706001	3600	2,456	0	
15.000		J8W07080005 MOD 2	3600	32,042	0	
15.000		J8W07080008NPSH8W07060	3600	(9)	0	
15.000		J8W07090024	3600	51,564	0	
15.000		J8W07090030H8W07060001	3600	33,681	0	
15.000		J8W07090031 MOD01	3600	5,176	0	
15.000		J9088020012CA9088A0008	3600	(1,386)	0	
15.000		J9W88030014CA9088A0008	3600	(134)	0	
15.000		L09PX01310/0010013954	3600	7,824	0	
15.000		L10PX03421/0010029154	3600	4,207	0	
15.000		ORDER101818M800PR13552	3600	15,085	0	
15.000		PO OHM-466	3600	8,304	0	PT
15.000		PO701819M330REQ7450090	3600	(385)	0	
15.000		R6115090370	3600	1,080	0	
15.000		TAJ8W07060008H82070600	3600	771	0	
15.000		UW BUD# 637288	3600	(4,355)	0	PT
15.000		UW BUD# 639239	3600	31,941	0	PT
15.000		UW BUD# 639484	3600	71,842	0	PT
15.000		UW BUD# 661026	3600	2,024	0	PT
15.000		101808M799	3650	11,662	0	
15.000		134209J939	3650	29,741	0	
15.000		13580AM144	3650	9,543	0	
15.000		1448134209J923	3650	467	0	
15.000		601819Z301	3650	12,750	0	
15.000		701819M279	3650	6,188	0	
15.000		701819M322	3650	28,597	0	
15.000		70181AM197	3650	1,298	0	
15.000		814208J122	3650	16,875	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of the Interior

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.000	Doi - Contract Number Only Provided	AB133F10SE2353	3650	14,014	0	
15.000		DOINPS44151WA	3650	(721)	0	PT
15.000		E655WSU52211589	3650	3,076	0	PT
15.000		G10PX02164	3650	9,885	0	
15.000		G10PX02445	3650	2,873	0	
15.000		H1200090004	3650	28,481	0	
15.000		H8W07060001	3650	23,476	0	
15.000		HWP080018	3650	164	0	
15.000		L08AC14837	3650	4,586	3,903	
15.000		L09PX00628	3650	11,699	0	
15.000		L09PX01074	3650	(3,205)	0	
15.000		L09PX0I711	3650	212	0	
15.000		L10PX02164	3650	20,162	0	
15.000		L10PX02187	3650	1,264	0	
15.000		L10PX04130	3650	5,207	0	
15.000		R09AC20043	3650	18,157	0	PT
15.000		H9453070012	3750	11,021	0	
15.000		J8W07100001	3750	5,772	0	
15.000		020-10330-ISA-FISH	4770	4,538	0	PT
15.000		10154-6-J107	4770	78,539	0	
15.000		H9504070023	4770	43,948	0	
	Federal Program 15.000 Total			**909,875**	**3,903**	
15.000A	ARRA - Doi - Contract Number Only Provided	281038	3760	4,815	0	
	Federal Program 15.000A Total			**4,815**	**0**	
15.033	Road Maintenance Indian Roads		4050	650	0	
	Federal Program 15.033 Total			**650**	**0**	
15.114	Indian Education_higher Education Grant Program		3650	380,964	0	
	Federal Program 15.114 Total			**380,964**	**0**	
15.222	Cooperative Inspection Agreements With States And		4950	10,000	0	
	Federal Program 15.222 Total			**10,000**	**0**	
15.225A	ARRA - Recreational Resources Management		4610	30,889	0	
	Federal Program 15.225A Total			**30,889**	**0**	
15.226	Payments In Lieu of Taxes		0050	9,788	0	

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Dept of the Interior

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 15.226 Total			**9,788**	**0**	
15.227	Distribution of Receipts to State and Local Govern		0050	22,651	0	
	Federal Program 15.227 Total			**22,651**	**0**	
15.228	National Fire Plan - Wildland Urban Interface Comm		4900	242,897	0	
	Federal Program 15.228 Total			**242,897**	**0**	
15.231	Fish Wildlife & Plant Conserv Res Mgt		3600	22,057	0	
15.231			3800	45,355	0	
	Federal Program 15.231 Total			**67,412**	**0**	
15.231A	ARRA - Fish Wildlife & Plant Conserv Res Mgt		3600	74,613	0	
15.231A			4610	38,534	0	
	Federal Program 15.231A Total			**113,147**	**0**	
15.232	Wildland Fire Research and Studies Program		3600	2,574	0	
15.232			3650	91,722	0	
	Federal Program 15.232 Total			**94,296**	**0**	
15.233	Forests & Woodlands Resource Mgmt		3600	138,679	0	
	Federal Program 15.233 Total			**138,679**	**0**	
15.238	Challenge Cost Share		3650	51,843	0	
15.238			3750	11,251	0	
	Federal Program 15.238 Total			**63,094**	**0**	
15.242	National Fire Plan - Rural Fire Assistance		4900	76,453	0	
	Federal Program 15.242 Total			**76,453**	**0**	
15.255	Applied Science Program Cooperative Agreements Rel		3600	53,334	0	
15.255			3650	79,858	0	
	Federal Program 15.255 Total			**133,192**	**0**	
15.423	Minerals Management Service (Mms) Environmental ST	DI068AA	3650	19,818	0	PT
	Federal Program 15.423 Total			**19,818**	**0**	
15.524	Recreation Resources Management		4650	5,687	0	
	Federal Program 15.524 Total			**5,687**	**0**	
15.531	Yakima Rv Basin Water Enhanc Proj(Yrbwep)		4610	55,493	0	

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Dept of the Interior

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 15.531 Total			**55,493**	**0**	
15.608	Fish and Wildlife Management Assistance		3600	293,441	233,228	
15.608			3650	(6,538)	8,654	
15.608			3800	502	0	
15.608			4770	624,917	0	
15.608			4900	130,002	0	
	Federal Program 15.608 Total			**1,042,324**	**241,882**	
15.612	Dept of the Interior		4900	24,035	0	
	Federal Program 15.612 Total			**24,035**	**0**	
15.614	Coastal Wetlands Planning, Protection and Restorat		4610	2,411,583	0	
15.614			4770	2,611,496	0	
	Federal Program 15.614 Total			**5,023,079**	**0**	
15.615	Cooperative Endangered Species Conservation Fund	438401-OC, AM06	3600	270,717	0	PT
15.615			4770	3,143,971	0	
15.615			4900	3,105,819	0	
	Federal Program 15.615 Total			**6,520,507**	**0**	
15.616	Clean Vessel Act		4650	1,311,586	0	
	Federal Program 15.616 Total			**1,311,586**	**0**	
15.622	Sportfishing and Boating Safety Act		4670	757,760	741,752	
	Federal Program 15.622 Total			**757,760**	**741,752**	
15.630	Coastal Program		4770	1,403	0	
	Federal Program 15.630 Total			**1,403**	**0**	
15.631	Partners for Fish and Wildlife		4770	1,648,947	0	
15.631			4950	90,599	0	
	Federal Program 15.631 Total			**1,739,546**	**0**	
15.633	Dept of the Interior		4770	596,617	0	
	Federal Program 15.633 Total			**596,617**	**0**	
15.634	State Wildlife Grants		4770	1,420,505	0	
	Federal Program 15.634 Total			**1,420,505**	**0**	
15.642	Challenge Cost Share		3700	3,376	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of the Interior

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.642	Challenge Cost Share		4770	17,408	0	
	Federal Program 15.642 Total			**20,784**	**0**	
15.647	Migratory Bird Conservation		4770	117,437	0	
	Federal Program 15.647 Total			**117,437**	**0**	
15.649	Service Training and Technical Assistance (Generic		3700	3,458	0	
15.649		10-1610	3760	6,821	0	PT
15.649			3800	1,445	0	
15.649			4670	3,716	0	
15.649			4770	1,076,793	0	
15.649			4900	18,660	0	
	Federal Program 15.649 Total			**1,110,893**	**0**	
15.655	Migratory Bird Monitoring, Assessment and Conserva		3600	20,366	0	
15.655			4770	50,306	0	
	Federal Program 15.655 Total			**70,672**	**0**	
15.657	Endangered Species Conservation		3600	13,432	0	
15.657			3650	4,088	0	
15.657			4770	188,367	0	
15.657			4900	71,172	0	
	Federal Program 15.657 Total			**277,059**	**0**	
15.658	Natural Resource Damage Assessment, Restoration An		4650	25,908	0	
	Federal Program 15.658 Total			**25,908**	**0**	
15.660	Endangered Species - Candidate Conservation Action		4770	11,340	0	
15.660			4900	58,942	0	
	Federal Program 15.660 Total			**70,282**	**0**	
15.661	Lower Snake River Compensation Plan		4770	2,179,817	0	
	Federal Program 15.661 Total			**2,179,817**	**0**	
15.810	National Cooperative Geologic Mapping Program		3650	1,488	0	
15.810			3750	3,300	0	
15.810			4900	227,194	0	
	Federal Program 15.810 Total			**231,982**	**0**	
15.811	Gap Analysis Program		4900	6,759	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of the Interior

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 15.811 Total			**6,759**	**0**	
15.820	National Climate Change and Wildlife Service Cente	GS240B-B	3600	56,369	0	PT
	Federal Program 15.820 Total			**56,369**	**0**	
15.904	Historic Preservation Fund Grants-In-Aid		3550	1,138,951	0	
15.904			3800	61,804	0	
	Federal Program 15.904 Total			**1,200,755**	**0**	
15.916	Outdoor Recreation_acquisition, Development and Pl		4670	1,246,730	1,190,316	
	Federal Program 15.916 Total			**1,246,730**	**1,190,316**	
15.921	Rivers, Trails and Conservation Assistance		4050	96,649	0	
15.921			4770	147,098	0	
	Federal Program 15.921 Total			**243,747**	**0**	
15.923	National Center for Preservation Technology and Tr		3800	2,051	0	
	Federal Program 15.923 Total			**2,051**	**0**	
15.931A	ARRA - Conserv Activities By Youth Service Orga		4610	120,504	0	
	Federal Program 15.931A Total			**120,504**	**0**	
15.999	Department of Interior - Undetermined		3600	19,409	0	
15.999			4770	17,604	0	
	Federal Program 15.999 Total			**37,013**	**0**	
	Dept of the Interior Total			**27,835,924**	**2,177,853**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Dept of Justice

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
16.000	Justice - Contract Number Only Provided	WA034110	1950	144,654	0	
16.000		C050439FED-TFA8	2250	18,358	0	
16.000		C080430GSC-TFD2	2250	(132)	0	
16.000		C080733FED-TFD4	2250	8,986	0	
16.000		C080769FED-TFD5	2250	1,385	0	
16.000		C090226FED-TFE1	2250	17,064	0	
16.000		C100155FED-TFE7	2250	158	0	
16.000		C100234FED-TFE8	2250	1,505	0	
16.000		C100280FED-TFE9	2250	7,383	0	
16.000		C100281FED-TFF1	2250	1,657	0	
16.000		C100480FED-TFF2	2250	2,774	0	
16.000		C100638FED-MJ10	2250	1,220,338	0	
16.000		C110028FED-TFF4	2250	2,766	0	
16.000		C110156FED-TFF5	2250	9,921	0	
16.000		C110174FED-TFF6	2250	8,966	0	
16.000		C110175FED-TFF7	2250	9,320	0	
16.000		C110176FED-TFF8	2250	9,200	0	
16.000		C110239FED-TFF9	2250	12,210	0	
16.000		C110253FED-TFG1	2250	10,069	0	
16.000		C110601FED-MJ11	2250	167,265	0	
16.000		C110623FED-TFG8	2250	3,710	0	
16.000		C110886FED-TFH1	2250	4,622	0	
16.000		Federal Seizure(LF141)	2250	214,148	0	
16.000		2010DDBX0661	3650	30,824	0	
	Federal Program 16.000 Total			**1,907,151**	**0**	
16.004	Law Enforcement Assistance_narcotics and Dangerous		3650	32,460	0	
	Federal Program 16.004 Total			**32,460**	**0**	
16.017	Sexual Assault Services Program		1030	252,681	246,288	
	Federal Program 16.017 Total			**252,681**	**246,288**	
16.203	Comprehensive Approaches to Sex Offender Managemen		1030	41,049	41,049	
	Federal Program 16.203 Total			**41,049**	**41,049**	
16.523	Juvenile Accountability Block Grants		3000	699,491	712,762	
	Federal Program 16.523 Total			**699,491**	**712,762**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Dept of Justice

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
16.540	Juvenile Justice and Delinquency Prevention_alloca		3000	913,726	0	
	Federal Program 16.540 Total			**913,726**	**0**	
16.548	Title V_delinquency Prevention Program		3000	128,145	0	
	Federal Program 16.548 Total			**128,145**	**0**	
16.550	State Justice Statistics Program for Statistical A		1050	50,550	0	
	Federal Program 16.550 Total			**50,550**	**0**	
16.554	National Criminal History Improvement Program (Nch		1550	282,019	0	
	Federal Program 16.554 Total			**282,019**	**0**	
16.575	Crime Victim Assistance		1030	10,180,425	6,988,922	
	Federal Program 16.575 Total			**10,180,425**	**6,988,922**	
16.576	Crime Victim Compensation		2350	5,212,125	0	
	Federal Program 16.576 Total			**5,212,125**	**0**	
16.580	Edward Byrne Memorial State and Local Law Enforcem	C080195FED-WQA8	2250	137,994	0	PT
	Federal Program 16.580 Total			**137,994**	**0**	
16.585	Drug Court Discretionary Grant Program		3000	118,975	0	
	Federal Program 16.585 Total			**118,975**	**0**	
16.588	Violence Against Women - Form Grnts		1030	2,128,344	1,717,852	
	Federal Program 16.588 Total			**2,128,344**	**1,717,852**	
16.588A	ARRA - Violence Against Women - Form Grnts		1030	1,059,263	881,083	
	Federal Program 16.588A Total			**1,059,263**	**881,083**	
16.590	Grants to Encourage Arrest Policies and Enforcemen		1030	450,031	370,453	
	Federal Program 16.590 Total			**450,031**	**370,453**	
16.593	Residential Substance Abuse Treatment for State Pr		1030	4,966	4,966	
	Federal Program 16.593 Total			**4,966**	**4,966**	
16.606	State Criminal Alien Assistance Program		3100	2,144,000	0	
	Federal Program 16.606 Total			**2,144,000**	**0**	
16.609	Community Prosecution and Project Safe Neighborhoo		1030	107,603	84,779	
	Federal Program 16.609 Total			**107,603**	**84,779**	
16.610	Regional Information Sharing Systems	C101015GSC-WS11	2250	89,139	0	PT

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Dept of Justice

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 16.610 Total			**89,139**	**0**	
16.710	Pub Safety Partn & Comm Policing Grnt		2250	464,077	0	
16.710			3650	465,853	0	
	Federal Program 16.710 Total			**929,930**	**0**	
16.727	Enforcing Underage Drinking Laws Program		3000	987,374	10,500	
	Federal Program 16.727 Total			**987,374**	**10,500**	
16.730	Reduction and Prevention of Children's Exposure To		3650	18,997	0	
	Federal Program 16.730 Total			**18,997**	**0**	
16.741	Forensic DNA Backlog Reduction Program		2250	1,092,533	0	
	Federal Program 16.741 Total			**1,092,533**	**0**	
16.742	Paul Coverdell Forensic Sciences Improvement Grant		1030	327,510	88,331	
16.742			2250	20,614	0	
	Federal Program 16.742 Total			**348,124**	**88,331**	
16.745	Criminal and Juvenile Justice and Mental Health Co		3100	69,362	0	
	Federal Program 16.745 Total			**69,362**	**0**	
16.748	Convicted Offender And/Or Arrestee DNA Backlog Red		2250	242,040	0	
	Federal Program 16.748 Total			**242,040**	**0**	
16.754	Harold Rogers Prescription Drug Monitoring Program		3030	6,124	0	
	Federal Program 16.754 Total			**6,124**	**0**	
16.801A	ARRA - State Victim Assist Formula Grant		1030	331,281	202,310	
	Federal Program 16.801A Total			**331,281**	**202,310**	
16.808	ARRA - Edwd Byrne Mem Comp Grant		2250	133,405	0	
	Federal Program 16.808 Total			**133,405**	**0**	
16.812	Second Chance Act Prisoner Reentry Initiative		3100	35,034	0	
	Federal Program 16.812 Total			**35,034**	**0**	
16.816	John R Justice Prosecutors & Defenders Inc Act		3430	58,427	40,073	
	Federal Program 16.816 Total			**58,427**	**40,073**	
	Dept of Justice Total			**30,192,768**	**11,389,368**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Dept of Labor

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
17.000	Labor - Contract Number Only Provided	164-059-F-340/67015	3600	(7,732)	0	
17.000		KC-134-10	6990	17,566	0	PT
17.000		KC-349-10	6990	252,309	0	PT
	Federal Program 17.000 Total			**262,143**	**0**	
17.002	Labor Force Statistics		5400	1,888,577	0	
	Federal Program 17.002 Total			**1,888,577**	**0**	
17.005	Compensation and Working Conditions		2350	368,362	0	
	Federal Program 17.005 Total			**368,362**	**0**	
17.201	Registered Apprenticeship and Other Training		2350	25,823	0	
	Federal Program 17.201 Total			**25,823**	**0**	
17.225	Unemployment Insurance		5400	3,747,966,544	0	
	Federal Program 17.225 Total			**3,747,966,544**	**0**	
17.225A	ARRA - Unemployment Insurance		5400	121,996,004	0	
	Federal Program 17.225A Total			**121,996,004**	**0**	
17.235	Senior Comm Service Emply Pgm		3000	2,091,377	1,926,679	
17.235		738x	5400	253,357	0	PT
	Federal Program 17.235 Total			**2,344,734**	**1,926,679**	
17.245	Trade Adjustment Assistance		5400	17,027,633	0	
	Federal Program 17.245 Total			**17,027,633**	**0**	
17.253	Welfare-To-Work Grants to States & Localities	746x	5400	123,631	0	PT
	Federal Program 17.253 Total			**123,631**	**0**	
17.257	One-Stop Career Center Initiative		5400	779,247	0	
	Federal Program 17.257 Total			**779,247**	**0**	
17.261	WIA Pilots, Demonstrations, and Research Projects		3000	2,431,924	1,532,448	
17.261		EA-18807-09-60-A-53	3540	83,781	0	PT
17.261			6990	333,553	210,557	
	Federal Program 17.261 Total			**2,849,258**	**1,743,005**	
17.266	Work Incentive Grants		5400	45,653	0	
	Federal Program 17.266 Total			**45,653**	**0**	
17.268	H-1b Job Training Grants	WFF09C795	3650	1,034	0	PT

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Federal Programs Not Clustered

Dept of Labor

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
17.268	H-1b Job Training Grants	T9SSC-476-ROW	6990	22,402	0	PT
	Federal Program 17.268 Total			**23,436**	**0**	
17.269	Community Based Job Training Grants		6990	3,869,698	0	
	Federal Program 17.269 Total			**3,869,698**	**0**	
17.271	Work Opportunity Tax Credit Program (Wotc)		5400	391,303	0	
	Federal Program 17.271 Total			**391,303**	**0**	
17.273	Temporary Labor Certification for Foreign Workers		5400	123,296	0	
	Federal Program 17.273 Total			**123,296**	**0**	
17.274	Youthbuild	10-EVC-X-021-YB	6990	56,420	0	PT
17.274		YB-19042-09-60-A-53	6990	27,037	0	PT
	Federal Program 17.274 Total			**83,457**	**0**	
17.275	ARRA - Comp Grants for Worker Train		3540	2,204,998	0	
17.275			5400	827,062	0	
17.275		737x	5400	15,139	0	PT
17.275		#D40239	6990	133,801	0	PT
17.275		09-EDC-O-761-YB	6990	62,642	0	PT
17.275		09-EDC-O-783-SEED	6990	383,825	0	PT
17.275		10-EVC-X-038-SESP	6990	17,813	0	PT
17.275		10/304-COM	6990	134,949	0	PT
17.275		10/305-COM	6990	44,027	0	PT
17.275		10/502-POP	6990	201,315	0	PT
17.275		10/523-SEE	6990	73,526	0	PT
17.275		10/527-SEE	6990	22,085	0	PT
17.275		CCS:SCC-SESP	6990	141,126	0	PT
	Federal Program 17.275 Total			**4,262,308**	**0**	
17.276	ARRA - Health Coverage Tax Credit (Hctc)		5400	273,910	0	
	Federal Program 17.276 Total			**273,910**	**0**	
17.502	Occupational Safety and Health_susan Harwood Train	SHTG-FY-10-01	3600	14,724	0	PT
	Federal Program 17.502 Total			**14,724**	**0**	
17.503	Occupational Safety &health State Prog		2350	8,222,230	0	
	Federal Program 17.503 Total			**8,222,230**	**0**	

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Dept of Labor

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
17.600	Mine Health and Safety Grants		3700	155,180	0	
	Federal Program 17.600 Total			**155,180**	**0**	
17.805	Homeless Veterans Reintegration Project		3050	449,596	0	
	Federal Program 17.805 Total			**449,596**	**0**	
	Dept of Labor Total			**3,913,546,747**	**3,669,684**	

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Dept of State

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19.000	State - Contract Number Only Provided	03-182-2046-000	3600	(170)	0	
19.000		3879-UW-01, TO#4 MOD01	3600	13	0	PT
19.000		AID-497-A-11-00005	3600	8,137	0	PT
19.000		AID12331307425SUBAM01	3600	(2,983)	0	PT
19.000		AID136507476CRTTO1AM01	3600	331,609	0	PT
19.000		CSA-99-254 AM03	3600	(1,945)	0	PT
19.000		MCA26213 AM03	3600	22,158	0	PT
19.000		MSA-06-442 AMEND#2	3600	(60,003)	0	PT
19.000		PO2000635588	3600	84,490	0	PT
19.000		PPA-10-069	3600	819,869	0	PT
19.000		RPM-09-001 AMD01	3600	86	0	PT
19.000		S-ECAAS-06-CA-001	3600	(140)	0	PT
19.000		S-ECAAS-09-CA-012	3600	(1)	0	PT
19.000		SINLEC08CA0009-A003	3600	907,336	0	
19.000		SINLEC08CA009	3600	160,306	0	
19.000		SLMAQM-10-GR-055	3600	200,783	0	
19.000		SPS08009AM05	3600	182,906	0	PT
19.000		UWRX205093310EAM01	3600	17,221	0	PT
19.000		SAF20011GR035	3650	159,500	153,000	
19.000		WSU001303	3650	54,597	0	
	Federal Program 19.000 Total			**2,883,769**	**153,000**	
19.009	Academic Exchange Programs - Undergraduate Program		3650	63,171	0	
19.009			3700	99,350	0	
19.009			6990	1,952,703	0	
19.009		EVT94660-67007	6990	72,162	0	PT
	Federal Program 19.009 Total			**2,187,386**	**0**	
19.010	Academic Exchange Programs - Humphrey Fellowship P	S-ECAAS-10-CA-044	3600	286,547	0	PT
	Federal Program 19.010 Total			**286,547**	**0**	
19.345	International Prog to Support Democ, Human Rgts &		3600	52,962	52,923	
	Federal Program 19.345 Total			**52,962**	**52,923**	
19.500	Middle East Partnership Initiative (Mepi)		3600	59,629	0	
	Federal Program 19.500 Total			**59,629**	**0**	
19.501	Public Diplmacy Programs for Afghanistand & Pakist		3650	312,971	0	

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Dept of State

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 19.501 Total			**312,971**	**0**	
	Dept of State Total			**5,783,264**	**205,923**	

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Dept of Transportation

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20.000	DOT - Contract Number Only Provided	DTNH22-07H-00153	2280	164,502	0	
20.000		DTNH22-09H-00263	2280	98,550	98,550	
20.000		000649	3600	8,487	0	PT
20.000		08-C-AM-UW AM02	3600	81,718	0	
20.000		7877	3600	8,446	0	PT
20.000		939844 REV01	3600	126,212	0	PT
20.000		DDEGRD-07-X-00404	3600	2,034	0	
20.000		DTFH70-08-E00016 AM03	3600	43,446	0	
20.000		DTFH70-09-E-00033	3600	4,156	0	
20.000		DTNH22-06-H-0063 MOD06	3600	43,781	0	
20.000		L000025.00013	3600	9,905	0	PT
20.000		MEC26040014 WO#3 MOD1	3600	(1,225)	0	PT
20.000		Q222801	3600	63,631	0	PT
20.000		UW BUD# 639315	3600	65,847	0	PT
20.000		UW BUD# 651418	3600	4,242	0	PT
20.000		UW BUD# 668470	3600	(3,928)	0	PT
20.000		W000172109 AM01	3600	11,698	0	PT
20.000		04CAMWSU	3650	(1,823)	0	
20.000		19276425838	3650	49,110	0	PT
20.000		19276425839	3650	284,103	0	PT
20.000		19276725996	3650	235,827	0	PT
20.000		DTFAAC11A00003	3650	7,689	0	
20.000		GF40511	3650	43,573	0	PT
20.000		HR0436	3650	154,712	0	PT
20.000		HR0949A	3650	21,405	0	PT
20.000		WSU000305	3650	28,741	0	PT
20.000		WSU001	3650	6,851	0	PT
	Federal Program 20.000 Total			**1,561,690**	**98,550**	
20.106	Airport Improvement Program		4050	427,410	0	
	Federal Program 20.106 Total			**427,410**	**0**	
20.215	Highway Training and Education		3650	9,841	0	
20.215			3700	21,433	0	
	Federal Program 20.215 Total			**31,274**	**0**	
20.218	National Motor Carrier Safety		2250	4,128,133	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Programs Not Clustered

Dept of Transportation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.218	National Motor Carrier Safety		2400	336,988	0	
20.218			4050	260,058	0	
	Federal Program 20.218 Total			**4,725,179**	**0**	
20.235	Commercial Motor Vehicle Operator Training Grants	C100009FED-HIG1	2250	4,226	0	PT
	Federal Program 20.235 Total			**4,226**	**0**	
20.239	Motor Carrier Research and Technology Programs	425942-19124 MOD02	3600	101,724	0	PT
	Federal Program 20.239 Total			**101,724**	**0**	
20.303	Grants-In-Aid for Railroad Safety_state Participat		4050	2,755,643	2,553,236	
	Federal Program 20.303 Total			**2,755,643**	**2,553,236**	
20.314	Railroad Development		4050	(96)	(96)	
	Federal Program 20.314 Total			**(96)**	**(96)**	
20.317	Capital Assistance to States - Intercity Passenger		4050	3,914	3,914	
	Federal Program 20.317 Total			**3,914**	**3,914**	
20.319	ARRA - High Speed Rail Corr & Passenger Rail Cap		4050	2,282,077	0	
	Federal Program 20.319 Total			**2,282,077**	**0**	
20.505	Federal Transit Metropolitan Planning		4050	142,590	23,813	
	Federal Program 20.505 Total			**142,590**	**23,813**	
20.509	Formula Grants for Other Than Urbanized		4050	9,764,532	8,908,219	
	Federal Program 20.509 Total			**9,764,532**	**8,908,219**	
20.509A	ARRA - Formula Grants for Other Than Urbanized		4050	9,358,778	7,980,321	
	Federal Program 20.509A Total			**9,358,778**	**7,980,321**	
20.608	Minimum Penalties for Repeat Offenders for Driving		2280	300,168	300,168	
	Federal Program 20.608 Total			**300,168**	**300,168**	
20.614	Nhtsa Discretionary Safety Grants		3600	447,958	0	
	Federal Program 20.614 Total			**447,958**	**0**	
20.700	Pipeline Safety Program Base Grants		2150	1,816,967	0	
	Federal Program 20.700 Total			**1,816,967**	**0**	
20.701	University Transportation Centers Program		3600	1,914,724	265,684	
20.701		080116	3650	311	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Transportation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.701	University Transportation Centers Program	KLK722SB001	3650	15,705	0	PT
20.701		P0019544	3650	(25)	0	PT
20.701		UAF080032	3650	45,355	0	PT
20.701		UAF100095	3650	22,139	0	PT
	Federal Program 20.701 Total			**1,998,209**	**265,684**	
20.703	Interagency Hazardous Materials Public Sector Trai		2450	324,729	322,299	
	Federal Program 20.703 Total			**324,729**	**322,299**	
	Dept of Transportation Total			**36,046,972**	**20,456,108**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Dept of the Treasury

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
21.008	Low-Income Taxpayer Clinics		3600	95,950	0	
	Federal Program 21.008 Total			**95,950**	**0**	
21.999	Department of Treasury - Undetermined		1170	1,815,226	0	
	Federal Program 21.999 Total			**1,815,226**	**0**	
	Dept of the Treasury Total			**1,911,176**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Equal Employment Opportunity

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
30.002	Employment Discrimination_state and Local Fair Emp		1200	372,947	0	
	Federal Program 30.002 Total			**372,947**		**0**
	Equal Employment Opportunity Total			**372,947**		**0**

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Federal Programs Not Clustered

General Services Administration

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
39.003	Donation of Federal Surplus Personal Property		1500	26,308	0	NC
39.003			3100	3,221	0	NC
39.003			3650	15,044	0	NC
39.003			4050	158,555	0	NC
39.003			4650	1,150	0	NC
39.003			4770	9,052,317	0	NC
39.003			6990	82,785	0	NC
	Federal Program 39.003 Total			**9,339,380**	**0**	
	General Services Administration Total			**9,339,380**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Library of Congress

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
42.999	Library of Congress - Undetermined		0850	182,180	14,736	
	Federal Program 42.999 Total			**182,180**	**14,736**	
	Library of Congress Total			**182,180**	**14,736**	

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Federal Programs Not Clustered

National Aeronautics & Space Admin

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
43.000	Nasa - Contract Number Only Provided	00001601 MOD02	3600	129,527	0	PT
43.000		08-964 AM05	3600	40,595	0	PT
43.000		1249203, MOD 1	3600	3,973	0	PT
43.000		1285662	3600	15,014	0	PT
43.000		1285662 MOD10	3600	141,298	0	PT
43.000		1285663 MOD 9	3600	112,552	0	PT
43.000		1303809 MOD09	3600	49,945	0	PT
43.000		1317617	3600	1,221	0	PT
43.000		1317624 MOD01	3600	2	0	PT
43.000		1318943MOD09NMO711006	3600	20,183	0	PT
43.000		1318945 MOD10	3600	145,090	0	PT
43.000		1320389	3600	(419)	0	PT
43.000		1359623MOD4	3600	175,817	0	PT
43.000		1369586 MOD04	3600	26,045	0	PT
43.000		1377557AM002	3600	98,725	0	PT
43.000		1380685 MOD01	3600	13,934	0	PT
43.000		1397667 MOD01	3600	49,079	0	PT
43.000		1409394 MOD01	3600	23,396	0	PT
43.000		1420479 MOD01	3600	27,114	0	PT
43.000		1430444	3600	3,051	0	PT
43.000		2-1087551MOD01	3600	90,004	0	PT
43.000		2401065588AW44148AM02	3600	12,053	0	PT
43.000		4-10067-4051 AM05	3600	143,632	0	PT
43.000		46508	3600	3,328	0	PT
43.000		51326-9484	3600	16,824	0	PT
43.000		646	3600	2,594	0	PT
43.000		935532 AM06	3600	15,125	0	PT
43.000		970344	3600	22,392	0	PT
43.000		AR9-0015X AM02	3600	15,864	0	PT
43.000		BLO1301	3600	85,211	0	PT
43.000		GC-07501.03A	3600	309	0	PT
43.000		GO0-11032B	3600	26,372	0	PT
43.000		GO0-11036B AM01	3600	2,880	0	PT
43.000		GO0-111129B	3600	(41)	0	PT
43.000		GO1-12118X	3600	24,107	0	PT
43.000		GO9-0011X AM01	3600	9,996	0	PT

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National Aeronautics & Space Admin

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43.000	Nasa - Contract Number Only Provided	GO90126XNAS803060AM02	3600	442	0	PT
43.000		HST GO 11163 01-A AM02	3600	25,243	0	PT
43.000		HST-AR-10945.01-A AM04	3600	80,469	0	PT
43.000		HST-AR-11767.03-A	3600	322	0	PT
43.000		HST-GO-10500.01-A AM05	3600	7,964	0	PT
43.000		HST-GO-10889.05-AAM02	3600	103,684	0	PT
43.000		HST-GO-10915.01-A AM05	3600	82,938	0	PT
43.000		HST-GO-11122.01-A AM01	3600	1,007	0	PT
43.000		HST-GO-11162.01-A AM02	3600	19,079	0	PT
43.000		HST-GO-11214.05-A AM02	3600	2	0	PT
43.000		HST-GO-11215.01-A AM01	3600	3	0	PT
43.000		HST-GO-11221.01-A	3600	(70)	0	PT
43.000		HST-GO-11225-02-A AM02	3600	5,603	0	PT
43.000		HST-GO-11233.01-A AM03	3600	19,204	0	PT
43.000		HST-GO-11359.02-A AM01	3600	8,373	0	PT
43.000		HST-GO-11580.01-A AM01	3600	5,523	0	PT
43.000		HST-GO-11633.08-A	3600	4,556	0	PT
43.000		HST-GO-11639.01-A	3600	20,677	0	PT
43.000		HST-GO-11677.09-A	3600	1,879	0	PT
43.000		HST-GO-11688.01A	3600	493	0	PT
43.000		HST-GO-11718.01-A	3600	10,547	0	PT
43.000		HST-GO-11719.01A AM01	3600	42,889	0	PT
43.000		HST-GO-11732.02-A	3600	5,159	0	PT
43.000		HST-GO-11739.07-A	3600	6,094	0	PT
43.000		HST-GO-11982.01-A	3600	69,723	0	PT
43.000		HST-GO-11986.01-A AM01	3600	19,048	0	PT
43.000		HST-GO-12178.01-A	3600	13,653	0	PT
43.000		HST-GO-12180.07-A	3600	5,871	0	PT
43.000		HST-GO-12311.06-A	3600	12,941	0	PT
43.000		HST-HF-51273.01-A	3600	105,704	0	PT
43.000		HSTGO1205501AAMEND1	3600	460,209	0	PT
43.000		MA01603 AM01	3600	53,080	0	PT
43.000		MA01603 AM02	3600	157,563	0	PT
43.000		MA01604	3600	291	0	PT
43.000		MA01604 AM02	3600	3,197	0	PT
43.000		NAS1-99105,AM24	3600	(286)	0	

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National Aeronautics & Space Admin

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43.000	Nasa - Contract Number Only Provided	NCC 2-1273, SUPP 16	3600	(3)	0	
43.000		NMO710932	3600	4,123	0	PT
43.000		NNC04CA99C	3600	(12)	0	PT
43.000		NNG05GF42H,SUP 14	3600	181,575	166,745	
43.000		NNG05GO09GAMEND000005	3600	35,773	0	
43.000		NNG05WC22G SUP05	3600	23,612	23,612	
43.000		NNG06GA84G	3600	(237)	0	
43.000		NNG06GG00G-S01	3600	96,880	0	
43.000		NNG06GG00GS05	3600	125,374	0	
43.000		NNG06GH02G,SUP04	3600	5,056	0	
43.000		NNX06AC10GSUPPLEMENT1	3600	4,250	0	
43.000		NNX06AI03G	3600	18,537	0	
43.000		NNX07AD59G, S02	3600	75	0	
43.000		NNX07AE50A SUP04	3600	40,961	0	
43.000		NNX07AH03G SUP04	3600	49,217	0	
43.000		NNX07AJ35G-S01	3600	14,833	0	
43.000		NNX07AJ59G	3600	11,416	0	
43.000		NNX07AL78G SUPP 05	3600	155,204	33,605	
43.000		NNX07AM93G, SUP002	3600	(124)	0	
43.000		NNX07AN40A SUPP01	3600	1,667	0	
43.000		NNX07AN72H SUP02	3600	85	0	
43.000		NNX07AP66G SUP03	3600	77,246	9,294	
43.000		NNX07AQ89G S05	3600	61,831	0	
43.000		NNX07AR18G	3600	193,719	93,771	
43.000		NNX07AR44G	3600	61,346	0	
43.000		NNX07AR98G S05	3600	30,265	0	
43.000		NNX07AT12G, P000002	3600	80,838	0	
43.000		NNX07AU84H S02	3600	(1)	0	
43.000		NNX08AD12G S03	3600	68,705	0	
43.000		NNX08AD19G SO2	3600	207,926	141,124	
43.000		NNX08AD64G	3600	57,223	0	
43.000		NNX08AF21A S04	3600	52,283	0	
43.000		NNX08AF66G	3600	77,244	63,244	
43.000		NNX08AF66G SUP03	3600	145,314	0	
43.000		NNX08AF71G	3600	3,727	0	
43.000		NNX08AG08G	3600	20,732	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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National Aeronautics & Space Admin

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43.000	Nasa - Contract Number Only Provided	NNX08AG84G SUP03	3600	35,113	0	
43.000		NNX08AH62G MOD03	3600	156,382	0	
43.000		NNX08AH97G	3600	85,014	0	
43.000		NNX08AI73G	3600	101,509	0	
43.000		NNX08AI93G S02	3600	45,954	0	
43.000		NNX08AJ72GSUPP000002	3600	78,518	0	
43.000		NNX08AJ80G S03	3600	35,487	37,409	
43.000		NNX08AK49G SUP05	3600	84,681	0	
43.000		NNX08AK52G SUP02	3600	84,973	0	
43.000		NNX08AL88G	3600	(4)	0	
43.000		NNX08AM07G	3600	9,361	0	
43.000		NNX08AN58G S03	3600	143,208	45,461	
43.000		NNX08AP56G S01	3600	31,054	0	
43.000		NNX08AP63G S03	3600	154,898	0	
43.000		NNX08AQ07G SUP03	3600	88,183	0	
43.000		NNX08AQ51G SUP02	3600	150,002	0	
43.000		NNX08AR16G S03	3600	94,808	0	
43.000		NNX08AR30G	3600	34,505	0	
43.000		NNX08AR30G 005	3600	177,971	0	
43.000		NNX08AT46G SUP03	3600	43,365	0	
43.000		NNX08AT73G S05	3600	144,362	0	
43.000		NNX08AT87G SUP 000005	3600	132,774	0	
43.000		NNX08AU43GS02	3600	25,487	0	
43.000		NNX08AU68G MOD02	3600	65,873	1,026	
43.000		NNX08AU82HS02	3600	37,906	0	
43.000		NNX08AU96H	3600	16,297	0	
43.000		NNX08AX59HS02	3600	31,286	0	
43.000		NNX08AY03G	3600	15,623	6,935	
43.000		NNX08AY66G	3600	33,922	0	
43.000		NNX08AY72G	3600	6,302	0	
43.000		NNX08BA58G,SUP05	3600	271,475	190	
43.000		NNX08BA82H S000002	3600	10,318	0	
43.000		NNX09AB32GS03	3600	67,825	0	
43.000		NNX09AC77G S03	3600	68,797	0	
43.000		NNX09AE47G SUP000002	3600	42,456	0	
43.000		NNX09AE65G/S000001	3600	109,908	0	

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43.000	Nasa - Contract Number Only Provided	NNX09AF87G SUP01	3600	35,967	0	
43.000		NNX09AF89G S02	3600	6,268	0	
43.000		NNX09AF91G	3600	891	0	
43.000		NNX09AH10G	3600	61,954	0	
43.000		NNX09AH73G S02	3600	284,679	0	
43.000		NNX09AI48G	3600	113,623	28,461	
43.000		NNX09AK08H	3600	37,533	0	
43.000		NNX09AK57G S02	3600	45,323	0	
43.000		NNX09AK84GS02	3600	64,589	0	
43.000		NNX09AK89GSUPP01	3600	92,172	520	
43.000		NNX09AL02G	3600	62,531	0	
43.000		NNX09AM73G S000001	3600	14,721	0	
43.000		NNX09AN90HS000001	3600	1,992	0	
43.000		NNX09AO22H SUP000001	3600	32,535	0	
43.000		NNX09AO96G	3600	31,875	0	
43.000		NNX09AQ95GSUPPL000001	3600	73,462	0	
43.000		NNX09AR19G	3600	(755)	0	
43.000		NNX09AU30G, MOD 1	3600	100,928	0	
43.000		NNX09AU71G	3600	233,014	0	
43.000		NNX09AU71G, 00003	3600	82,008	0	
43.000		NNX09AU73G/000003	3600	123,066	0	
43.000		NNX09AV78G S01	3600	48,328	0	
43.000		NNX10AC88G	3600	184,879	106,091	
43.000		NNX10AE59G	3600	49,398	0	
43.000		NNX10AE98G	3600	100,499	0	
43.000		NNX10AF48A	3600	61,841	0	
43.000		NNX10AG04G SUP000001	3600	143,550	82,640	
43.000		NNX10AG51G	3600	60,323	26,454	
43.000		NNX10AG87G	3600	119,999	31,037	
43.000		NNX10AH70G, SUPPL 01	3600	140,205	0	
43.000		NNX10AI33G	3600	21,589	0	
43.000		NNX10AI56G	3600	49,408	0	
43.000		NNX10AI89G SU01	3600	212,543	0	
43.000		NNX10AK64H S000001	3600	773,819	268,606	
43.000		NNX10AK96G SUP000001	3600	62,762	0	
43.000		NNX10AM28G S000001	3600	111,575	0	

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43.000	Nasa - Contract Number Only Provided	NNX10AM63G	3600	15,486	0	
43.000		NNX10AN48H	3600	30,695	0	
43.000		NNX10AN66G	3600	64,142	0	
43.000		NNX10AN67G S000001	3600	45,049	0	
43.000		NNX10AN68GSUPP000001	3600	72,395	58,876	
43.000		NNX10AN78G/S000001	3600	106,471	0	
43.000		NNX10AO35G	3600	71,602	0	
43.000		NNX10AO87G	3600	101,902	0	
43.000		NNX10AP90G	3600	117,089	36,923	
43.000		NNX10AQ33G	3600	39,792	0	
43.000		NNX10AQ90G S02	3600	19,272	0	
43.000		NNX10AR01G	3600	31,447	0	
43.000		NNX10AU49G	3600	48,064	0	
43.000		NNX10AV15G	3600	16,140	0	
43.000		NNX11AC23G	3600	5,446	0	
43.000		PO#NNM11AA61P	3600	4,907	0	
43.000		PO2023778547974MOD02	3600	86,414	0	PT
43.000		PROJ1065012/43876AM03	3600	5,814	0	PT
43.000		PY242622727DAMEND20	3600	173,288	0	PT
43.000		RF00970997744679MOD03	3600	(1,392)	0	PT
43.000		RSA NO 1368483 MOD02	3600	7,982	0	PT
43.000		SMS00701, AMEND 9	3600	(27)	0	PT
43.000		SMST01601	3600	61,452	0	PT
43.000		SMST01601 AMD 2	3600	394,179	0	PT
43.000		SVO80010NNX09AT12GC01	3600	15,600	0	
43.000		UW BUD# 638359	3600	3,695	0	PT
43.000		UW BUD# 638456	3600	8,270	0	PT
43.000		UW BUD# 801329	3600	38,433	0	PT
43.000		Y403021, AM2	3600	(1,381)	0	PT
43.000		1236947	3650	10,136	0	PT
43.000		361090335	3650	30,850	0	PT
43.000		3890	3650	6,445	0	PT
43.000		HSTGO1091101A	3650	2,261	0	PT
43.000		NNA06CN04A	3650	128,375	24,884	
43.000		NNX07AH47G	3650	16,137	0	
43.000		NNX09AI82G	3650	75,950	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

National Aeronautics & Space Admin

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
43.000	Nasa - Contract Number Only Provided	NNX09AJ28G	3650	146,552	0	
43.000		STI909046	3650	100,287	0	PT
43.000		SUB2011003	3650	1,764	0	PT
43.000		NNX10AD15G S01	3750	91,526	0	
43.000		P116Z090124	6990	74,375	0	PT
	Federal Program 43.000 Total			**13,428,097**	**1,286,908**	
43.000A	ARRA - Nasa Contract Number Only Provided	NNG10HP04C	3600	212,381	0	
	Federal Program 43.000A Total			**212,381**	**0**	
43.001	Aerospace Education Services Program		3600	2,022,765	619,113	
43.001		1070841-2-46542, AM001	3600	19,691	0	PT
43.001		510 AM01	3600	143,424	0	PT
43.001		510 AM06	3600	35,511	0	PT
43.001			3650	26,262	0	
43.001		WSU001261	3650	9,185	0	PT
43.001		P502180	3800	13,316	0	PT
	Federal Program 43.001 Total			**2,270,154**	**619,113**	
43.002	Technology Transfer	60016653RF01120294AM05	3600	63,896	0	PT
	Federal Program 43.002 Total			**63,896**	**0**	
	National Aeronautics & Space Admin Total			**15,974,528**	**1,906,021**	

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Federal Programs Not Clustered

* See Subdivision

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
45.025	Promo of Arts Partnership Agreements	TW20100245	3760	1,750	0	PT
	Federal Program 45.025 Total			**1,750**	**0**	
45.149	Promotion of the Humanities_division of Preservati		3900	84,180	0	
	Federal Program 45.149 Total			**84,180**	**0**	
	*** See Subdivision Total**			**85,930**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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National Science Foundation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.000	Nsf - Contract Number Only Provided	002865-UW	3600	(6,500)	0	PT
47.000		06-201630-02 AM06	3600	118,068	0	PT
47.000		0637190	3600	240,652	0	PT
47.000		1120959-214342 AM3	3600	7,211	0	PT
47.000		1696REUMOD01PO95000103	3600	11,210	0	
47.000		31701	3600	7,458	0	PT
47.000		58007-9069 ADM1	3600	38,572	0	PT
47.000		808-10	3600	19,041	0	PT
47.000		AST-0802230	3600	2,992	0	
47.000		C44044LAM02	3600	13,670	0	PT
47.000		C44068L, AMEND 01	3600	105,768	0	PT
47.000		EPS-1135462	3600	38,058	0	
47.000		ESI9819438AM03	3600	(7,172)	0	
47.000		FELLOWSHIPBRYANSYKES	3600	7,167	0	
47.000		IAS9900969AM01	3600	(111)	0	PT
47.000		IIS0852908 AM01	3600	18,634	0	
47.000		NWRA-9-S-115MOD1	3600	(126)	0	PT
47.000		P.O. 560232	3600	(257)	0	PT
47.000		P.O.#546424 REVISION 8	3600	142	0	PT
47.000		PO# 367199	3600	16,188	0	PT
47.000		R5661721073996247834AM	3600	61,608	0	PT
47.000		SA4194, AM01	3600	(4,743)	0	PT
47.000		UW BUD# 637341	3600	15,264	0	PT
47.000		UW BUD# 660051	3600	(1,313)	0	PT
47.000		10MESA32421852153	3650	3,125	0	PT
47.000		10MESA32421852166	3650	3,125	0	PT
47.000		BCS1026700	3650	11,457	0	
47.000		CHE0723997	3650	79,431	0	
47.000		DBI0605016	3650	355,121	0	
47.000		WSU002087	3650	13,805	0	PT
	Federal Program 47.000 Total			**1,167,545**	**0**	
47.049	Mathematical and Physical Sciences	DUE 0532618	6990	5,338	0	PT
	Federal Program 47.049 Total			**5,338**	**0**	
47.050	Geosciences		6990	14,457	0	

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National Science Foundation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 47.050 Total			**14,457**	**0**	
47.075	Social, Behavioral, and Economic Sciences		6990	3,512	0	
	Federal Program 47.075 Total			**3,512**	**0**	
47.076	Education and Human Resources		6990	1,920,250	0	
47.076		DUE 0602593	6990	7,370	0	PT
47.076		DUE 0702912	6990	22,625	0	PT
	Federal Program 47.076 Total			**1,950,245**	**0**	
47.082	ARRA - Trans-Nsf Recovery Act Research Supp		6990	54,695	0	
	Federal Program 47.082 Total			**54,695**	**0**	
47.999	Nsf - Undetermined		3600	22,953	0	
	Federal Program 47.999 Total			**22,953**	**0**	
	National Science Foundation Total			**3,218,745**	**0**	

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Federal Programs Not Clustered

Small Business Administration

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
59.000	Sba - Contract Number Only Provided	SBAHQ-10-I-0005	3700	99,438	0	
59.000		SBAHQ-09-1-0023	6990	66,126	0	
	Federal Program 59.000 Total			**165,564**	**0**	
59.037	Small Business Development Centers		3650	2,214,298	133,055	
	Federal Program 59.037 Total			**2,214,298**	**133,055**	
	Small Business Administration Total			**2,379,862**	**133,055**	

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Federal Programs Not Clustered

Tennessee Valley Authority

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
62.000	Tva - Contract Number Only Provided	00070223	3650	27,839	0	
	Federal Program 62.000 Total			**27,839**	**0**	
	Tennessee Valley Authority Total			**27,839**	**0**	

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Federal Programs Not Clustered

Department of Veterans Affairs

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
64.000	VA - Contract Number Only Provided	636-D05126	3600	5,714	0	
64.000		663-C00065	3600	6,969	0	
64.000		663-C00237	3600	61	0	
64.000		663-C11559	3600	105,136	0	
64.000		663-C11568	3600	14,181	0	
64.000		663-D56110	3600	(1)	0	
64.000		663-D66102 AND SA-1	3600	(1,548)	0	
64.000		663/151	3600	141,757	0	
64.000		66309191410013AMEND6	3600	4,603	0	
64.000		6631010470001663C00014	3600	90,448	0	
64.000		6631010470003C00017	3600	35,045	0	
64.000		6631011410011AMD16	3600	52,891	0	
64.000		6631015310004C00001	3600	65,876	0	
64.000		6631125310001V663C1155	3600	47,613	0	
64.000		6631125310002V663C1157	3600	101,023	0	
64.000		663C00224 VA260-P-0188	3600	30,958	0	
64.000		663C60009AMDTSA1	3600	(2,105)	0	
64.000		663C80001VA260P207	3600	46,753	0	
64.000		663D06011	3600	8,662	0	
64.000		663D96125VA260P0477	3600	43,240	0	
64.000		A36570	3600	(3,559)	0	
64.000		AMENDMENT	3600	70,200	0	
64.000		HCRPOIFCAPPOVA663C1169	3600	10,718	0	
64.000		HCRPOPOVA663C11557	3600	50,504	0	
64.000		HCRPOPOVA663C11763	3600	172,261	0	
64.000		IPA	3600	6,531	0	
64.000		IPA 2009-2011	3600	91,482	0	
64.000		IPA FOR BLOUGH R&D 151	3600	21,930	0	
64.000		IPA-ZAVOSH	3600	2,915	0	
64.000		NONE	3600	(170)	0	
64.000		PO #C11560	3600	104,084	0	
64.000		PO 663-C00020	3600	34,653	0	
64.000		PO 663-C00022	3600	17,652	0	
64.000		PO 663-C90869	3600	(17,652)	0	
64.000		PO 663C11386	3600	74,263	0	
64.000		PO C00021	3600	487,717	0	

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Department of Veterans Affairs

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
64.000	VA - Contract Number Only Provided	PO# 518-C05259	3600	3,874	0	
64.000		PO# 663-C00112	3600	1,238	0	
64.000		PO# 663D05856	3600	2,520	0	
64.000		PO#663C11426	3600	72,211	0	
64.000		PO#D66162	3600	(161)	0	
64.000		ROHDE, KIRSTEN	3600	3,362	0	
64.000		SA0700432	3600	(1)	0	PT
64.000		V260P00355PO663D66053	3600	(15,693)	0	
64.000		V260P00414 663-D06008	3600	12,453	0	
64.000		V260P00414VA663D16031	3600	25,020	0	
64.000		V260P0516PO663C90111	3600	(455)	0	
64.000		V663-C00067	3600	40,824	0	
64.000		V663-C11567	3600	127,554	0	
64.000		V663P-5936-05 AMEND #4	3600	(4,715)	0	
64.000		V663PC599705MODCOB	3600	(1,395)	0	
64.000		VA 260 P 0498	3600	9,719	0	
64.000		VA260-P-0188, 0006	3600	47,271	0	
64.000		VA260-P-0704	3600	(1)	0	
64.000		VA260-P-0716	3600	7,558	0	
64.000		VA260-P-0718	3600	32,465	0	
64.000		VA260-P-0743	3600	25,408	0	
64.000		VA260-P-0753	3600	54,684	0	
64.000		VA260P0098PO663C70263	3600	(1,493)	0	
64.000		VA260P0112 AM 01 & 02	3600	(3,384)	0	
64.000		VA260P0397PO663C00024	3600	119,374	0	
64.000		VA260P0718VA663D11511	3600	94,408	0	
64.000		VA260P0736VA663D06022	3600	69,242	0	
64.000		VA260P0741VA663D10008A	3600	100,234	0	
64.000		VA260P0871VA663D061021	3600	11,259	0	
64.000		VA260P0873POVA663D1601	3600	6,598	0	
64.000		VA260P0875POVA663D1601	3600	245,921	0	
64.000		VA260P0903POVA663D1605	3600	65,878	0	
64.000		VA260P207PO663C11558	3600	142,005	0	
64.000		VA663-C00010 MOD 1	3600	10,020	0	
64.000		VA663-C00013	3600	12,001	0	
64.000		VA663-C00581	3600	17,505	0	

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Department of Veterans Affairs

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
64.000	VA - Contract Number Only Provided	VA663-C11816	3600	17,299	0	
64.000		VA663-D16018	3600	30,330	0	
64.000		VA663-D16066 AM01	3600	10,804	0	
64.000		VA663C00424VA260P0651A	3600	163,622	0	
64.000		VA663P-5935	3600	162,456	0	
64.000		VA663P5936, 663-C00002	3600	103,360	0	
	Federal Program 64.000 Total			**3,741,984**	**0**	
64.012	Veterans Prescription Service		3050	258,823	0	
	Federal Program 64.012 Total			**258,823**	**0**	
64.014	Veterans State Domiciliary Care		3050	244,974	0	
	Federal Program 64.014 Total			**244,974**	**0**	
64.015	Veterans State Nursing Home Care		3050	16,329,092	0	
	Federal Program 64.015 Total			**16,329,092**	**0**	
64.024	VA Homeless Providers Grant and Per Diem Program		3050	337,536	0	
	Federal Program 64.024 Total			**337,536**	**0**	
64.027	ARRA - Post 911 Veterans Educational Assistance		6990	1,663,674	0	
	Federal Program 64.027 Total			**1,663,674**	**0**	
64.101	Burial Expenses Allowance for Veterans		3050	166,200	0	
	Federal Program 64.101 Total			**166,200**	**0**	
64.110	Veterans Dependency and Indemnity Compensation For		6990	1,995	0	
	Federal Program 64.110 Total			**1,995**	**0**	
64.115	Veterans Information and Assistance		3050	7,752	0	
	Federal Program 64.115 Total			**7,752**	**0**	
64.116	Vocational Rehabilitation for Disabled Veterans		6990	2,688	0	
	Federal Program 64.116 Total			**2,688**	**0**	
64.117	Survivors and Dependents Educational Assistance		6990	5,173	0	
	Federal Program 64.117 Total			**5,173**	**0**	
64.124	All-Volunteer Force Educational Assistance		3430	299,049	0	
64.124			3540	156,466	0	
64.124			6990	250	0	

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Department of Veterans Affairs

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 64.124 Total			**455,765**		**0**
64.203	State Cemetery Grants		3050	1,710,211		0
	Federal Program 64.203 Total			**1,710,211**		**0**
64.999	Veterans Affairs - Undetermined		3600	2,021,869		0
64.999			6990	1,630,877		0
	Federal Program 64.999 Total			**3,652,746**		**0**
	Department of Veterans Affairs Total			**28,578,613**		**0**

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Environmental Protection Agency

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
66.000	Epa - Contract Number Only Provided	C796 AM03	3600	207,758	0	PT
66.000		D39477D AM01	3600	20,836	0	PT
66.000		EP06H001996 AM01	3600	(834)	0	
66.000		HQ-571-09-11N	3600	17,551	0	
66.000		U-91614201-01,02	3600	(558)	0	
66.000		UW BUD# 633284	3600	(105)	0	PT
66.000		UW BUD# 637078	3600	6,331	0	PT
66.000		UW BUD# 638165	3600	13,592	0	PT
66.000		UW BUD# 672248	3600	3,882	0	PT
66.000		UW BUD# 673689	3600	7,453	0	PT
66.000		058UW1	3650	45,179	0	PT
66.000		WSU000847	3650	33,194	0	PT
66.000		WSU001173	3650	3,622	0	PT
66.000		WSU002003	3650	4,514	0	PT
	Federal Program 66.000 Total			**362,415**	**0**	
66.032	State Indoor Radon Grants		3030	53,203	0	
	Federal Program 66.032 Total			**53,203**	**0**	
66.034	Surveys, Studies, Research, Investigations, Demons		3030	100,061	0	
	Federal Program 66.034 Total			**100,061**	**0**	
66.039	National Clean Diesel Funding Assist		4610	872,444	0	
	Federal Program 66.039 Total			**872,444**	**0**	
66.040	State Clean Diesel Grant Program		4610	186,202	0	
	Federal Program 66.040 Total			**186,202**	**0**	
66.040A	ARRA - State Clean Diesel Grant Program		4610	417,153	0	
	Federal Program 66.040A Total			**417,153**	**0**	
66.120	Puget Sound Watershed Management Assistance	C20100372 AM01	3600	45,999	0	PT
66.120		UW BUD# 639923	3600	97,966	0	PT
	Federal Program 66.120 Total			**143,965**	**0**	
66.122	Puget Sound Action Agenda Outreach, Edu Steward Su		4780	42,772	0	
	Federal Program 66.122 Total			**42,772**	**0**	
66.123	Ps Action Agenda: Tech Investigations & Implement		3030	120,260	0	
66.123			3600	138,020	0	

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Environmental Protection Agency

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
66.123	Ps Action Agenda: Tech Investigations & Implement	WA-S-110210-105-0	3600	31,717	0	PT
66.123			4610	347,676	0	
66.123			4770	47,703	0	
	Federal Program 66.123 Total			**685,376**	**0**	
66.202	Congressionally Mandated Projects	EPA83438801-340 AM0A	3600	16,567	0	PT
66.202			4610	20,598	0	
	Federal Program 66.202 Total			**37,165**	**0**	
66.418	Construction Grants for Wastewater Treatmen		4610	3,255	0	
	Federal Program 66.418 Total			**3,255**	**0**	
66.419	Water Pollution Control State, Interstate, and Tri		3030	198,363	0	
66.419			4610	514,100	0	
	Federal Program 66.419 Total			**712,463**	**0**	
66.432	State Public Water System Supervision		3030	2,364,067	0	
	Federal Program 66.432 Total			**2,364,067**	**0**	
66.436	Surveys, Studies, Investigations, Demonstrations,		4610	49,064	0	
	Federal Program 66.436 Total			**49,064**	**0**	
66.439	Targeted Watersheds Grants	429-46-04 AM01	3600	2,784	0	PT
66.439		429-46-06 AM01	3600	18,104	0	PT
	Federal Program 66.439 Total			**20,888**	**0**	
66.454	Water Quality Mgmt Planning		4610	318,622	0	
	Federal Program 66.454 Total			**318,622**	**0**	
66.454A	ARRA - Water Quality Mgmt Planning		4610	286,682	0	
	Federal Program 66.454A Total			**286,682**	**0**	
66.456	National Estuary Program	IAC 2011-14	3600	2,937	0	PT
66.456			3650	61,214	5,923	
66.456			4610	2,458,164	0	
66.456			4670	60,973	0	
66.456			4780	2,312,027	0	
	Federal Program 66.456 Total			**4,895,315**	**5,923**	
66.458	Cap Grnts for Clean Water ST Revolving Funds		4610	7,031,445	0	

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Environmental Protection Agency

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 66.458 Total			**7,031,445**	**0**	
66.458A	ARRA - Cap Grnts for Clean Water ST Revolving Fund		4610	33,682,342	0	
	Federal Program 66.458A Total			**33,682,342**	**0**	
66.460	Nonpoint Source Implementation Grants		4610	3,216,255	0	
	Federal Program 66.460 Total			**3,216,255**	**0**	
66.461	Regional Wetland Program Development Grants		4610	134,467	0	
66.461			4770	29,550	0	
66.461			4900	38,349	0	
	Federal Program 66.461 Total			**202,366**	**0**	
66.468	Cap Grants for Drink Water State Rev		3030	14,733,516	10,066,258	
	Federal Program 66.468 Total			**14,733,516**	**10,066,258**	
66.468A	ARRA - Cap Grants for Drink Water State Rev		3030	17,283,573	16,683,120	
	Federal Program 66.468A Total			**17,283,573**	**16,683,120**	
66.472	Beach Monitoring and Notification Program Implemen		4610	233,717	0	
	Federal Program 66.472 Total			**233,717**	**0**	
66.474	Water Protection Grants to the States		3030	122,824	4,848	
	Federal Program 66.474 Total			**122,824**	**4,848**	
66.510	Surveys, Studies, Investigations and Special Purpo		3600	14,668	0	
66.510			4610	61,940	0	
	Federal Program 66.510 Total			**76,608**	**0**	
66.605	Performance Partnership Grants	C794	3650	57,737	0	PT
66.605			4610	9,196,005	0	
	Federal Program 66.605 Total			**9,253,742**	**0**	
66.606	Surveys, Studies & Specl Purpose Grnts		1030	286,210	0	
66.606			4610	106,420	0	
	Federal Program 66.606 Total			**392,630**	**0**	
66.607	Environmental Protection Agy		3600	18,582	0	
	Federal Program 66.607 Total			**18,582**	**0**	
66.608	Environmental Information Exchange Network Grant P		4610	110,953	0	
66.608			4670	25,684	8,156	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Environmental Protection Agency

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 66.608 Total			**136,637**	**8,156**	
66.700	Consolidated Pesticide Enforcement Cooperative Agr		4950	632,889	0	
	Federal Program 66.700 Total			**632,889**	**0**	
66.708	Pollution Prevention Grants Program		4610	230,481	0	
	Federal Program 66.708 Total			**230,481**	**0**	
66.709	Multi-Media Capacity Building Grants for States An		4610	37,500	0	
	Federal Program 66.709 Total			**37,500**	**0**	
66.716	Research, Development, Monitoring, Public Educatio		3030	57,509	24,450	
	Federal Program 66.716 Total			**57,509**	**24,450**	
66.801	Hazardous Waste Management State Program Support		4610	1,892,696	0	
	Federal Program 66.801 Total			**1,892,696**	**0**	
66.802	Superfund State Political Subdivision & Ind		4610	195,774	0	
	Federal Program 66.802 Total			**195,774**	**0**	
66.804	State and Tribal Underground Storage Tanks Program		4610	579,061	0	
	Federal Program 66.804 Total			**579,061**	**0**	
66.805	Leaking Underg Stor Tank Trust Fund		4610	1,047,424	0	
	Federal Program 66.805 Total			**1,047,424**	**0**	
66.805A	ARRA - Leaking Underg Stor Tank Trust Fund		4610	1,774,512	0	
	Federal Program 66.805A Total			**1,774,512**	**0**	
66.808	Solid Waste Management Assistance Grants		3030	57,312	0	
	Federal Program 66.808 Total			**57,312**	**0**	
66.809	Superfund State and Indian Tribe CORE Program Coop		4610	97,657	0	
	Federal Program 66.809 Total			**97,657**	**0**	
66.814	Brownfields Training, Research, and Technical Assi	S11209	3650	351	0	PT
	Federal Program 66.814 Total			**351**	**0**	
66.817	State and Tribal Response Program Grants		4610	1,186,632	0	
	Federal Program 66.817 Total			**1,186,632**	**0**	
66.818	Brownfields Assess & Cleanup Coop Agmt		1030	250,416	214,246	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Environmental Protection Agency

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 66.818 Total			**250,416**	**214,246**	
66.818A	ARRA - Brownfields Assess & Cleanup Coop Agmt		1030	1,247,054	1,192,019	
	Federal Program 66.818A Total			**1,247,054**	**1,192,019**	
66.940	Environmental Policy and State Innovation Grants		4610	81,100	0	
	Federal Program 66.940 Total			**81,100**	**0**	
	Environmental Protection Agency Total			**107,303,717**	**28,199,020**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Nuclear Regulatory Commission

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
77.006	U. S. Nuclear Regulatory Commission Nuclear Educat		3650	138,052	0	
	Federal Program 77.006 Total			**138,052**	**0**	
77.008	U.S. Nuclear Regulatory Commission Scholarship And		6990	278,148	0	
	Federal Program 77.008 Total			**278,148**	**0**	
	Nuclear Regulatory Commission Total			**416,200**	**0**	

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Dept of Energy

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.000	Energy - Contract Number Only Provided	00028302	1030	2,091,031	1,795,953	
81.000		00035797	3600	(468)	0	
81.000		00044196	3600	33,578	0	
81.000		00044402	3600	83,283	0	
81.000		00044408	3600	94,822	0	
81.000		00044410	3600	62,905	0	
81.000		00044719	3600	(1,512)	0	
81.000		00044847	3600	277,364	0	
81.000		00045208	3600	86,710	0	
81.000		00046238	3600	20,495	0	
81.000		00047580	3600	110,938	0	
81.000		00049069	3600	188,601	0	
81.000		00049070	3600	253,736	0	
81.000		00050066	3600	153,317	0	
81.000		00052791	3600	1,612	0	
81.000		00102644	3600	146,229	0	PT
81.000		04-2011	3600	26,819	0	PT
81.000		10-P2431 MOD001	3600	13,459	0	PT
81.000		101126 MOD 2	3600	40,792	0	PT
81.000		1038388	3600	7,615	0	PT
81.000		1038388 MOD 2	3600	38,404	0	PT
81.000		112830	3600	27,889	0	PT
81.000		117744	3600	44,566	0	PT
81.000		120771	3600	16,308	0	PT
81.000		125454-1	3600	39,312	0	
81.000		129343	3600	384	0	PT
81.000		14-2010	3600	30,973	0	PT
81.000		19-25876 MOD01	3600	51,517	0	PT
81.000		2003-1389AM24	3600	7,063	0	PT
81.000		21701 MOD07	3600	52,134	0	PT
81.000		32449-001-06 MOD04	3600	2,780	0	PT
81.000		39189 MOD 3	3600	(4,098)	0	PT
81.000		4000001206 AM03	3600	702	0	PT
81.000		4000093555 M0D01	3600	282,173	0	PT
81.000		46804	3600	119,900	0	
81.000		50065	3600	156,986	0	

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81.000	Energy - Contract Number Only Provided	57469	3600	258,223	0	PT
81.000		58219 MOD 3	3600	13,270	0	PT
81.000		61661	3600	37,352	0	PT
81.000		657280 MOD1	3600	(469)	0	PT
81.000		6630,TO14622 MOD3	3600	(480)	0	PT
81.000		6700882, MOD13	3600	489,217	0	PT
81.000		6853597 MOD 1	3600	28,733	0	PT
81.000		6953716	3600	20,724	0	PT
81.000		72419,MOD03	3600	3,465	0	PT
81.000		73262-001-09	3600	21,788	0	PT
81.000		75501,TO#95144,M0D05	3600	4,073	0	PT
81.000		76089, MOD 06	3600	42,372	0	PT
81.000		889186-874J AM05	3600	154,099	0	PT
81.000		A45221/AMD03	3600	44,157	0	PT
81.000		AC71713O	3600	85,475	0	PT
81.000		AC819890O	3600	4,788	0	PT
81.000		AGN-0-40308-01	3600	114,020	0	PT
81.000		DEFC0396SF21258A017	3600	(5)	0	
81.000		DEFGE0297ER45628AM14	3600	1	0	
81.000		DELS-7497-06-001 MOD07	3600	(7,958)	0	PT
81.000		IGC 50337	3600	56,202	0	
81.000		MASTER#75501 TO#50200	3600	3,169	0	PT
81.000		MASTER#75501/TO#145280	3600	11,170	0	PT
81.000		MASTER75501TO141073	3600	12,714	0	PT
81.000		MASTER75501TO80477MOD0	3600	77,182	0	PT
81.000		OF-34961	3600	28,082	0	PT
81.000		P.O.22934,AND MOD.1	3600	(120)	0	PT
81.000		PO# 134326	3600	4,381	0	PT
81.000		PO-20110120	3600	5,660	0	PT
81.000		T.O. 152224	3600	14,144	0	PT
81.000		T.O. 152883	3600	8,932	0	PT
81.000		T071981	3600	123	0	PT
81.000		TASK ORDER 117174	3600	40,697	0	PT
81.000		TASK ORDER 125093	3600	15,000	0	PT
81.000		TASK ORDER 136564	3600	37,528	0	PT
81.000		TASK ORDER 83883 MOD 3	3600	72,968	0	PT

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Dept of Energy

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81.000	Energy - Contract Number Only Provided	TCN 10126	3600	74,511	0	PT
81.000		TO 108989 MOD01	3600	71,398	0	PT
81.000		TO 135292 AM01	3600	212,474	0	PT
81.000		TO 148455	3600	33,903	0	PT
81.000		TO 150819	3600	3,140	0	PT
81.000		TO# 153266	3600	3,257	0	PT
81.000		TO#14625; MA#6630 MOD9	3600	4,945	0	PT
81.000		TO02 110463	3600	42,494	0	PT
81.000		TO104299MA75501MOD2	3600	14,900	0	PT
81.000		TO107772MOD01MA75501	3600	9,723	0	PT
81.000		TO119737MASTERAGMT7550	3600	(1)	0	PT
81.000		TO125773UNDERMA75501	3600	18,090	0	PT
81.000		TO135319; MA75501	3600	49,361	0	PT
81.000		TO147338MASTER75501	3600	1,291	0	PT
81.000		TO96824MOD01(MA 75501)	3600	289,656	0	PT
81.000		UW BUD# 636092	3600	(262)	0	PT
81.000		UW BUD# 637951	3600	16,699	0	PT
81.000		UW BUD# 638340	3600	(21,257)	0	PT
81.000		UW BUD# 638443	3600	(26,606)	0	PT
81.000		UW BUD# 639228	3600	8,637	0	PT
81.000		UW BUD# 660294	3600	47,470	0	PT
81.000		UW BUD# 667317	3600	(955)	0	PT
81.000		UW BUD# 807280	3600	73,488	0	PT
81.000		00014002	3650	631,683	0	PT
81.000		00021287	3650	529,002	188,552	
81.000		00039408	3650	(6,238)	0	
81.000		00042312	3650	1,206	0	
81.000		00045485	3650	(609)	0	
81.000		00050029	3650	637,838	122,948	
81.000		00050447	3650	7,663	0	
81.000		00052438	3650	47,717	0	
81.000		01019W01062	3650	2,235,245	0	PT
81.000		097K366	3650	43,351	0	PT
81.000		1037884	3650	52,043	0	PT
81.000		1072147	3650	7,041	0	PT
81.000		131023	3650	67,923	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Energy

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81.000	Energy - Contract Number Only Provided	1380551	3650	77,921	0	PT
81.000		1511WSU01	3650	6,121	0	PT
81.000		24590NPPOAHXYG00121	3650	7,103	0	PT
81.000		4792600109	3650	31,875	0	PT
81.000		5478700107	3650	(1,248)	0	PT
81.000		651102	3650	26,546	0	PT
81.000		6633	3650	1,678,931	0	PT
81.000		6962257	3650	19,237	0	PT
81.000		7496200109	3650	119,637	0	PT
81.000		888552	3650	19,686	0	PT
81.000		9W011WAPA0201	3650	118,196	0	PT
81.000		AC695370	3650	59,607	0	PT
81.000		AC695380	3650	37,165	0	PT
81.000		B573264	3650	20,108	0	PT
81.000		C10169	3650	70,319	0	PT
81.000		DEAC0707ID60679	3650	8,320	0	PT
81.000		DEAF6510WA45295	3650	284,609	0	
81.000		ER15782	3650	9,198	0	
81.000		ER15820	3650	149,432	0	
81.000		ER20225	3650	169,916	0	
81.000		M262_41771708	3650	4,091	0	PT
81.000		M285	3650	56,235	0	PT
81.000		NA29037	3650	32,344	32,344	
81.000		OSE1018	3650	77,588	0	PT
81.000		PI22630	3650	4	0	
81.000		TSPESI0012	3650	12,997	0	PT
81.000		WSU000684	3650	(6,340)	0	PT
81.000		WSU000905	3650	88,191	0	PT
81.000		WSU001093	3650	74,803	0	PT
81.000		WSU001940	3650	31,885	0	PT
81.000		WSU002053	3650	493	0	PT
81.000		XFA11165201	3650	793	0	PT
81.000		XFT888521010	3650	128,747	0	PT
81.000		(BPA) 00039095	3750	1,362	0	
81.000		(BPA) 00045001	3750	32,034	0	
81.000		(BPA) 00051087	3750	189,333	0	

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Dept of Energy

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81.000	Energy - Contract Number Only Provided	00041195	4770	55,984	0	
81.000		00042336	4770	2,900	0	
81.000		00042861	4770	964,360	0	
81.000		00043360	4770	13,026	0	
81.000		00044016	4770	163,270	0	
81.000		00044225	4770	25,451	0	
81.000		00044293	4770	93,132	0	
81.000		00044456	4770	47,760	0	
81.000		00044566	4770	42,307	0	
81.000		00044851	4770	311,281	0	
81.000		00044887	4770	57,114	0	
81.000		00044906	4770	74,908	0	
81.000		00044910	4770	51,405	0	
81.000		00045139	4770	182,294	0	
81.000		00045173	4770	57,207	0	
81.000		00045314	4770	50,169	0	
81.000		00045761	4770	145,153	0	
81.000		00046284	4770	141,535	0	
81.000		00046321	4770	164,011	0	
81.000		00046344	4770	73,758	0	
81.000		00046394	4770	51,756	0	
81.000		00046440	4770	125,047	0	
81.000		00046489	4770	179,862	0	
81.000		00046508	4770	176,863	0	
81.000		00046522	4770	181,184	0	
81.000		00046626	4770	114,294	0	
81.000		00046876	4770	28,548	0	
81.000		00047183	4770	103,490	0	
81.000		00047290	4770	76,027	0	
81.000		00047336	4770	20,272	0	
81.000		00047385	4770	146,847	0	
81.000		00047626	4770	172,449	0	
81.000		00047950	4770	600,558	0	
81.000		00048811	4770	9,179	0	
81.000		00048948	4770	596,909	0	
81.000		00049040	4770	371,122	0	

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Dept of Energy

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81.000	Energy - Contract Number Only Provided	00049080	4770	176,280	0	
81.000		00049149	4770	39,422	0	
81.000		00050061	4770	145,538	0	
81.000		00050187	4770	100,650	0	
81.000		00050204	4770	681,496	0	
81.000		00050354	4770	145,239	0	
81.000		00050444	4770	91,645	0	
81.000		00050472	4770	178,053	0	
81.000		00050628	4770	109,350	0	
81.000		00050683	4770	193,957	0	
81.000		00050929	4770	210,951	0	
81.000		00050978	4770	328,478	0	
81.000		00051112	4770	26,194	0	
81.000		00051222	4770	210,010	0	
81.000		00051887	4770	12,606	0	
81.000		00051995	4770	48,701	0	
81.000		00052091	4770	122,659	0	
81.000		00052092	4770	48,496	0	
81.000		00052093	4770	96,328	0	
81.000		00052110	4770	64,717	0	
81.000		00052151	4770	106,655	0	
81.000		00052152	4770	51,484	0	
81.000		00052153	4770	39,508	0	
81.000		00052290	4770	96,376	0	
81.000		00052771	4770	5,049	0	
81.000		00052949	4770	22,447	0	
81.000		00053084	4770	35,972	0	
81.000		00053279	4770	92,802	0	
81.000		00053444	4770	26,299	0	
81.000		020-9359-ISA-FISH	4770	119,079	0	PT
81.000		090-1289-ISA-FISH	4770	311,269	0	PT
81.000		10-31	4770	83,587	0	PT
81.000		10-37	4770	35,755	0	PT
81.000		10-39	4770	34,651	0	PT
81.000		10-43	4770	182,999	0	PT
81.000		10-50	4770	21,291	0	PT

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81.000	Energy - Contract Number Only Provided	10-57	4770	227,426	0	PT
81.000		10-65	4770	57,051	0	PT
81.000		10-66	4770	23,335	0	PT
81.000		10-75	4770	487,981	0	PT
81.000		10-85	4770	12,146	0	PT
81.000		10-87	4770	31,728	0	PT
81.000		83537	4770	9,996	0	PT
81.000		00051166	6990	3,936	0	
	Federal Program 81.000 Total			**25,897,480**	**2,139,797**	
81.000A	ARRA - Energy Contract Number Only Provided	TONO95447MANO75501	3600	68,950	0	PT
81.000A		UW BUD# 203780	3600	19,301	0	PT
81.000A		UW BUD# 203781	3600	26,543	0	PT
81.000A		01019W01062	3650	1,195,590	0	PT
81.000A		6633	3650	289,863	0	PT
81.000A		WSU001294	3650	22,328	0	PT
81.000A		ZFT040644012	3650	121,228	0	PT
	Federal Program 81.000A Total			**1,743,803**	**0**	
81.041	State Energy Program		1030	511,524	16,250	
	Federal Program 81.041 Total			**511,524**	**16,250**	
81.041A	ARRA - State Energy Program		1030	24,855,416	15,798,238	
	Federal Program 81.041A Total			**24,855,416**	**15,798,238**	
81.042	Weatherization Assist - Low Inc		1030	3,756,730	2,863,731	
	Federal Program 81.042 Total			**3,756,730**	**2,863,731**	
81.042A	ARRA - Weatherization Assist - Low Inc		1030	23,908,511	21,514,062	
	Federal Program 81.042A Total			**23,908,511**	**21,514,062**	
81.104	Office of Environmental Waste Processing		3030	776,428	1,814	
	Federal Program 81.104 Total			**776,428**	**1,814**	
81.106	Transport of Transuranic Wastes to the Waste Isola	C080240FED-TWX9	2250	83,658	0	PT
	Federal Program 81.106 Total			**83,658**	**0**	
81.112	Stewardship Science Grant Program		3600	172,190	0	
81.112			3650	2,552,894	3,098	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Dept of Energy

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 81.112 Total			**2,725,084**	**3,098**	
81.117	Energy Efficiency and Renewable Energy Information		1030	30,046	0	
81.117			3650	514	0	
	Federal Program 81.117 Total			**30,560**	**0**	
81.119	State Energy Program Special Projects		1030	420,958	0	
	Federal Program 81.119 Total			**420,958**	**0**	
81.119A	ARRA - State Energy Program Special Projects		1030	266,419	0	
	Federal Program 81.119A Total			**266,419**	**0**	
81.121	Nuclear Energy Research, Development and Demonstra		3650	497,308	129,677	
81.121		MUSC09094	3650	58,439	0	PT
81.121			6990	149,776	0	
	Federal Program 81.121 Total			**705,523**	**129,677**	
81.122	Electricity Delivery & Energy Research		2150	192,482	0	
81.122			3650	469,381	0	
81.122		20100125103	3650	275,722	0	PT
81.122			6990	923,846	0	
	Federal Program 81.122 Total			**1,861,431**	**0**	
81.122A	ARRA - Electricity Delivery & Energy Research		1030	260,575	94,637	
81.122A			3650	211,185	1,879	
81.122A		10283474	3650	118,366	0	PT
81.122A		11453	3650	117,302	0	PT
	Federal Program 81.122A Total			**707,428**	**96,516**	
81.127	ARRA - Energy Efficient Appl Rebate Pgram		1030	5,220,773	5,169,696	
	Federal Program 81.127 Total			**5,220,773**	**5,169,696**	
81.128A	ARRA - Energy Effincy & Conservon Block Grant		1030	4,807,227	4,004,245	
	Federal Program 81.128A Total			**4,807,227**	**4,004,245**	
81.135	ARRA - Adv Research & Projects Agency	2001001	3600	89,422	0	PT
81.135		201001	3600	69,236	0	PT
	Federal Program 81.135 Total			**158,658**	**0**	
81.999	Department of Energy - Undetermined		3600	337,340	0	
81.999		20126087	3650	3,897	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Dept of Energy

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.999	Department of Energy - Undetermined		3700	371	0	
81.999			4770	42,016	0	
	Federal Program 81.999 Total			**383,624**	**0**	
	Dept of Energy Total			**98,821,235**	**51,737,124**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Programs Not Clustered

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.000	Education - Contract Number Only Provided	0209234.002.016-25	3600	3,995	0	PT
84.000		070153	3600	(721)	0	PT
84.000		0799800000UWA01MOD01	3600	39,661	0	PT
84.000		1008-747	3600	121,878	0	PT
84.000		H 133B090024	3600	10,843	0	PT
84.000		H133A080035	3600	72,561	0	PT
84.000		UW BUD# 633746	3600	2,182	0	PT
84.000		UW BUD# 635741	3600	191	0	PT
84.000		UW BUD# 802241	3600	234	0	PT
84.000		UW BUD# 802320	3600	75,424	0	PT
84.000		115448001	3650	25,559	0	PT
84.000		PCS0507	3650	29,148	0	PT
	Federal Program 84.000 Total			**380,955**	**0**	
84.002	Adult Education - Basic Grants to States		6990	8,539,571	7,682,316	
	Federal Program 84.002 Total			**8,539,571**	**7,682,316**	
84.011	Migrant Education_state Grant Program		3500	15,738,310	15,255,034	
	Federal Program 84.011 Total			**15,738,310**	**15,255,034**	
84.013	Title I Program for Neglected and Delinquent Child		3500	968,739	960,099	
	Federal Program 84.013 Total			**968,739**	**960,099**	
84.015	National Resource Centers Program for Foreign Lang		3600	4,198,714	168,567	
	Federal Program 84.015 Total			**4,198,714**	**168,567**	
84.016	Undergraduate International Studies and Foreign La		3600	23,873	0	
84.016			3650	15,196	0	
84.016			3800	72,844	0	
	Federal Program 84.016 Total			**111,913**	**0**	
84.021	Overseas Programs - Group Projects Abroad		3600	99,910	0	
	Federal Program 84.021 Total			**99,910**	**0**	
84.031	Higher Education_institutional Aid		6990	4,335,149	0	
84.031		HS101105	6990	29,888	0	PT
	Federal Program 84.031 Total			**4,365,037**	**0**	
84.034	Dept of Education		6990	20,160	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 84.034 Total			**20,160**	**0**	
84.048	Career and Technical Education -- Basic Grants To		3540	20,934,373	0	
84.048			6990	30	0	
	Federal Program 84.048 Total			**20,934,403**	**0**	
84.069	Leveraging Educational Assistance Partnership		3430	1,793,631	1,793,631	
	Federal Program 84.069 Total			**1,793,631**	**1,793,631**	
84.101	Career and Technical Education - Indian Set-Aside	V101A010017-03A	6990	232,794	0	PT
	Federal Program 84.101 Total			**232,794**	**0**	
84.103	Trio Staff Training Program		3600	743,620	0	
	Federal Program 84.103 Total			**743,620**	**0**	
84.116	Fund for the Improvement of Postsecondary Educatio		3500	100,052	0	
84.116			3600	299,014	2,182	
84.116		UW BUD# 637745	3600	7,961	0	PT
84.116			3650	150,253	0	
84.116			3760	136,967	0	
84.116			6990	1,536,255	0	
84.116		09-EDC-0-775-FIPSE	6990	71,920	0	PT
84.116		09-EVC-0-776-FIPSE	6990	69,278	0	PT
	Federal Program 84.116 Total			**2,371,700**	**2,182**	
84.129	Rehabilitation Long-Term Training		3600	7,402	0	
84.129			3800	285,072	0	
	Federal Program 84.129 Total			**292,474**	**0**	
84.141	Migrant Education_high School Equivalency Program		3750	432,797	0	
84.141			6990	446,278	0	
	Federal Program 84.141 Total			**879,075**	**0**	
84.144	Migrant Education_coordination Program		3500	4,936	0	
	Federal Program 84.144 Total			**4,936**	**0**	
84.149	Migrant Education_college Assistance Migrant Progr		3600	261,245	0	
84.149			3650	470,684	0	
84.149			3700	423,492	0	
84.149			3750	402,895	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.149	Migrant Education_college Assistance Migrant Progr		6990	778,750	0	
	Federal Program 84.149 Total			**2,337,066**	**0**	
84.153	Business and International Education Projects		6990	73,477	0	
	Federal Program 84.153 Total			**73,477**	**0**	
84.184	Safe and Drug-Free Schools and Communities_nationa		3500	70,029	0	
84.184			3650	109,346	0	
84.184			3800	95,182	0	
84.184			6990	197,920	0	
	Federal Program 84.184 Total			**472,477**	**0**	
84.185	Byrd Honors Scholarships		3500	948,500	948,500	
	Federal Program 84.185 Total			**948,500**	**948,500**	
84.186	Safe and Drug-Free Schools and Communities_state G		1030	108,168	83,630	
84.186			3500	1,603,231	1,484,494	
	Federal Program 84.186 Total			**1,711,399**	**1,568,124**	
84.187	Supported Employment Services for Individuals With		3000	412,557	0	
84.187			3150	52,225	0	
	Federal Program 84.187 Total			**464,782**	**0**	
84.195	Dept of Education		3800	333,712	0	
84.195			6990	350	0	
	Federal Program 84.195 Total			**334,062**	**0**	
84.200	Graduate Assistance In Areas of National Need		3600	92,160	0	
84.200			3650	142,367	0	
	Federal Program 84.200 Total			**234,527**	**0**	
84.213	Even Start_state Educational Agencies		3500	832,614	804,996	
84.213		OSP11	6990	176,023	0	PT
	Federal Program 84.213 Total			**1,008,637**	**804,996**	
84.214	Even Start_migrant Education	WSU002044	3650	31,482	0	PT
84.214			6990	134,861	0	
	Federal Program 84.214 Total			**166,343**	**0**	
84.215	Fund for the Improvement of Education		3650	80,130	0	
84.215		50847	3650	17,700	0	PT

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Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.215	Fund for the Improvement of Education	WSU000752	3650	11,156	0	PT
84.215		N/A	3700	6,597	0	PT
84.215		PO 1601000001	3700	66,108	0	PT
84.215			6990	16,901	0	
	Federal Program 84.215 Total			**198,592**	**0**	
84.224	Assistive Technology		3600	471,364	79,850	
	Federal Program 84.224 Total			**471,364**	**79,850**	
84.235	Rehabilitation Services Demonstration and Training		3600	6,094	0	
	Federal Program 84.235 Total			**6,094**	**0**	
84.243	Tech-Prep Education		3540	1,977,790	0	
	Federal Program 84.243 Total			**1,977,790**	**0**	
84.264	Rehabilitation Training_continuing Education		3600	1,017,999	0	
	Federal Program 84.264 Total			**1,017,999**	**0**	
84.265	Rehabilitation Training_state Vocational Rehabilit		3000	6,887	0	
84.265			3150	26,816	0	
	Federal Program 84.265 Total			**33,703**	**0**	
84.282	Charter Schools		3600	70,867	0	
	Federal Program 84.282 Total			**70,867**	**0**	
84.287	Twenty-First Century Community Learning Centers		3500	15,981,688	15,233,380	
	Federal Program 84.287 Total			**15,981,688**	**15,233,380**	
84.323	Special Education - State Personnel Development		3500	734,738	464,952	
	Federal Program 84.323 Total			**734,738**	**464,952**	
84.325	Special Education - Personnel Development to Impro		3600	847,616	0	
	Federal Program 84.325 Total			**847,616**	**0**	
84.326	Special Education_technical Assistance and Dissemi		3500	201,752	201,751	
84.326			3600	365,864	24,123	
	Federal Program 84.326 Total			**567,616**	**225,874**	
84.327	Special Education_technology and Media Services Fo		3600	53,689	0	
	Federal Program 84.327 Total			**53,689**	**0**	
84.330	Advanced Placement Program (Advanced Placement Tes		3500	1,065,747	66,554	

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Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 84.330 Total			**1,065,747**	**66,554**	
84.331	Grants to States for Incarcerated Youth Offenders		6990	279,152	269,738	
	Federal Program 84.331 Total			**279,152**	**269,738**	
84.333	Demonstration Projects to Ensure Students With DIS		3700	301,677	0	
	Federal Program 84.333 Total			**301,677**	**0**	
84.334	Gaining Early Awareness and Readiness for Undergra		3430	2,835,312	1,636,664	
84.334			3600	3,634,823	2,322,043	
84.334			3650	5,912,042	594,322	
84.334			3700	478,161	0	
84.334			3750	829,607	0	
84.334			3760	1,003,181	0	
84.334		G065/G066	6990	248,836	0	PT
	Federal Program 84.334 Total			**14,941,962**	**4,553,029**	
84.335	Child Care Access Means Parents In School		3650	141,007	0	
84.335			6990	326,633	0	
	Federal Program 84.335 Total			**467,640**	**0**	
84.337	International Education_technological Innovation A		3600	114,417	41,492	
	Federal Program 84.337 Total			**114,417**	**41,492**	
84.357	Reading First State Grants		3500	1,563,390	1,289,413	
	Federal Program 84.357 Total			**1,563,390**	**1,289,413**	
84.358	Rural Education		3500	1,125,664	1,078,153	
	Federal Program 84.358 Total			**1,125,664**	**1,078,153**	
84.359	Early Reading First	DA08-1589 AM1	3600	36,900	0	PT
84.359		DA10-1589AM01	3600	131,916	0	PT
	Federal Program 84.359 Total			**168,816**	**0**	
84.365	English Language Acquisition Grants		3500	15,611,911	14,939,087	
	Federal Program 84.365 Total			**15,611,911**	**14,939,087**	
84.366	Mathematics and Science Partnerships		3500	2,670,853	2,502,142	
84.366		GRANT51250001PO28652	3600	(9,217)	0	PT
84.366		UW BUD# 637899	3600	10,790	0	PT
84.366		7000200094	3650	3,270	0	PT

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Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 84.366 Total			**2,675,696**	**2,502,142**	
84.367	Improving Teacher Quality State Grants		3430	1,571,021	548,797	
84.367			3500	46,626,190	45,734,590	
84.367		9009000083	3600	64,526	0	PT
	Federal Program 84.367 Total			**48,261,737**	**46,283,387**	
84.368	Enhanced Assessment Instruments- DOE		3500	756,798	0	
	Federal Program 84.368 Total			**756,798**	**0**	
84.369	Grants for State Assessments and Related Activitie		3500	9,891,183	0	
	Federal Program 84.369 Total			**9,891,183**	**0**	
84.371	Striving Readers		3500	1,163,133	498,495	
	Federal Program 84.371 Total			**1,163,133**	**498,495**	
84.378	College Access Challenge Grant Program		3430	1,171,931	837,756	
	Federal Program 84.378 Total			**1,171,931**	**837,756**	
84.382	Strengthening Minority-Serving Institutions		6990	769,004	0	
	Federal Program 84.382 Total			**769,004**	**0**	
84.395	ARRA - Sfsf - Race-To-The-Top		3500	2,369,192	0	
	Federal Program 84.395 Total			**2,369,192**	**0**	
84.396	ARRA - Sfsf - What Works and Innovation Fund	A58405	3600	41,493	0	PT
84.396		BSD REF#10-0025	3600	172,323	0	PT
	Federal Program 84.396 Total			**213,816**	**0**	
84.407	Transition Programs for Students W/Intellectual DI		6990	56,617	0	
	Federal Program 84.407 Total			**56,617**	**0**	
84.410	Education Jobs Fund		3500	189,589,385	189,572,973	
	Federal Program 84.410 Total			**189,589,385**	**189,572,973**	
84.928	National Writing Project	92-WA03	3600	37,512	0	PT
84.928		92-WA03 AM32	3600	42,759	0	PT
84.928		92-WA02	3750	49,807	0	PT
	Federal Program 84.928 Total			**130,078**	**0**	
84.999	Department of Education - Undetermined		3600	822	0	

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Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 84.999 Total			**822**	**0**	
	Dept of Education Total			**384,078,736**	**307,119,724**	

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National Archives & Records Admin

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
89.003	National Historical Publications and Records Grant		0850	17,466	8,414	
	Federal Program 89.003 Total			**17,466**	**8,414**	
	National Archives & Records Admin Total			**17,466**	**8,414**	

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Miscellaneous Commissions

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
90.401	Help America Vote Act Requirements Payments		0850	3,597,479	1,890,661	
	Federal Program 90.401 Total			**3,597,479**	**1,890,661**	
	Miscellaneous Commissions Total			**3,597,479**	**1,890,661**	

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Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.000	Hhs - Contract Number Only Provided	#01756	3600	2,898	0	PT
93.000		#4221	3600	19,528	0	PT
93.000		0000639363	3600	(42)	0	PT
93.000		0000677274 AM01	3600	1,982	0	PT
93.000		0000693117 AM01	3600	144,659	0	PT
93.000		0000695859	3600	44,785	0	PT
93.000		0000695859 AM01	3600	16,918	0	PT
93.000		000355935007AM2N01HC95	3600	18,747	0	PT
93.000		000404693-002 AM03	3600	124,503	0	PT
93.000		0011424 AMEND 3	3600	89,421	0	PT
93.000		005-E44-5-0014	3600	(1,753)	0	
93.000		06-102736-04-S1265	3600	(32,976)	0	PT
93.000		0845-G-BD281-04	3600	(1,205)	0	PT
93.000		1 22048 00	3600	18,019	0	PT
93.000		1 F32 GM 09118-01	3600	1,143	0	
93.000		1 P50 CA148143-01	3600	67,898	0	PT
93.000		10008615	3600	(20,546)	0	PT
93.000		10008615, AMEND.#1	3600	167,773	0	PT
93.000		10217SUBWESTAT8530S006	3600	108,027	0	PT
93.000		108151	3600	53,737	0	PT
93.000		10IPA1003435	3600	21,830	0	
93.000		10IPA1004004	3600	47,194	0	
93.000		10IPA10194	3600	34,087	0	
93.000		10XS175	3600	22,681	0	PT
93.000		11138-04, MOD04	3600	215,221	0	PT
93.000		117161	3600	(267)	0	PT
93.000		1221	3600	8,326	0	PT
93.000		1RC1HL10062501UW01	3600	(12,005)	0	PT
93.000		1RO1AG03026601A201	3600	(3,261)	0	PT
93.000		1T02MC00050-01	3600	136	0	PT
93.000		1U01HL6901501SITE6200	3600	(918)	0	PT
93.000		200-2005-10462/0006	3600	13,990	0	
93.000		200-2008-M-28011	3600	21,821	0	
93.000		200-2009-M-29903	3600	(655)	0	
93.000		200-2010-M-34785	3600	62,222	0	
93.000		200-2011-M-37757	3600	15,166	0	

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Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.000	Hhs - Contract Number Only Provided	200200828122TASK0003	3600	63,146	0	
93.000		200200828147TASK000	3600	68,536	0	
93.000		200201138322ORDER0001	3600	36,948	0	
93.000		2004.0009 AM06	3600	(109)	0	PT
93.000		2005A007621/205723	3600	62	0	PT
93.000		2008113462	3600	4,076	0	PT
93.000		2008113462 MD1	3600	(44,148)	0	PT
93.000		2008113462 MD2	3600	155,186	0	PT
93.000		2008113462 MD4	3600	(6,128)	0	PT
93.000		2008113462 MD5	3600	310,428	0	PT
93.000		2008113462 MOD07	3600	(5,328)	0	PT
93.000		2008113462 MOD6	3600	3,031	0	PT
93.000		2008124228 MOD04	3600	5,050	0	PT
93.000		2009119412 MOD01	3600	5,050	0	PT
93.000		2009119415 MOD01	3600	5,640	0	PT
93.000		2009119416 MOD02	3600	5,050	0	PT
93.000		2009119417 MOD01	3600	5,050	0	PT
93.000		2010-2385	3600	68,464	0	PT
93.000		2010-2385 AM 2	3600	110,188	0	PT
93.000		2010111500	3600	108,349	0	PT
93.000		2010116025	3600	4,746	0	PT
93.000		2010116112, MOD01	3600	22,799	0	PT
93.000		2010116113	3600	8,109	0	PT
93.000		209YAN147 AM02	3600	39,093	0	PT
93.000		214-2010-M-37096 AM01	3600	7,155	0	
93.000		2142009M32223MOD00003	3600	23,017	0	
93.000		223038724TO1MOD3	3600	(2)	0	
93.000		2444CA106154-02A1	3600	(2,460)	0	PT
93.000		24XS036 TO005 MOD07	3600	3,979	0	PT
93.000		2R44CA106154-02A1	3600	721	0	PT
93.000		2R44HL086267	3600	12,395	0	PT
93.000		3001397930AMENDMENT1	3600	11,843	0	PT
93.000		309	3600	68,522	0	PT
93.000		31603 AMD 3	3600	7,356	0	PT
93.000		4055028800	3600	(17,184)	0	
93.000		4221	3600	55,585	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.000	Hhs - Contract Number Only Provided	5 K12 HD 001097-13	3600	8,397	0	PT
93.000		5005011-SERV	3600	5,249	0	PT
93.000		5013	3600	13,820	0	PT
93.000		5013 AM01	3600	9,764	0	PT
93.000		52158105500000119MOD02	3600	45,633	0	PT
93.000		52158105500000120MOD02	3600	29,973	0	PT
93.000		5579SC, AMD2	3600	70,154	0	PT
93.000		5710002265 MOD04	3600	(2,078)	0	PT
93.000		5798SC	3600	(263)	0	PT
93.000		611-10 AM03	3600	(3,225)	0	PT
93.000		6207	3600	(7,561)	0	PT
93.000		6216SC	3600	24,963	0	PT
93.000		6279-06-208	3600	(14)	0	PT
93.000		633430-9S-1414, MOD 2	3600	30,077	0	PT
93.000		7500031154, AM04	3600	7,317	0	PT
93.000		93-2900-25 MOD21	3600	21,298	0	PT
93.000		94682DBS78 MOD01	3600	286,513	0	PT
93.000		A1214-21/21	3600	(1,953)	0	PT
93.000		AACTG42UICTU01MOD6	3600	(301)	0	PT
93.000		AMD2PRIME5R01AG0306180	3600	21,740	0	PT
93.000		AVGTI0103UOFWNKATZEAM0	3600	226,880	0	PT
93.000		CAN08325183NBS742865	3600	7,034	0	
93.000		CC FORM SUB UW#1 MOD03	3600	535,467	0	PT
93.000		CONTRACT #A53625	3600	396,668	0	PT
93.000		CRB-UCLA1-S-10-00052	3600	14,886	0	PT
93.000		D34034D AMEND #4	3600	(38)	0	PT
93.000		D41082D	3600	15,688	0	PT
93.000		DKP1119993	3600	16,242	0	PT
93.000		EH06201S9N01AG60007CMO	3600	66,680	0	PT
93.000		F42-SUB001	3600	110,759	0	PT
93.000		FY100170189103A49425	3600	326,885	0	PT
93.000		GMO-100503 MOD 01	3600	62,320	0	PT
93.000		GPEDC0036A SAHN AM02	3600	50,324	0	PT
93.000		GPEDC0036A SAHN AMD#1	3600	32,891	0	PT
93.000		H33B11-02 MOD01	3600	6,209	0	PT
93.000		H33B11-03 MOD01	3600	14,736	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.000	Hhs - Contract Number Only Provided	HHSH230200532040C*	3600	8,400	0	PT
93.000		HHSI242201100206P	3600	1,554	0	
93.000		HHSN200600006CN01AI600	3600	2,311,991	0	
93.000		HHSN261200533000CAM02	3600	72,786	0	PT
93.000		HHSN261200700443P	3600	13	0	
93.000		HHSN26120074400CMOD06	3600	18,833	0	PT
93.000		HHSN261200800346P	3600	16,618	0	
93.000		HHSN261200900671P	3600	24,769	0	
93.000		HHSN266200400068CAMEND	3600	5	0	PT
93.000		HHSN266200500023CMOD08	3600	614,925	392,037	
93.000		HHSN266200600006CN01AI	3600	166,009	0	
93.000		HHSN266200700013CMOD1	3600	877,377	0	
93.000		HHSN267200603429CMOD03	3600	574,479	169,870	
93.000		HHSN267200700023CMOD06	3600	4,951,331	10,223	
93.000		HHSN268200448194CAM09	3600	392,532	0	
93.000		HHSN268200448194CAMD7	3600	23,942	0	
93.000		HHSN268200536173CCOA10	3600	282,737	33,804	
93.000		HHSN268200736195C	3600	49,840	0	
93.000		HHSN268200800007C AM06	3600	773,363	168,087	
93.000		HHSN268201000050C12A	3600	654	0	PT
93.000		HHSN268201100037C	3600	30,865	0	
93.000		HHSN271200900390PMOD02	3600	45,767	0	
93.000		HHSN271201100243P	3600	14,260	0	
93.000		HHSN272200800060CMOD06	3600	3,904,245	2,465,070	
93.000		HHSN272200900035C	3600	2,285,507	1,067,409	
93.000		HHSN272201000024C	3600	554,034	0	
93.000		HHSN273200800010CAMD05	3600	703,887	0	
93.000		HHSN27500403370I	3600	6,357	0	
93.000		HHSN275200403370I	3600	57,502	0	
93.000		HHSN275200403370IMOD00	3600	22,151	0	
93.000		HHSN275200800015CMOD02	3600	449,872	0	
93.000		HHSN275200800015CMOD06	3600	3,266,391	1,479,327	
93.000		HHSN275200800043U	3600	195,669	0	
93.000		HHSN275201100047U	3600	5,149	0	
93.000		HHSN276201100008C	3600	218,542	0	
93.000		ITECH10#1.1AM	3600	67,577	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.000	Hhs - Contract Number Only Provided	ITN10064-00 AMD 1	3600	16,654	0	PT
93.000		ITN10212-00SC AM01	3600	125,903	0	PT
93.000		K000121-S01	3600	19,497	0	PT
93.000		MODIFICATION 1	3600	23,500	0	PT
93.000		N01 DK 92318/0015	3600	2,392	0	
93.000		N01 HC 95159-26	3600	1,862,122	293,388	
93.000		N01-AI-05419 AM02	3600	14,661	0	PT
93.000		N01-AI-40069 MOD08	3600	248,034	66,259	
93.000		N01-AI-95388 MOD14	3600	68	0	
93.000		N01-AR1-2252, AM04	3600	1	0	
93.000		N01-CM-37008 WA#01C	3600	76,721	0	
93.000		N01-HC-95159 MOD15	3600	11,000	0	
93.000		N01-HC-95159 MOD18	3600	495,475	405,685	
93.000		N01-HC-95159 MOD20	3600	946,572	528,161	
93.000		N01-HC-95180, MOD#24	3600	1,250,946	978,980	
93.000		N01-HC-95180, MOD18	3600	50,283	0	
93.000		N01-LM-6-3506	3600	575,084	0	
93.000		N01-LM-6-3506 AM#05	3600	9,086	0	
93.000		N01-LM-6-3506 AM#09	3600	1,155,809	49,500	
93.000		N01CM37008WA2MOD3	3600	(2,308)	0	
93.000		N01DC60005	3600	540,092	0	
93.000		N02-CM-37008 WA#05A	3600	76,600	421	
93.000		N02-CM-37008,WA NO 04	3600	96,396	0	
93.000		NCHH 07 1065 AM04	3600	501	0	PT
93.000		NCHH-06-C-1046	3600	1,949	0	PT
93.000		NEW NIH GRANT	3600	10,761	0	PT
93.000		NIH121301708SUBAMEND5	3600	(15,010)	0	PT
93.000		NIH121301708SUBMOD06	3600	89	0	PT
93.000		NIH131107261SUBAM06	3600	146,222	0	PT
93.000		NIH131107261SUBAMEND3	3600	(1,963)	0	PT
93.000		NIH131107261SUBAMEND4	3600	(1,325)	0	PT
93.000		NIH131107261SUBAMEND5	3600	42,705	0	PT
93.000		NO.000189671-243	3600	18,780	0	PT
93.000		NO1-ES-15478, MOD 9	3600	6,220	0	
93.000		NO1-HC-95178 AMEND 15	3600	39,085	0	PT
93.000		NPAIHB PO # 14952	3600	(16,907)	0	

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93.000	Hhs - Contract Number Only Provided	NWIC# 24213.01	3600	5,871	0	PT
93.000		NWIC# 24214	3600	122,755	0	PT
93.000		NWIC# 24217.01	3600	34,811	0	PT
93.000		PEHSU	3600	105,413	0	PT
93.000		PHR-SIS01-S-10-00117	3600	134,278	0	PT
93.000		PO# 2000931327	3600	(2,744)	0	PT
93.000		PO#0000596327AM04	3600	3,918	0	PT
93.000		PO#10221507-011	3600	53,839	0	PT
93.000		PO#10313800-SUB	3600	178,918	0	PT
93.000		PO#1170364S	3600	116,493	0	PT
93.000		PO#17217	3600	(235)	0	PT
93.000		PO#SR00000898	3600	(7,868)	0	PT
93.000		PO2000GCJ110REV05	3600	(14,345)	0	PT
93.000		PRIME5R01OH00878102AM0	3600	76,770	0	PT
93.000		PRIMEHHSN272200900036C	3600	211,661	0	PT
93.000		PROJECT # 02434.003	3600	76,295	0	PT
93.000		PSA10-BIO-DIN-02	3600	10,577	0	PT
93.000		PSA10-BIO-DOM-02/MOD01	3600	33,320	0	PT
93.000		R01 HL071988	3600	(21,638)	0	PT
93.000		R43AI08140001A120091	3600	138,855	0	PT
93.000		RS2005119507OUHSCC1039	3600	409,570	0	PT
93.000		S1189-19/19	3600	1,652	0	PT
93.000		S3901-27/28	3600	188,461	0	PT
93.000		S3951	3600	202,251	0	PT
93.000		SA0600314	3600	(795)	0	PT
93.000		SA1000698	3600	7,752	0	PT
93.000		SA1000721 MOD01	3600	1,452	0	PT
93.000		SA1000741	3600	1,562	0	PT
93.000		SA1000748	3600	3,808	0	PT
93.000		SA1100800	3600	25,873	0	PT
93.000		SA1100823	3600	3,808	0	PT
93.000		SPS #162060, SITE 070	3600	1,506	0	PT
93.000		SSSP #50	3600	76	0	PT
93.000		SUB #486.02731 MOD #2	3600	63,523	0	PT
93.000		TASK ORDER 1	3600	18,587	0	PT
93.000		U261HS300293/01	3600	195,784	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.000	Hhs - Contract Number Only Provided	UW BUD# 630233	3600	2,372	0	PT
93.000		UW BUD# 633385	3600	201,675	0	PT
93.000		UW BUD# 633873	3600	(11,365)	0	PT
93.000		UW BUD# 635050	3600	(4)	0	PT
93.000		UW BUD# 635219	3600	27,980	0	PT
93.000		UW BUD# 635315	3600	3,016	0	PT
93.000		UW BUD# 635390	3600	70,111	0	PT
93.000		UW BUD# 635605	3600	155,470	0	PT
93.000		UW BUD# 635748	3600	9,750	0	PT
93.000		UW BUD# 635786	3600	1,587	0	PT
93.000		UW BUD# 635830	3600	10,423	0	PT
93.000		UW BUD# 635905	3600	12,429	0	PT
93.000		UW BUD# 636758	3600	(3)	0	PT
93.000		UW BUD# 637266	3600	41,638	0	PT
93.000		UW BUD# 637773	3600	88,807	0	PT
93.000		UW BUD# 637810	3600	58,685	0	PT
93.000		UW BUD# 637823	3600	74,785	0	PT
93.000		UW BUD# 638600	3600	67,861	0	PT
93.000		UW BUD# 638729	3600	(17,443)	0	PT
93.000		UW BUD# 639399	3600	72,233	0	PT
93.000		UW BUD# 639425	3600	2,009	0	PT
93.000		UW BUD# 639496	3600	50,948	0	PT
93.000		UW BUD# 639535	3600	11,489	0	PT
93.000		UW BUD# 639626	3600	37,009	0	PT
93.000		UW BUD# 639736	3600	66,584	0	PT
93.000		UW BUD# 639752	3600	71,210	0	PT
93.000		UW BUD# 639836	3600	36,433	0	PT
93.000		UW BUD# 639920	3600	50,697	0	PT
93.000		UW BUD# 660119	3600	3,458	0	PT
93.000		UW BUD# 660356	3600	127,832	0	PT
93.000		UW BUD# 660640	3600	20,768	0	PT
93.000		UW BUD# 660660	3600	2,970	0	PT
93.000		UW BUD# 660713	3600	8,484	0	PT
93.000		UW BUD# 660793	3600	58,627	0	PT
93.000		UW BUD# 661006	3600	23,362	0	PT
93.000		UW BUD# 661106	3600	4,162	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.000	Hhs - Contract Number Only Provided	UW BUD# 661109	3600	4,162	0	PT
93.000		UW BUD# 661231	3600	8,200	0	PT
93.000		UW BUD# 661253	3600	43,600	0	PT
93.000		UW BUD# 661356	3600	2,069	0	PT
93.000		UW BUD# 661378	3600	13,458	0	PT
93.000		UW BUD# 661427	3600	7,684	0	PT
93.000		UW BUD# 661429	3600	3,220	0	PT
93.000		UW BUD# 661437	3600	3,762	0	PT
93.000		UW BUD# 661441	3600	3,055	0	PT
93.000		UW BUD# 661442	3600	4,298	0	PT
93.000		UW BUD# 661458	3600	5,892	0	PT
93.000		UW BUD# 661461	3600	2,070	0	PT
93.000		UW BUD# 661566	3600	1,700	0	PT
93.000		UW BUD# 661593	3600	9,258	0	PT
93.000		UW BUD# 661690	3600	37	0	PT
93.000		UW BUD# 661826	3600	2,591	0	PT
93.000		UW BUD# 666580	3600	34,061	0	PT
93.000		UW BUD# 666682	3600	39,178	0	PT
93.000		UW BUD# 668266	3600	34,888	0	PT
93.000		UW BUD# 671960	3600	(671)	0	PT
93.000		UW BUD# 673231	3600	265	0	PT
93.000		UW BUD# 673509	3600	(5,817)	0	PT
93.000		UW BUD# 673561	3600	1,445	0	PT
93.000		UW BUD# 673698	3600	195,033	0	PT
93.000		UW BUD# 800822	3600	(8,642)	0	PT
93.000		UW BUD# 807095	3600	33,805	0	PT
93.000		UW BUD# 807248	3600	301,644	0	PT
93.000		UW-1077N MOD05	3600	247,600	0	PT
93.000		UW-1077P MOD05	3600	1,102,708	0	PT
93.000		VUMC35637/AM02	3600	221,552	0	PT
93.000		WFUHS 30225	3600	50,509	0	PT
93.000		WFUHS 33000 AM02	3600	250,769	0	PT
93.000		WFUHS GTS 35888 AM02	3600	35,054	0	PT
93.000		2421310421000	3650	55,203	0	PT
93.000		78553	3650	4,550	0	PT
93.000		D40283D	3650	10,710	0	PT

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93.000	Hhs - Contract Number Only Provided	N01AI30055	3650	412,450	102,899	
93.000		UFEIS0714033WSU	3650	64,311	0	PT
93.000		WSU000335	3650	72,944	0	PT
93.000		WU11306	3650	8,616	0	PT
93.000		10/624-HHS	6990	11,101	0	PT
	Federal Program 93.000 Total			**42,788,246**	**8,211,120**	
93.000A	ARRA - Hhs - Contract Number Only Provided	LOA#03-000076	3600	31,967	0	PT
	Federal Program 93.000A Total			**31,967**	**0**	
93.013	Ambassadors for Change Program		3800	57,493	0	
	Federal Program 93.013 Total			**57,493**	**0**	
93.041	Special Programs for the Aging_title Vii, Chapter		3000	133,982	83,532	
	Federal Program 93.041 Total			**133,982**	**83,532**	
93.042	Special Programs for the Aging_title Vii, Chapter		3000	340,814	0	
	Federal Program 93.042 Total			**340,814**	**0**	
93.043	Special Programs for the Aging_title Iii, Part D_d		3000	390,191	390,191	
	Federal Program 93.043 Total			**390,191**	**390,191**	
93.048	Spc Prog Aging Title Iv & II Disc Proj		1600	151,605	0	
93.048			3000	619,033	563,168	
	Federal Program 93.048 Total			**770,638**	**563,168**	
93.051	Alzheimer's Disease Demonstration Grants to States		3000	190,092	153,351	
93.051		130311	3600	26,862	0	PT
	Federal Program 93.051 Total			**216,954**	**153,351**	
93.052	National Family Caregiver Support, Title Iii, Part		3000	2,772,765	2,667,561	
	Federal Program 93.052 Total			**2,772,765**	**2,667,561**	
93.063	Centers for Genomics and Public Health		3600	(9)	0	
	Federal Program 93.063 Total			**(9)**	**0**	
93.067	Global AIDS		3600	2,541,932	0	
93.067		001-2 REV01	3600	48,818	0	PT
93.067		12736-G-FY11-02	3600	19,003	0	PT
93.067		5U2GPS0011773BIDMCPILI	3600	82,268	0	PT
93.067		6293SC	3600	356,089	0	PT

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Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.067	Global AIDS	6370SC AM01	3600	134,488	0	PT
93.067		6601SC	3600	8,684	0	PT
93.067		6607SC	3600	1,110	0	PT
93.067		6614SC	3600	516	0	PT
93.067		ITECH11#1.1	3600	154,628	0	PT
93.067		SUBCONTRACT0011MOD01	3600	373,257	0	PT
93.067		UONCHSUNITIDRES8CDC11V	3600	107,638	0	PT
	Federal Program 93.067 Total			**3,828,431**	**0**	
93.069	Public Health Emergency Preparedness		3030	23,022,463	12,300,944	
93.069			3600	503,059	11,633	
93.069		#D40033D	3600	4,175	0	PT
93.069		134342	3600	7,039	0	PT
93.069		4400157809MOD08	3600	129,038	0	PT
93.069		HC711200	3600	3,741	0	PT
	Federal Program 93.069 Total			**23,669,515**	**12,312,577**	
93.070	Environmental Public Health and Emergency Response		3030	2,026,477	769,445	
93.070			3600	217,584	0	
	Federal Program 93.070 Total			**2,244,061**	**769,445**	
93.071	Medicare Enrollment Assistance Program		3000	37,389	37,389	
93.071			3760	101,069	0	
	Federal Program 93.071 Total			**138,458**	**37,389**	
93.072	Lifespan Respite Care Program		3000	27,643	16,000	
	Federal Program 93.072 Total			**27,643**	**16,000**	
93.089	Emergency System for Advance Registration of Volun		3030	30,008	15,840	
	Federal Program 93.089 Total			**30,008**	**15,840**	
93.092	Affordable Care Act Personal Resp. Ed Program		3030	9,339	0	
	Federal Program 93.092 Total			**9,339**	**0**	
93.093	Affordable Care Act Health Profession Opportunity		2350	2,000	0	
93.093			6990	440,686	0	
	Federal Program 93.093 Total			**442,686**	**0**	
93.104	Comprehensive Community Mental Health Services For	CMHI UW 10	3600	84,555	0	PT
93.104		UW SOC 09 MOD02	3600	38,639	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 93.104 Total			**123,194**	**0**	
93.107	Model State-Supported Area Health Education Center		3600	364,114	289,717	
	Federal Program 93.107 Total			**364,114**	**289,717**	
93.110	Maternal and Child Health Federal Consolidated Pro		3030	930,572	337,301	
93.110			3600	2,237,748	54,606	
93.110		10178SUB	3600	17,854	0	PT
93.110		10301SUB	3600	1,511	0	PT
93.110		1920 G EB631 A05	3600	(1,079)	0	PT
93.110		1920 G KB359 AM01	3600	263	0	PT
93.110		1920 G KB359 AM04	3600	58,082	0	PT
93.110		P0424035	3600	9,689	0	PT
93.110		RES502185, AMEND 4	3600	18,473	0	PT
	Federal Program 93.110 Total			**3,273,113**	**391,907**	
93.116	Project Grants and Cooperative Agreements for Tube		3030	1,388,401	657,479	
	Federal Program 93.116 Total			**1,388,401**	**657,479**	
93.127	Emergency Medical Services for Children		3030	140,109	71,993	
93.127			3600	41,210	0	
	Federal Program 93.127 Total			**181,319**	**71,993**	
93.130	Cooperative Agreements to States/Territories for T		3030	216,311	57,000	
	Federal Program 93.130 Total			**216,311**	**57,000**	
93.135	Centers for Research and Demonstration for Health		3030	110,480	109,170	
	Federal Program 93.135 Total			**110,480**	**109,170**	
93.136	Injury Prevention and Control Research and State A		3030	1,101,565	765,867	
	Federal Program 93.136 Total			**1,101,565**	**765,867**	
93.142	Niehs Hazardous Waste Worker Health and Safety Tra	2105 G HB431 AM05	3600	28,942	0	PT
93.142		2105 G HB431-AM08	3600	10,375	0	PT
93.142		2105 G NA299	3600	284,712	0	PT
	Federal Program 93.142 Total			**324,029**	**0**	
93.145	AIDS Education and Training Centers		3600	65,949,776	9,354,925	
	Federal Program 93.145 Total			**65,949,776**	**9,354,925**	
93.150	Projects for Assistance In Transition From Homeles		3000	1,131,419	918,718	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 93.150 Total			**1,131,419**	**918,718**	
93.153	Coordinated Services and Access to Research for Wo	D39464D	3600	2,143	0	PT
93.153		D40400D	3600	14,519	0	PT
	Federal Program 93.153 Total			**16,662**	**0**	
93.165	Grants to States for Loan Repayment Program		3430	482,551	482,551	
	Federal Program 93.165 Total			**482,551**	**482,551**	
93.178	Nursing Workforce Diversity		3650	207,658	0	
	Federal Program 93.178 Total			**207,658**	**0**	
93.191	Allied Health Special Projects		3600	25,564	0	
	Federal Program 93.191 Total			**25,564**	**0**	
93.217	Family Planning_services		3030	4,595,252	3,775,198	
	Federal Program 93.217 Total			**4,595,252**	**3,775,198**	
93.224	Consolidated Health Centers	D40003D	3600	28,908	0	PT
93.224		D40926D	3600	29,001	0	PT
	Federal Program 93.224 Total			**57,909**	**0**	
93.228	Indian Health Service_health Management Developmen		3600	14,930	0	
	Federal Program 93.228 Total			**14,930**	**0**	
93.231	Epidemiology Cooperative Agreements	ANTHC-10-P-27690	3600	7,956	0	PT
93.231		NWIC 24213 104 22000	3600	65,323	0	PT
93.231		U26IHS300107/04	3600	71,880	0	PT
	Federal Program 93.231 Total			**145,159**	**0**	
93.235	Abstinence Education Program		3030	1,320,529	946,117	
	Federal Program 93.235 Total			**1,320,529**	**946,117**	
93.236	Grants for Dental Public Health Residency Training		3030	542,093	376,276	
	Federal Program 93.236 Total			**542,093**	**376,276**	
93.238	Cooperative Agreements for State Treatment Outcome	T03152T	3600	9,758	0	PT
93.238		T03317T	3600	5,344	0	PT
	Federal Program 93.238 Total			**15,102**	**0**	
93.240	State Capacity Building		3030	471,728	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 93.240 Total			**471,728**	**0**	
93.241	State Rural Hospital Flexibility Program		3030	550,711	397,359	
	Federal Program 93.241 Total			**550,711**	**397,359**	
93.243	Substance Abuse and Mental Health Services_project		3000	2,988,846	921,613	
93.243			3030	1,083,701	529,607	
93.243			3600	106,734	0	
93.243		GPHPM0144-ADAI AM03	3600	46,914	0	PT
93.243		GPHPM0144-ADAI, AM02	3600	13,899	0	PT
93.243		T03286T	3600	47,899	0	PT
93.243		T03342T	3600	151	0	PT
93.243		T03353T	3600	30,828	0	PT
93.243		UW BUD# 661873	3600	16,169	0	PT
93.243			3650	15,187	0	
93.243		2011A14	3650	12,350	0	PT
93.243		WSU001129	3650	13,155	0	PT
93.243		WSU001130	3650	52,719	0	PT
93.243		WSU001170	3650	108,090	0	PT
	Federal Program 93.243 Total			**4,536,642**	**1,451,220**	
93.247	Advanced Education Nursing Grant Program		3600	1,346,031	0	
	Federal Program 93.247 Total			**1,346,031**	**0**	
93.249	Public Health Training Centers Grant Program		3600	120,748	70,670	
	Federal Program 93.249 Total			**120,748**	**70,670**	
93.250	Geriatric Academic Career Awards		3600	60,993	0	
	Federal Program 93.250 Total			**60,993**	**0**	
93.251	Universal Newborn Hearing Screening		3030	316,709	240,490	
	Federal Program 93.251 Total			**316,709**	**240,490**	
93.253	Poison Control Stabilization and Enhancement Grant	UW BUD# 671624	3600	5	0	PT
93.253		UW BUD# 672024	3600	18	0	PT
93.253		UW BUD# 672996	3600	1	0	PT
	Federal Program 93.253 Total			**24**	**0**	
93.256	State Planning Grants Health Care Access for the U		1050	947,996	0	

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State of Washington
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Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 93.256 Total			**947,996**	**0**	
93.262	Occupational Safety and Health Program		2350	546,565	0	
	Federal Program 93.262 Total			**546,565**	**0**	
93.275	Substance Abuse and Mental Health Services-Access		3000	2,752,671	2,494,507	
	Federal Program 93.275 Total			**2,752,671**	**2,494,507**	
93.283	Centers for Disease Control and Prevention_investi		3030	13,179,133	5,710,980	
	Federal Program 93.283 Total			**13,179,133**	**5,710,980**	
93.296	State Partnership Grant Program to Improve Minorit		3030	116,811	0	
	Federal Program 93.296 Total			**116,811**	**0**	
93.301	Small Rural Hospital Improvement Grant Program		3030	411,040	394,244	
93.301		0000699548	3600	72,750	0	PT
	Federal Program 93.301 Total			**483,790**	**394,244**	
93.358	Advanced Education Nursing Traineeships		3600	127,673	0	
93.358			3650	46,642	0	
	Federal Program 93.358 Total			**174,315**	**0**	
93.359	Nurse Education, Practice and Retention Grants		3600	835,224	94,078	
93.359		E4915 491423	3600	71,042	0	PT
93.359		HRSA-09-106	3600	1,927	0	PT
93.359			3650	226	0	
93.359		F09-3210F-314	6990	17,261	0	PT
	Federal Program 93.359 Total			**925,680**	**94,078**	
93.411	ARRA - Equipment to Enhance Training for Health Pr		3030	261,955	261,684	
93.411			3600	368,858	198,540	
	Federal Program 93.411 Total			**630,813**	**460,224**	
93.414	ARRA - State Primary Care Offices		3030	36,161	0	
	Federal Program 93.414 Total			**36,161**	**0**	
93.441	Indian Self-Determination	PO#18155	3600	42,641	0	PT
93.441		PO#19799	3600	1,102	0	PT
	Federal Program 93.441 Total			**43,743**	**0**	
93.448	Food Safety and Security Monitoring Project		3030	198,346	0	

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Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 93.448 Total			**198,346**	**0**	
93.449	Ruminant Feed Ban Support Project		4950	538,237	0	
	Federal Program 93.449 Total			**538,237**	**0**	
93.500	Pregnancy Assistance Fund Program		3030	291,150	203,720	
	Federal Program 93.500 Total			**291,150**	**203,720**	
93.505	Afford Care Act Maternal/Infant/Early Chdhood Visi		3030	182,492	164,065	
	Federal Program 93.505 Total			**182,492**	**164,065**	
93.507	Strengthen Public Health Infrastruct for Imp Healt		3030	156,372	71,722	
	Federal Program 93.507 Total			**156,372**	**71,722**	
93.511	Affordable Care Act Grants to States Health Prem R		1600	130,004	0	
	Federal Program 93.511 Total			**130,004**	**0**	
93.514	Affordable Care Act - Expan of Physican Assts Trng		3600	44,000	0	
	Federal Program 93.514 Total			**44,000**	**0**	
93.516	Affordable Care Act - Public Health Train CTR Prg		3600	264,471	12,404	
	Federal Program 93.516 Total			**264,471**	**12,404**	
93.518	Affordable Care Act Medicare Improv for Patients &		3000	94,680	93,741	
	Federal Program 93.518 Total			**94,680**	**93,741**	
93.519	Affordable Care Act - Consumer Assitance Prg Grant		1600	274,987	0	
	Federal Program 93.519 Total			**274,987**	**0**	
93.521	Afford Care Act IS Elc & EIP Agreements		3030	425,908	0	
	Federal Program 93.521 Total			**425,908**	**0**	
93.523	Afford Care Act HIV/Prevention & Public Health Fun		3030	35,911	0	
	Federal Program 93.523 Total			**35,911**	**0**	
93.525	State Planning & Estab Grnt for the Affrd Care Act		1070	601,742	0	
	Federal Program 93.525 Total			**601,742**	**0**	
93.556	Promoting Safe and Stable Families		3000	6,475,538	0	
93.556		1C087200 Amend #3	3700	103,993	0	PT
93.556		KC241000 Amend #4	3700	7,290	0	PT
	Federal Program 93.556 Total			**6,586,821**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.563	Child Support Enforcement		3000	48,035,140	27,019,397	
	Federal Program 93.563 Total			**48,035,140**	**27,019,397**	
93.563A	ARRA - Child Support Enforcement		3000	6,766,009	0	
	Federal Program 93.563A Total			**6,766,009**	**0**	
93.566	Refugee and Entrant Assistance_state Administered		3000	13,477,010	0	
	Federal Program 93.566 Total			**13,477,010**	**0**	
93.568	Low-Income Home Energy Assistance		1030	68,221,056	65,808,274	
	Federal Program 93.568 Total			**68,221,056**	**65,808,274**	
93.576	Refugee and Entrant Assistance_discretionary Grant		3000	1,813,278	1,279,456	
	Federal Program 93.576 Total			**1,813,278**	**1,279,456**	
93.579	U.S. Repatriation		3000	334	0	
	Federal Program 93.579 Total			**334**	**0**	
93.584	Refugee and Entrant Assistance_targeted Assistance		3000	1,312,957	0	
	Federal Program 93.584 Total			**1,312,957**	**0**	
93.586	State Court Improvement Program		0550	544,130	0	
	Federal Program 93.586 Total			**544,130**	**0**	
93.590	Community-Based Child Abuse Prevention Grants		3000	469,117	240,824	
	Federal Program 93.590 Total			**469,117**	**240,824**	
93.597	Grants to States for Access and Visitation Program		3000	170,511	0	
	Federal Program 93.597 Total			**170,511**	**0**	
93.599	Chafee Education and Training Vouchers Program		3000	1,414,347	0	
	Federal Program 93.599 Total			**1,414,347**	**0**	
93.617	Voting Access for Individuals With Disabilities_gr		0850	195,846	195,846	
	Federal Program 93.617 Total			**195,846**	**195,846**	
93.630	Developmental Disabilities Basic Support and Advoc		1030	(114,235)	(113,779)	
93.630			3030	1,313,998	286,806	
	Federal Program 93.630 Total			**1,199,763**	**173,027**	
93.632	University Centers for Excellence In Developmental		3600	532,532	0	
	Federal Program 93.632 Total			**532,532**	**0**	

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.643	Children's Justice Grants to States		3000	302,726	0	
	Federal Program 93.643 Total			**302,726**	**0**	
93.645	Child Welfare Services_state Grants		3000	5,565,843	0	
	Federal Program 93.645 Total			**5,565,843**	**0**	
93.658	Foster Care - Title Iv-E		3000	84,120,504	0	
93.658		KC241000	3700	34,137	0	PT
93.658		KC241000 Amend #5	3700	981,266	0	PT
93.658		KC244100 Amend #1	3700	80,026	0	PT
	Federal Program 93.658 Total			**85,215,933**	**0**	
93.658A	ARRA - Foster Care - Title Iv-E		3000	1,802,641	0	
	Federal Program 93.658A Total			**1,802,641**	**0**	
93.659	Adoption Assistance		3000	48,765,064	0	
	Federal Program 93.659 Total			**48,765,064**	**0**	
93.659A	ARRA - Adoption Assistance		3000	4,607,899	0	
	Federal Program 93.659A Total			**4,607,899**	**0**	
93.667	Social Services Block Grant		3000	44,873,549	0	
	Federal Program 93.667 Total			**44,873,549**	**0**	
93.669	Child Abuse and Neglect State Grants		3000	595,780	0	
	Federal Program 93.669 Total			**595,780**	**0**	
93.670	Child Abuse and Neglect Discretionary Activities		3000	185,386	0	
93.670		200225608	3650	16,784	0	PT
93.670		C2002256081	3650	52,355	0	PT
	Federal Program 93.670 Total			**254,525**	**0**	
93.671	Family Violence Prevention and Services/Grants For		3000	1,822,433	1,754,068	
	Federal Program 93.671 Total			**1,822,433**	**1,754,068**	
93.674	Chafee Foster Care Independence Program		3000	2,810,168	2,548,069	
	Federal Program 93.674 Total			**2,810,168**	**2,548,069**	
93.703	ARRA - Heal Cent Integted Serv Dev Initiative	D40003D, AMENDMENT #1	3600	1,365	0	PT
	Federal Program 93.703 Total			**1,365**	**0**	
93.715	Recovery Act - Comparative Effectiveness Research		3600	3,450,180	910,088	

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 93.715 Total			**3,450,180**	**910,088**	
93.717	ARRA - Preventing Healthcare-Associated Infe		3030	484,268	377,528	
	Federal Program 93.717 Total			**484,268**	**377,528**	
93.718	ARRA - Health Information Tech Regional Extension	REC009A	3600	6,086	0	PT
	Federal Program 93.718 Total			**6,086**	**0**	
93.719	ARRA - WA ST Ehealth Collaborative Enterprise		1070	5,383,149	0	
	Federal Program 93.719 Total			**5,383,149**	**0**	
93.721	ARRA - Health IT Professionals In Health Care		6990	2,088,469	0	
	Federal Program 93.721 Total			**2,088,469**	**0**	
93.723	ARRA - Prevent/Wellness-St, Terr, PAC Islands		3030	1,023,388	873,085	
	Federal Program 93.723 Total			**1,023,388**	**873,085**	
93.724	ARRA - Prevention & Wellness - Communities Putting		3030	103,067	92,640	
93.724		D40221D	3600	64,733	0	PT
93.724		D40394D HEAL 1590	3600	89,038	0	PT
93.724		D40396D TOB1591	3600	106,613	0	PT
93.724		D40447D	3600	72,227	0	PT
93.724		D40457D	3600	116,598	0	PT
93.724		D40528D	3600	53,991	0	PT
93.724		D40536D	3600	27,815	0	PT
93.724		T03288T	3600	7,205	0	PT
93.724		T03290T	3600	3,874	0	PT
93.724		UW BUD# 203669	3600	58,794	0	PT
93.724		UW BUD# 203744	3600	6,652	0	PT
93.724		D40527D	3650	61,231	0	PT
	Federal Program 93.724 Total			**771,838**	**92,640**	
93.725	ARRA - Communities Putting Preven to Work Chronic		3000	260,540	173,287	
	Federal Program 93.725 Total			**260,540**	**173,287**	
93.727	Arra- Health Technology Beacon Communities	N18609	3030	32,064	0	PT
	Federal Program 93.727 Total			**32,064**	**0**	
93.729	ARRA - Health IT and Public Health		3030	279,233	209,668	
	Federal Program 93.729 Total			**279,233**	**209,668**	

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93.767	State Children's Insurance Program		3000	51,055,283	0	
	Federal Program 93.767 Total			**51,055,283**	**0**	
93.768	Medicaid Infrastructure Grants to Support the Comp		3000	569,148	0	
	Federal Program 93.768 Total			**569,148**	**0**	
93.789	Alternatives to Psychiatric Residential Treatment	PO# SR00001218	3600	120,317	0	PT
	Federal Program 93.789 Total			**120,317**	**0**	
93.790	Alternate Non-Emergency Service Providers Or Netwo		3000	355,449	0	
	Federal Program 93.790 Total			**355,449**	**0**	
93.793	Medicaid Transformation Grants		3000	3,136,576	0	
	Federal Program 93.793 Total			**3,136,576**	**0**	
93.824	Basic/CORE Area Health Education Centers	G00002898/P0414168	3600	12,239	0	PT
93.824		G267-10-W2821	3600	6,984	0	PT
93.824		PO427777	3600	19,086	0	PT
93.824		UW BUD# 630386	3600	(531)	0	PT
93.824		UW BUD# 638589	3600	1,951	0	PT
	Federal Program 93.824 Total			**39,729**	**0**	
93.884	Grants for Training In Primary Care Medicine and D		3600	648,132	0	
93.884		CS120-CHOLERTON08	3600	(203)	0	PT
	Federal Program 93.884 Total			**647,929**	**0**	
93.888	Specially Selected Health Projects		3650	866,855	0	
	Federal Program 93.888 Total			**866,855**	**0**	
93.889	National Bioterrorism Hospital Preparedness Progra		3030	8,479,630	6,300,204	
	Federal Program 93.889 Total			**8,479,630**	**6,300,204**	
93.913	Grants to States for Operation of Offices of Rural		3030	177,130	147,323	
	Federal Program 93.913 Total			**177,130**	**147,323**	
93.917	HIV Care Formula Grants		3030	10,532,545	5,509,883	
	Federal Program 93.917 Total			**10,532,545**	**5,509,883**	
93.924	Ryan White HIV/AIDS Dental Reimbursements\communit		3600	10,272	0	
	Federal Program 93.924 Total			**10,272**	**0**	
93.931	Health & Human Services Dept		3600	270,217	45,927	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Programs Not Clustered

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.931	Health & Human Services Dept	SUBAWARD #0000670018	3600	23,719	0	PT
	Federal Program 93.931 Total			**293,936**	**45,927**	
93.936	National Institutes of Health Acquired Immunodefic	863/0080.0018-AM04	3600	35,297	0	PT
	Federal Program 93.936 Total			**35,297**	**0**	
93.938	Cooperative Agreements to Support Comprehensive Sc		3500	680,346	1,886	
	Federal Program 93.938 Total			**680,346**	**1,886**	
93.939	HIV Prevention Activities_non-Governmental Organiz	HAPD0001	3600	(51)	0	PT
	Federal Program 93.939 Total			**(51)**	**0**	
93.940	HIV Prevention Activities_health Department Based		3030	4,318,781	3,777,317	
	Federal Program 93.940 Total			**4,318,781**	**3,777,317**	
93.941	HIV Demonstration, Research, Public and Profession		3030	1,325,167	1,226,454	
	Federal Program 93.941 Total			**1,325,167**	**1,226,454**	
93.944	Human Immunodeficiency Virus (Hiv)/Acquired Immuno		3030	569,809	400,420	
93.944		D39399D	3600	(32)	0	PT
	Federal Program 93.944 Total			**569,777**	**400,420**	
93.945	Assistance Programs for Chronic Disease Prevention	10283SUBPRIME1U18DP002	3600	22,638	0	PT
93.945		413340090301-UWLIU	3600	(2,858)	0	PT
93.945		413340090501PO10005SUB	3600	8,995	0	PT
93.945		WFUHS11240U01DP000250A	3600	130,786	0	PT
	Federal Program 93.945 Total			**159,561**	**0**	
93.946	Cooperative Agreements to Support State-Based Safe		3030	144,274	0	
	Federal Program 93.946 Total			**144,274**	**0**	
93.958	Block Grants for Community Mental Health Services		3000	8,808,704	6,772,343	
93.958		841305	3000	39,009	0	PT
93.958		2009-SOW-10.01-PIER	6990	7,021	0	PT
93.958		2011-SOW-10.01-PIER	6990	27,778	0	PT
	Federal Program 93.958 Total			**8,882,512**	**6,772,343**	
93.959	Block Grants for Prevention and Treatment of Subst		3000	37,301,453	14,796,819	
	Federal Program 93.959 Total			**37,301,453**	**14,796,819**	
93.969	Geriatric Education Centers		3600	205,755	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Programs Not Clustered

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 93.969 Total			**205,755**	**0**	
93.975	National All Schedules Prescription Electronic Rep		3030	43,156	0	
	Federal Program 93.975 Total			**43,156**	**0**	
93.977	Preventive Health Services_sexually Transmitted DI		3030	2,779,354	1,965,092	
93.977			3600	84,841	0	
	Federal Program 93.977 Total			**2,864,195**	**1,965,092**	
93.991	Preventive Health and Health Services Block Grant		3030	970,210	278,666	
	Federal Program 93.991 Total			**970,210**	**278,666**	
93.994	Maternal and Child Health Services Block Grant To		3030	10,119,057	7,749,149	
	Federal Program 93.994 Total			**10,119,057**	**7,749,149**	
93.995	Adolescent Family Life_demonstration Projects	UW BUD# 672257	3600	(47)	0	PT
93.995		UW BUD# 673336	3600	28,869	0	PT
	Federal Program 93.995 Total			**28,822**	**0**	
93.996	Bioterrorism Training and Curriculum Development P		3600	10,667	9,877	
	Federal Program 93.996 Total			**10,667**	**9,877**	
93.999	Hhs - Undetermined		3600	343,364	0	
93.999		UW BUD# 999903	3600	4	0	PT
	Federal Program 93.999 Total			**343,368**	**0**	
	Dept of Health & Human Services Total			**695,383,014**	**205,913,133**	

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Federal Programs Not Clustered

Corp for National & Community Service

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
94.002	Retired and Senior Volunteer Program		3750	78,424	0	
94.002			6990	60,917	0	
	Federal Program 94.002 Total			**139,341**	**0**	
94.003	State Commissions		1050	239,055	0	
	Federal Program 94.003 Total			**239,055**	**0**	
94.004	Learn and Serve America_school and Community Based		3500	368,976	238,617	
	Federal Program 94.004 Total			**368,976**	**238,617**	
94.005	Learn and Serve America_higher Education	54571-P	3600	12,898	0	PT
94.005			3800	316,787	0	
	Federal Program 94.005 Total			**329,685**	**0**	
94.006	Americorps		1050	15,648,566	4,225,025	
94.006		480200	3600	158,805	0	PT
94.006		ENTER BB PROJ #480100	3600	(4,342)	0	PT
94.006		UW BUD# 671223	3600	(14,273)	0	PT
94.006			3760	224,868	0	
94.006			3800	1,008,758	0	
94.006			6990	494,490	0	
	Federal Program 94.006 Total			**17,516,872**	**4,225,025**	
94.006A	ARRA - Americorps		1050	268,653	69,863	
	Federal Program 94.006A Total			**268,653**	**69,863**	
94.007	Planning and Program Development Grants		1050	31,082	0	
94.007			3650	81,472	37,078	
94.007			3800	20,586	2,500	
94.007		07EDHWA002	3800	2,500	0	PT
	Federal Program 94.007 Total			**135,640**	**39,578**	
94.009	Training and Technical Assistance		1050	157,027	60,000	
	Federal Program 94.009 Total			**157,027**	**60,000**	
94.013	Volunteers In Service to America		3800	12,651	0	
94.013			5400	757,422	0	
	Federal Program 94.013 Total			**770,073**	**0**	
94.013A	ARRA - Volunteers In Service to America		5400	84,258	0	

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Federal Programs Not Clustered

Corp for National & Community Service

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 94.013A Total			**84,258**	**0**	
94.021	Volunteer Generation Fund		1050	65,035	58,260	
	Federal Program 94.021 Total			**65,035**	**58,260**	
	Corp for National & Community Service Total			**20,074,615**	**4,691,343**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Programs Not Clustered

Social Security Administration

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
96.008	Social Security - Work Incentives Planning and Ass		5400	241,889	0	
	Federal Program 96.008 Total			**241,889**	**0**	
	Social Security Administration Total			**241,889**	**0**	

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Federal Programs Not Clustered

Dept of Homeland Security

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
97.000	Hs - Contract Number Only Provided	C100752FED	2250	(42)	0	
97.000		3001657166 AM01	3600	15,503	0	PT
97.000		HSHQDC-09-P-00209 P01	3600	45,942	0	
97.000		PO-20101122-UW	3600	28,987	0	PT
97.000		UW BUD# 637703	3600	23,296	0	PT
97.000		HSHQDC05C0004WSU	3650	(15,368)	0	PT
97.000		WSU000938	3650	209	0	PT
	Federal Program 97.000 Total			**98,527**	**0**	
97.005	State and Local Homeland Security Training Program	10381 FEMA	6990	29,793	0	PT
97.005		10425 FEMA	6990	95,404	0	PT
	Federal Program 97.005 Total			**125,197**	**0**	
97.006	Homeland Security	C100735GSC-DRI9	2250	6,504	0	PT
	Federal Program 97.006 Total			**6,504**	**0**	
97.008	Urban Areas Security Initiative		2450	11,484,387	11,307,034	
	Federal Program 97.008 Total			**11,484,387**	**11,307,034**	
97.012	Boating Safety Financial Assistance		4650	2,725,277	0	
	Federal Program 97.012 Total			**2,725,277**	**0**	
97.017	Homeland Security		2450	228,262	191,899	
	Federal Program 97.017 Total			**228,262**	**191,899**	
97.023	Community Assistance Program State Support Service		4610	119,281	0	
	Federal Program 97.023 Total			**119,281**	**0**	
97.029	Flood Mitigation Assistance		2450	696,490	696,490	
	Federal Program 97.029 Total			**696,490**	**696,490**	
97.036	Disaster Grants - Public Assistance (Presidentiall		2450	23,657,589	23,436,699	
	Federal Program 97.036 Total			**23,657,589**	**23,436,699**	
97.039	Hazard Mitigation Grant		2450	6,510,256	6,344,714	
97.039		1734-DR-WA-27-R-E10-19	3760	98,397	0	PT
	Federal Program 97.039 Total			**6,608,653**	**6,344,714**	
97.040	Chemical Stockpile Emergency Preparedness Program		2450	4,545,328	2,389,538	
	Federal Program 97.040 Total			**4,545,328**	**2,389,538**	

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Federal Programs Not Clustered

Dept of Homeland Security

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
97.041	National Dam Safety Program		4610	93,594	0	
	Federal Program 97.041 Total			**93,594**	**0**	
97.042	Emergency Management Performance Grants		2450	5,681,437	3,779,924	
	Federal Program 97.042 Total			**5,681,437**	**3,779,924**	
97.043	State Fire Training Systems Grants		2250	23,604	0	
	Federal Program 97.043 Total			**23,604**	**0**	
97.045	Cooperating Technical Partners		4610	122,913	0	
	Federal Program 97.045 Total			**122,913**	**0**	
97.046	Fire Management Assistance Grant		2450	53,292	53,292	
	Federal Program 97.046 Total			**53,292**	**53,292**	
97.052	Emergency Operations Centers		2450	463,508	463,508	
	Federal Program 97.052 Total			**463,508**	**463,508**	
97.053	Citizen Corps		2450	237,840	237,840	
	Federal Program 97.053 Total			**237,840**	**237,840**	
97.055	Interoperable Communications Equipment		2450	988,038	965,841	
	Federal Program 97.055 Total			**988,038**	**965,841**	
97.056	Port Security Grant Program		2250	187,429	0	
97.056			4050	865,825	0	
	Federal Program 97.056 Total			**1,053,254**	**0**	
97.061	Centers for Homeland Security	S11198	3600	743	0	PT
97.061		Y503225 MOD.2	3600	82,209	0	PT
97.061		504928P0902320	3650	398,210	0	PT
	Federal Program 97.061 Total			**481,162**	**0**	
97.065	Homeland Security Advanced Research Projects Agenc	P0005219	3650	17,747	0	PT
	Federal Program 97.065 Total			**17,747**	**0**	
97.070	Map Modernization Management Support		4610	34,731	0	
	Federal Program 97.070 Total			**34,731**	**0**	
97.071	Metropolitan Medical Response System		2450	1,115,988	1,104,949	
	Federal Program 97.071 Total			**1,115,988**	**1,104,949**	

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Federal Programs Not Clustered

Dept of Homeland Security

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
97.075	Rail and Transit Security Grant Program	C110668GSC-DRI2	2250	12,230	0	PT
97.075			2450	2,210,218	2,178,639	
	Federal Program 97.075 Total			**2,222,448**	**2,178,639**	
97.077	Homeland Security Research Testing, Evaluation, An	C090605FED-PND9	2250	7,186	0	PT
97.077			3650	530,452	0	
97.077		WSU001066	3650	334,312	0	PT
	Federal Program 97.077 Total			**871,950**	**0**	
97.078	Buffer Zone Protection Program (Bzpp)		2450	219,846	198,428	
	Federal Program 97.078 Total			**219,846**	**198,428**	
97.082	Earthquake Consortium		2450	107,821	0	
	Federal Program 97.082 Total			**107,821**	**0**	
97.089	Real Id Program		2400	370,657	0	
	Federal Program 97.089 Total			**370,657**	**0**	
97.091	Homeland Security Biowatch Program		4610	3,750	0	
	Federal Program 97.091 Total			**3,750**	**0**	
97.111	Regional Catastrophic Preparedness Grant Program (		2450	1,837,841	1,757,203	
	Federal Program 97.111 Total			**1,837,841**	**1,757,203**	
97.119	2010 Olympics First Responder Training		2450	(50)	(50)	
	Federal Program 97.119 Total			**(50)**	**(50)**	
97.999	Homeland Security - Undetermined		4770	446	0	
	Federal Program 97.999 Total			**446**	**0**	
	Dept of Homeland Security Total			**66,297,312**	**55,105,948**	

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Federal Programs Not Clustered

U.S. Agency for International Development

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
98.001	Usaid Foreign Assistance for Programs Overseas	4044087D	3650	39,827	0	PT
98.001		42597619276	3650	23,831	0	PT
98.001		PGAP280179	3650	49,697	0	PT
98.001		PGAP281490	3650	3,310	0	PT
98.001		WSU001162	3650	351,374	0	PT
	Federal Program 98.001 Total			**468,039**	**0**	
98.002	Cooperative Development Program (Cdp)		3650	1,488,766	353,798	
	Federal Program 98.002 Total			**1,488,766**	**353,798**	
	U.S. Agency for International Development Total			**1,956,805**	**353,798**	

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Federal Programs Not Clustered

Undetermined Fed Agency

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
99.000	Unk Fed Agy - Contract Number Only Provided	10-PO-342-0000196362	3600	37,314	0	
99.000		10PO3420000196365AM01	3600	44,195	0	
99.000		119449	3600	30,804	0	
99.000		3001316273 AM01	3600	70,613	0	PT
99.000		4112-31804, AM05	3600	33,168	0	PT
99.000		958318	3600	18,651	0	PT
99.000		FABLD-11-031	3600	31,422	0	PT
99.000		HR 03-96 MOD01	3600	132,519	0	PT
99.000		LG-30-03-0209-03	3600	107	0	
99.000		M10PC00093	3600	132,402	0	
99.000		M10PC00093 MOD03	3600	224,302	0	
99.000		NRCHQ11C040020MOD02	3600	35,495	0	
99.000		PO 6832JSB01.04.10	3600	3,564	0	PT
99.000		SA.TRU.UOW.005	3600	16,451	0	PT
99.000		UW BUD# 635242	3600	23,182	0	PT
99.000		UW BUD# 639064	3600	414,648	0	PT
99.000		WSU000801	3650	2,867	0	PT
99.000		145444	3700	428	0	PT
99.000		3C085100	3700	21,870	0	PT
99.000		BPA 1994-043-00	3700	139,214	0	PT
99.000		BPA 2007-246-00	3700	104,318	0	PT
99.000		BPA#1997-004-00	3700	6,242	0	PT
99.000		BPA#200800700	3700	84,873	0	PT
99.000		BPA1994-043-00	3700	14,058	0	PT
99.000		C010032	4610	26,478	0	PT
99.000		C011011	4610	90,183	0	PT
	Federal Program 99.000 Total			**1,739,368**	**0**	
99.999	Undetermined Federal Agency	227868	3650	22,065	0	PT
	Federal Program 99.999 Total			**22,065**	**0**	
	Undetermined Fed Agency Total			**1,761,433**	**0**	
Federal Programs Not Clustered Total				**5,865,272,470**	**961,136,338**	

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Research and Development

National Endowment for the Humanities

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
06.161	Promotion of the Humanities Research		3600	81,650	0	
06.161			3650	39,098	0	
	Federal Program 06.161 Total			**120,748**	**0**	
06.163	Promotion of the Humanities Professional Developme		3600	55,835	0	
	Federal Program 06.163 Total			**55,835**	**0**	
	National Endowment for the Humanities Total			**176,583**	**0**	
	National Endowment for the Humanities Total			**176,583**	**0**	

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Research and Development

Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.001	Agricultural Research_basic and Applied Research		3600	270,440	0	
10.001			3650	2,253,654	25,843	
10.001		6967	3650	24,999	0	PT
10.001		P0028394	3650	1,241	0	PT
10.001		RC064684J	3650	940	0	PT
	Federal Program 10.001 Total			**2,551,274**	**25,843**	
	Agricultural Research Service Total			**2,551,274**	**25,843**	
10.200	Grants for Agricultural Research, Special Research		3600	800,029	354,002	
10.200		38631, AMEND #1	3600	51,192	0	PT
10.200		UAF1000O62POFP02220	3600	39,999	0	PT
10.200		UAF110073POFP12759	3600	20,157	0	PT
10.200			3650	3,391,490	773,452	
10.200		061553001	3650	51,514	0	PT
10.200		08001136WSU1	3650	5,563	0	PT
10.200		08001136WSU2	3650	(42)	0	PT
10.200		08001136WSU3	3650	(7,638)	0	PT
10.200		09002101WSU1	3650	(1,685)	0	PT
10.200		09002101WSU3	3650	21,749	0	PT
10.200		09002101WSU4	3650	64,377	0	PT
10.200		200912415FUWSU1	3650	57,485	0	PT
10.200		200912415OHWSU4	3650	847	0	PT
10.200		AFE742346	3650	1,319	0	PT
10.200		BJK910SB001	3650	446	0	PT
10.200		C0353AA	3650	5,268	0	PT
10.200		C0380AA	3650	(3,507)	0	PT
10.200		C0396AE	3650	10,586	0	PT
10.200		C0400AA	3650	14,308	0	PT
10.200		C0406AA	3650	14,443	0	PT
10.200		C0417AE	3650	32,178	0	PT
10.200		C0427AA	3650	25,507	0	PT
10.200		P0015121	3650	(182)	0	PT
10.200		P0018666	3650	14,582	0	PT
10.200		P0023487	3650	25,256	0	PT
10.200		P0024555	3650	103,687	0	PT
10.200		P0027904	3650	71,474	0	PT

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Research and Development

Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.200	Grants for Agricultural Research, Special Research	P0028544	3650	42,005	0	PT
10.200		SA7487	3650	(2)	0	PT
10.200		SA7580	3650	31,925	0	PT
10.200		SA7653	3650	23,746	0	PT
10.200		SL063AA	3650	17,389	0	PT
10.200		UAF110074	3650	27,720	0	PT
10.200		USDA 2010-34558-21128	3750	92,323	0	PT
10.200		USDA/PSU RGIS 2009-10	3750	50,161	0	PT
	Federal Program 10.200 Total			**5,095,669**	**1,127,454**	
10.202	Cooperative Forestry Research		3600	51,711	0	
10.202			3650	440,635	0	
	Federal Program 10.202 Total			**492,346**	**0**	
10.203	Payments to Agricultural Experiment Stations Under		3650	4,005,408	0	
	Federal Program 10.203 Total			**4,005,408**	**0**	
10.206	Grants for Agricultural Research_competitive Resea		3600	151,457	530	
10.206		FOR34FT-01 AM03	3600	47,403	0	PT
10.206			3650	1,929,924	165,449	
10.206		2592158	3650	6,063	0	PT
10.206		42204819276	3650	44,320	0	PT
10.206		4362WSUUSDA8710	3650	4,276	0	PT
10.206		501661814	3650	8,580	0	PT
10.206		60015822	3650	30,998	0	PT
10.206		Q4096504901	3650	326	0	PT
10.206		RC2935023843688	3650	43,961	0	PT
10.206		S10200	3650	10,178	0	PT
10.206			3800	68,764	0	
	Federal Program 10.206 Total			**2,346,250**	**165,979**	
10.207	Animal Health and Disease Research		3650	64,968	0	
	Federal Program 10.207 Total			**64,968**	**0**	
10.215	Sustainable Agriculture Research and Education	080019042	3650	85	0	PT
10.215		080019044	3650	190	0	PT
10.215		080861009	3650	61,740	0	PT
10.215		080861054	3650	2,806	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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10.215	Sustainable Agriculture Research and Education	080861059	3650	569	0	PT
10.215		090758003	3650	21,311	0	PT
10.215		100893004	3650	13,084	0	PT
	Federal Program 10.215 Total			**99,785**	**0**	
10.219	Biotechnology Risk Assessment Research		3600	86,201	0	
10.219		AG 201033522219668 UOG	3750	6,170	0	PT
	Federal Program 10.219 Total			**92,371**	**0**	
10.227	1994 Institutions Research Program	WSU001120	3650	18,945	0	PT
10.227		NONE	3800	16,785	0	PT
	Federal Program 10.227 Total			**35,730**	**0**	
	National Institute of Food and Agriculture Total			**12,232,527**	**1,293,433**	
10.250	Agricultural and Rural Economic Research		3650	36,699	0	
	Federal Program 10.250 Total			**36,699**	**0**	
	Economic Research Service Total			**36,699**	**0**	
10.307	Organic Agriculture Research and Extension Initiat		3650	626,791	48,364	
	Federal Program 10.307 Total			**626,791**	**48,364**	
10.310	Agriculture and Food Research Initiative (Afri)		3600	334,160	13,553	
10.310			3650	1,507,961	117,381	
10.310		20101571807	3650	28,743	0	PT
10.310		20101573903	3650	9,007	0	PT
10.310		2563210212002	3650	3,957	0	PT
10.310		50300805500000108	3650	133,997	0	PT
10.310		614202A	3650	16,722	0	PT
10.310		C0414CB	3650	20,417	0	PT
10.310		FAR00156802	3650	7,418	0	PT
10.310		H000972009	3650	19,060	0	PT
10.310		P0025266	3650	27,084	0	PT
10.310		P0029180	3650	17,976	0	PT
10.310		P0031113	3650	168,253	0	PT
10.310		RC2933654693938	3650	14,080	0	PT
10.310		S110072	3650	40,323	0	PT
10.310		S11011	3650	705	0	PT

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	Federal Program 10.310 Total			**2,349,863**	**130,934**	
	National Institute of Food and Agriculture Total			**2,976,654**	**179,298**	
10.652	Forestry Research		3600	926,152	0	
10.652			3650	28,006	0	
10.652			3800	17,296	0	
	Federal Program 10.652 Total			**971,454**	**0**	
10.680	Forest Health Protection		3600	20,641	0	
10.680			3650	100,435	0	
10.680			4900	500,191	0	
10.680			4950	208,445	0	
	Federal Program 10.680 Total			**829,712**	**0**	
	Forest Service Total			**1,801,166**	**0**	
10.778	Research on the Economic Impact of Cooperatives		4900	63,042	0	
	Federal Program 10.778 Total			**63,042**	**0**	
	Rural Business-Cooperative Service Total			**63,042**	**0**	
10.961	Scientific Cooperation and Research		3600	525	0	
10.961			3650	6,034	0	
	Federal Program 10.961 Total			**6,559**	**0**	
	Foreign Agricultural Service Total			**6,559**	**0**	
	Dept of Agriculture Total			**19,667,921**	**1,498,574**	

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11.417	Sea Grant Support		3600	3,238,944	206,142	
11.417		NA2233-B	3600	36,634	0	PT
	Federal Program 11.417 Total			**3,275,578**	**206,142**	
11.420	Coastal Zone Management Estuarine Research Reserve		3600	39,024	0	
11.420			4610	1,199,383	0	
	Federal Program 11.420 Total			**1,238,407**	**0**	
11.427	Fisheries Development and Utilization Research And		3600	93,948	0	
11.427		UW BUD# 660350	3600	421	0	PT
	Federal Program 11.427 Total			**94,369**	**0**	
11.430	Undersea Research	UAF 08-0119 MOD 4	3600	15,232	0	PT
	Federal Program 11.430 Total			**15,232**	**0**	
11.431	Climate and Atmospheric Research		3600	1,578,648	36,875	
11.431		NA221A-F	3600	12,160	0	PT
11.431		S08-67883	3600	21,424	0	PT
11.431		S08-67883 MOD02	3600	145,094	0	PT
	Federal Program 11.431 Total			**1,757,326**	**36,875**	
11.432	Office of Oceanic and Atmospheric Research (Oar) J		3600	13,503,796	0	
11.432		NA17RJ1231	3600	27,954	0	PT
11.432		PO#3001446790	3600	128,570	0	PT
11.432		Z972055	3600	33,892	0	PT
	Federal Program 11.432 Total			**13,694,212**	**0**	
11.455	Cooperative Science and Education Program		3600	42,015	0	
	Federal Program 11.455 Total			**42,015**	**0**	
11.467	Meteorologic and Hydrologic Modernization Developm		2450	651,347	229,603	
11.467		Z10-81101 MOD02	3600	15,605	0	PT
11.467		Z10-81101, MOD02	3600	15,745	0	PT
	Federal Program 11.467 Total			**682,697**	**229,603**	
11.468	Applied Meteorological Research		2450	56,189	56,189	
11.468			3600	105,071	0	
	Federal Program 11.468 Total			**161,260**	**56,189**	
11.472	Unallied Science Program	#1006	3600	48,068	0	PT

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11.472	Unallied Science Program	1009, F4009	3600	132,756	0	PT
11.472		1016	3600	319	0	PT
11.472		814	3600	16	0	PT
11.472		B 53	3600	77,771	0	PT
11.472		B 53 AMENDMENT #1	3600	(871)	0	PT
11.472		B 59	3600	94,568	0	PT
11.472		B 59 AMEND #1	3600	(9)	0	PT
11.472		B 70 AMENDMENT #1	3600	110,413	0	PT
11.472		B 71 AMENDMENT #1	3600	30,586	0	PT
11.472		B 73 AMEND #1	3600	90,736	0	PT
11.472		B62 AMEND #1	3600	30,309	0	PT
11.472		B69, AMEND #1	3600	5,212	0	PT
11.472		F2628-01	3600	(1,825)	0	PT
11.472		F2852-03	3600	78	0	PT
11.472		F2870-01	3600	13,731	0	PT
11.472		F2871-01	3600	25,164	0	PT
11.472		F2873-00	3600	(14)	0	PT
11.472		F3859-01	3600	(5)	0	PT
11.472		F3869-06	3600	6,939	0	PT
11.472		G82	3600	11,269	0	PT
11.472		G83	3600	63,041	0	PT
11.472		G84	3600	15,910	0	PT
11.472		UW BUD# 634022	3600	(1)	0	PT
11.472		NA09NMF4720159	3800	87,772	0	PT
11.472			4770	78,615	0	
11.472		020-1025-ISA-FISH	4770	253,679	0	PT
11.472		020-10259-ISA-FISH	4770	261,962	0	PT
	Federal Program 11.472 Total			**1,436,189**	**0**	
	National Oceanic and Atmospheric Administration (N Total			**22,397,285**	**528,809**	
11.609	Measurement & Engineering Research & Stand		3600	70,217	14,284	
11.609			3650	130,737	0	
	Federal Program 11.609 Total			**200,954**	**14,284**	
11.609A	ARRA - Measurement & Engineering Research & Stand	10305702	3650	117,653	0	PT
	Federal Program 11.609A Total			**117,653**	**0**	

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	National Institute of Standards and Technology (Ni Total			318,607	14,284	
	Dept of Commerce Total			22,715,892	543,093	

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12.000	Dod - Contract Number Only Provided	03-000225, TO 18	3600	(524)	0	PT
12.000		07688-02 AM01	3600	20,713	0	PT
12.000		09S590001114C1MOD02	3600	28,726	0	PT
12.000		10-S590-0011-18-C1	3600	46,837	0	PT
12.000		10-S590-0019-02-C5	3600	16,231	0	PT
12.000		10-T583-013-C1	3600	88,707	0	PT
12.000		10-T583-014-C1	3600	48,500	0	PT
12.000		1011078-255312	3600	83,246	0	PT
12.000		1011078-259568 AM03	3600	43,976	0	PT
12.000		106314	3600	1,515	0	PT
12.000		2008.0006-PO22732 AM02	3600	291,028	0	PT
12.000		27-001340 MOD06	3600	112,195	0	PT
12.000		27-001341 MOD06	3600	359,028	0	PT
12.000		3001719205	3600	14,461	0	PT
12.000		321715 CHANGE#10	3600	63,255	0	PT
12.000		5710002101-07	3600	137,699	0	PT
12.000		69-000535	3600	214,179	0	PT
12.000		744450	3600	18,090	0	PT
12.000		955492 MOD04	3600	121,788	0	PT
12.000		A52771	3600	55,185	0	PT
12.000		A55795	3600	15,101	0	PT
12.000		AM014	3600	2,004	0	
12.000		AMENDMENT NO.6	3600	25,570	0	PT
12.000		AMENDMENT NO.8	3600	57,485	0	PT
12.000		CMOS-OMG804	3600	80,550	0	PT
12.000		DAAD1399C0032P00005	3600	(24,437)	0	
12.000		DAMD17-01-1-0824	3600	(79)	0	
12.000		FA9550-06-1-0042	3600	(334)	0	
12.000		FA95500910298P00002	3600	171,149	0	
12.000		H98230-08-C-0346	3600	(39)	0	
12.000		H98230-10-C-0263/0000	3600	12,327	0	
12.000		H98230-10-C-0289, P01	3600	31,246	0	
12.000		HU0001061TS10MOD5N06P1	3600	82,359	0	PT
12.000		MOIRE-SUB-2010	3600	6,392	0	PT
12.000		N00014-01-G-0460/0036	3600	65,281	0	
12.000		N00014-01-G-0460/0040	3600	(141)	0	

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12.000	Dod - Contract Number Only Provided	N00014-01-G-0460/0049	3600	212,477	0	
12.000		N00014-01-G-0460/0056	3600	(2,395)	0	
12.000		N00014-07-G-0557/0001	3600	17,119	0	
12.000		N00014-07-G-0557/0008	3600	(14)	0	
12.000		N00014-07-G-0557/0009	3600	802,042	0	
12.000		N00014-07-G-0557/0010	3600	85,638	0	
12.000		N00014-07-G-0557/0011	3600	1,744,368	0	
12.000		N00014-07-G-0557/0012	3600	324,747	0	
12.000		N00014-07-G-0557/0015	3600	74,983	0	
12.000		N00014-07-G-0557/0016	3600	38,183	0	
12.000		N00014-07-G-0557/0018	3600	207,094	0	
12.000		N00014-07-G-0557/0019	3600	39,635	0	
12.000		N00014-07-G-0557/0021	3600	622	0	
12.000		N00014-07-G-0557/0022	3600	910,233	0	
12.000		N00014-07-G-0557/0023	3600	57,576	0	
12.000		N00014-07-G-0557/0024	3600	150,851	0	
12.000		N00014-07-G-0557/0025	3600	342	0	
12.000		N00014-07-G-0557/0027	3600	131,730	0	
12.000		N00014-07-G-0557/0028	3600	17,667	0	
12.000		N00014-07-G-0557/0029	3600	12,460	0	
12.000		N00014-07-G-0557/0031	3600	13,764	0	
12.000		N00024-02-D-6602	3600	(347,612)	0	
12.000		N00024-02-D-6602/0050	3600	210,726	25,069	
12.000		N00024-02-D-6602/0077	3600	(23)	0	
12.000		N00024-02-D-6602/0082	3600	1,492,002	0	
12.000		N00024-02-D-6602/0088	3600	(4)	0	
12.000		N00024-02-D-6602/0095	3600	35,979	0	
12.000		N00024-02-D-6602/0096	3600	119,989	0	
12.000		N00024-02-D-6602/0097	3600	7,712	0	
12.000		N00024-02-D-6602/0099	3600	4,479	0	
12.000		N00024-02-D-6602/0102	3600	50,345	0	
12.000		N00024-02-D-6602/0103	3600	171,000	0	
12.000		N00024-02-D-6602/0107	3600	71,955	0	
12.000		N00024-02-D-6602/0109	3600	11,861	0	
12.000		N00024-02-D-6602/0110	3600	363,588	0	
12.000		N00024-02-D-6602/0111	3600	62,005	0	

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12.000	Dod - Contract Number Only Provided	N00024-02-D-6602/0113	3600	104,639	0	
12.000		N00024-02-D-6602/0114	3600	783	0	
12.000		N00024-02-D-6602/0115	3600	309,511	0	
12.000		N00024-02-D-6602/0116	3600	9,731	0	
12.000		N00024-02-D-6602/0117	3600	49,717	0	
12.000		N00024-02-D-6602/0118	3600	843,265	0	
12.000		N00024-02-D-6602/0121	3600	209,406	0	
12.000		N00024-10-D-6318/0001	3600	132,536	0	
12.000		N00024-10-D-6318/0002	3600	297,022	0	
12.000		N00024-10-D-6318/0003	3600	99,907	0	
12.000		N00024-10-D-6318/0004	3600	49,819	0	
12.000		N00024-10-D-6318/0005	3600	134,210	0	
12.000		N00024-10-D-6318/0006	3600	2,891,944	810,270	
12.000		N00024-10-D-6318/0007	3600	280,288	0	
12.000		N00024-10-D-6318/0008	3600	78,794	0	
12.000		N00024-10-D-6318/0009	3600	450,219	0	
12.000		N00024-10-D-6318/0010	3600	385,163	0	
12.000		N00024-10-D-6318/0011	3600	216,971	6,085	
12.000		N00024-10-D-6318/0012	3600	371,114	11,070	
12.000		N00024-10-D-6318/0013	3600	13,110	0	
12.000		N00024-10-D-6318/0014	3600	21,084	0	
12.000		N00104-10-P-LB65	3600	4,919	0	
12.000		N00167-03-D-0024/0005	3600	39,090	0	
12.000		N00167-03-D-0024/0021	3600	10,278	0	
12.000		N00167-03-D-0024/0022	3600	6,693	0	
12.000		N00167-03-D-0024/0023	3600	125,971	0	
12.000		N00167-10-D-0002/0001	3600	1,168,505	0	
12.000		N00167-10-D-0002/0002	3600	1,386,445	0	
12.000		N00167-10-D-0002/0003	3600	32,324	0	
12.000		N00167-10-D-0002/0004	3600	368,614	0	
12.000		N00167-10-D-0002/0005	3600	90,543	0	
12.000		N00167-10-D-0002/0006	3600	11,121	0	
12.000		N00178-08-P-3667	3600	(674)	0	
12.000		N65540-10-C-0003	3600	24,943	0	PT
12.000		N66001-09-C-2004	3600	293,397	0	
12.000		NOOO24-10-D-6318/0004	3600	70,575	0	

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12.000	Dod - Contract Number Only Provided	NWRA-10-S-128 MOD02	3600	42,128	0	PT
12.000		PO #10291495-003	3600	524,852	0	PT
12.000		PO 416996	3600	256,565	0	PT
12.000		PO 99-024	3600	(92,367)	0	PT
12.000		PO C09110002	3600	91,117	0	PT
12.000		PO# 10313249	3600	439,466	0	PT
12.000		PO# 28074	3600	31,062	0	PT
12.000		PO# 28300	3600	3,405	0	PT
12.000		PO# M214264	3600	48,602	0	PT
12.000		PO#9500009783 MOD06	3600	302,781	0	PT
12.000		RS100297, MOD 02	3600	33,624	0	PT
12.000		S-2004-TSNRP-03 MOD03	3600	23,015	0	PT
12.000		S2005TSNRP07HU0001051T	3600	(93)	0	PT
12.000		S95-0079	3600	3,152	0	PT
12.000		SC-0809-0004	3600	(125)	0	PT
12.000		SPM7M9-10-M-3074	3600	2	0	
12.000		SPM7M9-10-M-3077	3600	18	0	
12.000		SPM7M9-11-M-1804	3600	325	0	
12.000		SUB AWD 0006622B	3600	241,098	0	PT
12.000		UW BUD# 632945	3600	23,924	0	PT
12.000		UW BUD# 634021	3600	278,662	0	PT
12.000		UW BUD# 634257	3600	187,159	0	PT
12.000		UW BUD# 635677	3600	27,991	0	PT
12.000		UW BUD# 635688	3600	9,079	0	PT
12.000		UW BUD# 636641	3600	(1,322)	0	PT
12.000		UW BUD# 637561	3600	71,068	0	PT
12.000		UW BUD# 638119	3600	(239)	0	PT
12.000		UW BUD# 638300	3600	113,444	0	PT
12.000		UW BUD# 638538	3600	10,707	0	PT
12.000		UW BUD# 638640	3600	31,060	0	PT
12.000		UW BUD# 660406	3600	18,034	0	PT
12.000		UW BUD# 660407	3600	29,224	0	PT
12.000		UW BUD# 660715	3600	539	0	PT
12.000		UW BUD# 667343	3600	(5,010)	0	PT
12.000		UW BUD# 668965	3600	(4,906)	0	PT
12.000		UW BUD# 668990	3600	7,798	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Research and Development

Dept of Defense

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.000	Dod - Contract Number Only Provided	W81XWH-08-1-0520	3600	79,965	0	
12.000		W81XWH-08-1-0635	3600	74,873	0	
12.000		W81XWH-11-2-0037	3600	280,353	0	
12.000		W81XWH0707P0481MODP000	3600	(7)	0	
12.000		W8IEWF00769047	3600	2,880	0	
12.000		W9113M07S4BASEMOD07	3600	89,202	0	PT
12.000		W911NF-09-C-0131	3600	193,355	0	
12.000		W911NF09C0131P00003	3600	390,856	76,566	
12.000		W911SD-09-P-0627 AM01	3600	139,262	0	
12.000		W911SD08P0650P00003	3600	9,774	0	
12.000		W911SD08P0651MODP00003	3600	12,875	0	
12.000		W912HQ-07-C-0030,P06	3600	54,468	0	
12.000		W912HQ-09-C-0027	3600	137,013	0	
12.000		W912HQ-10-C-0070	3600	197,432	0	
12.000		W912HQ06C0037MODP0002	3600	81,779	45,965	
12.000		W912HQ06C0052P00007	3600	72,854	0	
12.000		W912HQ08C0050P00002	3600	481,552	201,333	
12.000		W912HQ10C0014P00002	3600	323,667	144,978	
12.000		W912HZ-07-C-0024	3600	(23)	0	
12.000		W912HZ-11-C-0033	3600	14,657	0	
12.000		W91WAW09C0087P00002	3600	51,883	0	
12.000		Z883401 MOD G	3600	(6,991)	0	PT
12.000		Z917917 AM05	3600	28,651	0	PT
12.000		0000255710	3650	63,840	0	PT
12.000		0001	3650	11,447	0	
12.000		0002	3650	261,345	0	
12.000		113700	3650	20,150	0	PT
12.000		113970	3650	388,689	0	PT
12.000		114373001	3650	675	0	
12.000		2010315	3650	13,548	0	PT
12.000		2634052	3650	(4,308)	0	PT
12.000		54680	3650	75,813	0	PT
12.000		61000802	3650	187,740	0	PT
12.000		739623	3650	18,460	0	PT
12.000		AFRLYAG0003	3650	(324)	0	PT
12.000		F54301007SC0600	3650	86,210	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Defense

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.000	Dod - Contract Number Only Provided	GUAR58072180	3650	47,172	0	PT
12.000		N0025311P0019	3650	4,496	0	
12.000		N0040610P0990	3650	176	0	
12.000		N0040610P1186	3650	176	0	
12.000		N0040610P8803	3650	15,999	0	
12.000		N0040611P1398	3650	6,619	0	
12.000		N0040611P1400	3650	6,703	0	
12.000		P010007799	3650	(330)	0	PT
12.000		P010058810	3650	109,188	0	PT
12.000		W81K0010PM100	3650	19,213	0	
12.000		W9113M09C0075	3650	1,149,467	127,571	
12.000		W911NF1020112	3650	59,468	0	
12.000		W911QY07C0080	3650	140,111	16,639	
12.000		W912EF09C0001	3650	35,809	0	
12.000		W912EF09P0156	3650	(5,934)	0	
12.000		W912EF10C0012	3650	206,408	33,617	
12.000		W912HQ06C0048	3650	165,182	0	
12.000		W912HQ07C0003	3650	1,979	1,848	
12.000		W912HQ09C0005	3650	26,286	0	
12.000		WAFO161052907	3650	20,149	0	PT
12.000		050-10329-ISA-FISH	4770	19,083	0	PT
	Federal Program 12.000 Total			**28,571,244**	**1,501,011**	
12.000A	ARRA - Dod - Contract Number Only Provided	6407-001-001-CS-S	3600	65,980	0	PT
12.000A		W912EF09P0156	3650	90	0	
12.000A		W912EF10P5031	3650	15,032	0	
12.000A		W912EF10P5066	3650	22,101	0	
	Federal Program 12.000A Total			**103,203**	**0**	
	Dod Contract Number Only Provided Total			**28,674,447**	**1,501,011**	
12.300	Basic and Applied Scientific Research		3600	19,029,385	672,646	
12.300		10276960-007	3600	136,153	0	PT
12.300		1141207236198AMEND3	3600	227,556	0	PT
12.300		2008-2038 AM04	3600	144,401	0	PT
12.300		27499-B	3600	20,152	0	PT
12.300		421-23-01-AMEND#4	3600	10,560	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Defense

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.300	Basic and Applied Scientific Research	5710002230 MOD06	3600	121,153	0	PT
12.300		66654T	3600	21,204	0	PT
12.300		A100587 AM03	3600	31,027	0	PT
12.300		A100593	3600	4,361	0	PT
12.300		A100615	3600	77,002	0	PT
12.300		F012919 AM10	3600	33,110	0	PT
12.300		K9643H-A	3600	35,859	0	PT
12.300		UAF 08-0047	3600	90,085	0	PT
12.300		UW BUD# 638557	3600	17,865	0	PT
12.300		UW BUD# 661405	3600	13,123	0	PT
12.300		WASHINGTON-01 M0D1	3600	(1,450)	0	PT
12.300			3650	1,996,330	0	
12.300		5710002043	3650	399,717	0	PT
12.300		KKK696SB001	3650	20,418	0	PT
12.300		KKK745SB001	3650	5,655	0	PT
12.300		P0016625	3650	(6,081)	0	PT
12.300		P0021601	3650	69,430	0	PT
	Federal Program 12.300 Total			**22,497,015**	**672,646**	
12.350	Department of Defense HIV/AIDS Prevention Program		3600	2,136,328	0	
	Federal Program 12.350 Total			**2,136,328**	**0**	
	Department of the Navy, Office of the Chief of Nav Total			**24,633,343**	**672,646**	
12.351	Basic Scientific Research - Combating Weapons of M		3600	832,681	0	
12.351			3650	577,698	26,487	
	Federal Program 12.351 Total			**1,410,379**	**26,487**	
	Office of the Secretary of Defense Total			**1,410,379**	**26,487**	
12.420	Military Medical Research and Development		3600	4,106,060	139,968	
12.420		0000697387	3600	84,573	0	PT
12.420		10274SUB	3600	21,528	0	PT
12.420		10313538-SUB	3600	1,124	0	PT
12.420		364271-SUB 2	3600	13,825	0	PT
12.420		669701	3600	464,372	0	PT
12.420		671800 MOD01	3600	943,002	0	PT
12.420		713003	3600	34,332	0	PT
12.420		ABAUNDERPRIMEW81XWH092	3600	33,723	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Defense

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.420	Military Medical Research and Development	DAMD-01-1-0764 AMD#2	3600	(3,102)	0	PT
12.420		JPAPOKG112MILLEJ1SIBCR	3600	3,516	0	PT
12.420		K6612	3600	8,639	0	PT
12.420		KG112-SEYEDALL-2	3600	32,695	0	PT
12.420		KG112-SRISUWAN-2	3600	31,662	0	PT
12.420		W81XWH-10-1-1039	3600	30,877	0	PT
12.420			3650	1,644,549	0	
12.420		WSU000864	3650	27,596	0	PT
	Federal Program 12.420 Total			**7,478,971**	**139,968**	
	U.S. Army Medical Command Total			**7,478,971**	**139,968**	
12.431	Basic Scientific Research		3600	3,283,014	1,510,739	
12.431		11-IARPA-1009	3600	722,337	0	PT
12.431		28D 1083900 MOD05	3600	90,700	0	PT
12.431		G-2308-1 AM2	3600	229,939	0	PT
12.431		TUL-570-08/09	3600	117	0	PT
12.431		UW BUD# 660341	3600	76,015	0	PT
12.431		Z848401	3600	239,224	0	PT
12.431			3650	640,533	0	
12.431		ARL10NWMIWSU120610	3650	31,554	0	PT
	Federal Program 12.431 Total			**5,313,433**	**1,510,739**	
	U.S. Army Materiel Command Total			**5,313,433**	**1,510,739**	
12.630	Basic, Applied, & Adv Resch In Sci & Eng		3600	901,161	0	
12.630		GC200014NGD AMD 5	3600	307,729	0	PT
12.630		1045	3650	2,600	0	PT
12.630		1156	3650	885	0	PT
12.630		NBCHC090054	3650	147,362	0	PT
	Federal Program 12.630 Total			**1,359,737**	**0**	
	Office of the Secretary of Defense Total			**1,359,737**	**0**	
12.800	Air Force Defense Resch Sciences Program		3600	3,548,350	428,638	
12.800		10-219AM03	3600	81,363	0	PT
12.800		102-1080632/MOD06	3600	218,564	0	PT
12.800		11-708B-00 AM01	3600	8,893	0	PT
12.800		60429	3600	14,183	0	PT

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Dept of Defense

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.800	Air Force Defense Resch Sciences Program	7H-1090612	3600	22,203	0	PT
12.800		A62823	3600	44,761	0	PT
12.800		FA7014-08-0002	3600	411,510	0	PT
12.800		RB250-G3 AM01	3600	17,272	0	PT
12.800		RB250-G3 AM03	3600	46,268	0	PT
12.800		UND-201563, AM2	3600	142,273	0	PT
12.800			3650	225,586	0	
12.800		14932002008207	3650	39,680	0	PT
	Federal Program 12.800 Total			**4,820,906**	**428,638**	
	Department of the Air Force, Materiel Command Total			**4,820,906**	**428,638**	
12.902	Information Security Grant Program		3600	444	0	
	Federal Program 12.902 Total			**444**	**0**	
	National Security Agency Total			**444**	**0**	
12.910	Research and Technology Development		3600	3,307,275	1,271,078	
12.910		25969810-50204-A	3600	441,028	0	PT
12.910		554995-8	3600	178,926	0	PT
12.910		5710002617	3600	(142)	0	PT
12.910		RA231-G2	3600	175,896	0	PT
12.910		RA231G2W31P4Q0910012AM	3600	89,042	0	PT
12.910			3650	1,649,680	536,283	
	Federal Program 12.910 Total			**5,841,705**	**1,807,361**	
	Advanced Research Projects Agency Total			**5,841,705**	**1,807,361**	
	Dept of Defense Total			**79,533,365**	**6,086,850**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Research and Development

Dept of the Interior

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.650	Research Grants (Generic)		3600	116,156	19,948	
15.650		1102-046	3600	2,183	0	PT
15.650		WA-S-110321-117 AM01	3600	2,333	0	PT
15.650			3650	69,356	0	
15.650			4770	216,202	0	
	Federal Program 15.650 Total			**406,230**	**19,948**	
	Fish and Wildlife Service Total			**406,230**	**19,948**	
15.805	Assistance to State Water Resources Research Insti		3650	156,165	0	
	Federal Program 15.805 Total			**156,165**	**0**	
15.807	Earthquake Hazards Reduction Program		3600	897,810	0	
15.807			3650	12,649	0	
15.807			3750	441,317	0	
15.807			4900	32,181	0	
	Federal Program 15.807 Total			**1,383,957**	**0**	
15.807A	ARRA - Eartquake Hazards Reduction Program		3600	337,529	0	
	Federal Program 15.807A Total			**337,529**	**0**	
15.808	U.S. Geological Survey_ Research and Data Collecti		2450	1,267	0	
15.808			3600	378,522	0	
15.808			3650	58,171	0	
15.808		497878176	3650	(1)	0	PT
15.808			3700	28,115	0	
15.808			4050	49,408	0	
15.808			4610	94,941	0	
15.808			4770	185,148	0	
15.808			4900	24,932	0	
	Federal Program 15.808 Total			**820,503**	**0**	
15.812	Cooperative Research Units Program		3600	663,326	0	
	Federal Program 15.812 Total			**663,326**	**0**	
15.813	Cooperative Research Units Training Program		3600	311	0	
	Federal Program 15.813 Total			**311**	**0**	
15.818	Volcano Hazards Prog Res & Monitoring		4900	98,950	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development

Dept of the Interior

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 15.818 Total			**98,950**	**0**	
15.818A	ARRA - Volcano Hazards Prog Res & Monitoring		3600	154,236	0	
	Federal Program 15.818A Total			**154,236**	**0**	
	U.S. Geological Survey Total			**3,614,977**	**0**	
15.945	Cooperative Research & Training Pgrom Resources Na		3600	895,784	0	
	Federal Program 15.945 Total			**895,784**	**0**	
	National Park Service Total			**895,784**	**0**	
	Dept of the Interior Total			**4,916,991**	**19,948**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development

Dept of Justice

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
16.560	National Institute of Justice Research, Evaluation		3600	86,801	0	
16.560		T3996061101 AM07	3600	34,518	0	PT
	Federal Program 16.560 Total			**121,319**	**0**	
	National Institute of Justice Total			**121,319**	**0**	
	Dept of Justice Total			**121,319**	**0**	

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Research and Development

Dept of Transportation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.108	Aviation Research Grants	06-AAPTP-208107-UW	3600	(105)	0	PT
	Federal Program 20.108 Total			**(105)**	**0**	
20.109	Air Transportation Centers of Excellence		3600	403,240	0	
	Federal Program 20.109 Total			**403,240**	**0**	
	Federal Aviation Administration (Faa) Total			**403,135**	**0**	
20.200	Highway Research and Development Program		3600	101	0	
20.200		FABLD-09-171 AM02	3600	73,300	0	PT
20.200		KLK262-SB-004 AMD 1	3600	93,588	0	PT
20.200			3650	352,311	0	
20.200		P0020520	3650	46,365	0	PT
20.200			3700	280,835	0	
	Federal Program 20.200 Total			**846,500**	**0**	
	Federal Highway Administration (Fhwa) Total			**846,500**	**0**	
20.514	Public Transportation Research		4050	921	0	
	Federal Program 20.514 Total			**921**	**0**	
	Federal Transit Administration (Fta) Total			**921**	**0**	
20.761	Biobased Transportation Research	T0013GA	3650	378,919	0	PT
20.761		T0013RB	3650	10,477	0	PT
	Federal Program 20.761 Total			**389,396**	**0**	
	Federal Motor Carrier Safety Administration Total			**389,396**	**0**	
20.931	Transportation Planning, Research and Education		3800	63,834	0	
	Federal Program 20.931 Total			**63,834**	**0**	
	Research and Innovative Technology Administration Total			**63,834**	**0**	
	Dept of Transportation Total			**1,703,786**	**0**	

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Research and Development

National Science Foundation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.041	Engineering Grants		3600	7,051,820	388,456	
47.041		0944751	3600	5,989	0	PT
47.041		130323	3600	334,584	0	PT
47.041		2001054540	3600	19,960	0	PT
47.041		3352-UW-NSF-4219	3600	4,099	0	PT
47.041		44771-7473	3600	139,584	0	PT
47.041		44771-7473 AM06	3600	9,922	0	PT
47.041		44771-7473 AM15	3600	459,395	0	PT
47.041		478496-19124	3600	39,521	0	PT
47.041		5710002247	3600	55,498	0	PT
47.041		E-20-L05-G3 AMD 2	3600	47	0	PT
47.041		E-20-L05-G7 AMO3	3600	17,047	0	PT
47.041		NEES-4101-31868 AM03	3600	66,060	0	PT
47.041		PRIME 1013883	3600	38,596	0	PT
47.041		UW BUD# 638771	3600	100,353	0	PT
47.041			3650	2,035,359	142,364	
47.041		10915W	3650	(2,794)	0	PT
47.041		115126 001	3650	34,012	0	PT
47.041		UTA06818	3650	13,586	0	PT
47.041			3700	999	0	
47.041			3800	39,111	0	
	Federal Program 47.041 Total			**10,462,748**	**530,820**	
47.049	Mathematical and Physical Sciences		3600	17,508,965	4,128,802	
47.049		16 ACCT 524324AM10	3600	9,259	0	PT
47.049		20090136601A2860085556	3600	449,651	0	PT
47.049		201231PRIMEPHY0715396	3600	127,847	0	PT
47.049		4206189	3600	(160)	0	PT
47.049		5-00000365	3600	9,992	0	PT
47.049		5-54861/ AMD1	3600	36,833	0	PT
47.049		5710002494	3600	30,950	0	PT
47.049		5710002494AM02	3600	1,924	0	PT
47.049		7443-2307, AMEND5	3600	(3,914)	0	PT
47.049		7443-2307AM	3600	79,371	0	PT
47.049		9, AM03	3600	(515)	0	PT
47.049		C44009L AM06	3600	375,098	0	PT

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National Science Foundation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.049	Mathematical and Physical Sciences	C44036L AM03	3600	164,976	0	PT
47.049		IAS-EHR-0314808	3600	1,802	0	PT
47.049		S0183165PRIMEPHY103917	3600	110,595	0	PT
47.049		S1235A-A	3600	46,804	0	PT
47.049			3650	2,636,639	0	
47.049		RUB12942ST09	3650	9,515	0	PT
47.049		SA0906011	3650	36,825	0	PT
47.049			3700	95,616	0	
47.049			3750	51,031	0	
47.049			3800	734,065	0	
	Federal Program 47.049 Total			**22,513,169**	**4,128,802**	
47.050	Geosciences		3600	19,736,995	218,177	
47.050		03-764	3600	(8,531)	0	PT
47.050		14-DMS AM07	3600	105,175	0	PT
47.050		154-5822 MOD.01	3600	121,219	0	PT
47.050		5-24452, AM3	3600	29,152	0	PT
47.050		5-34099-570 AM003	3600	(831)	0	PT
47.050		A100582 AM03	3600	94,586	0	PT
47.050		A100666	3600	(34)	0	PT
47.050		BA-85 POT334A85	3600	1	0	PT
47.050		G-3045-5 AM05	3600	61,249	0	PT
47.050		G-3045-5AM02	3600	30,979	0	PT
47.050		GSTCN0001A7.UW	3600	394,107	0	PT
47.050		OCE0223951	3600	55,720	0	PT
47.050		PO 10314740	3600	11,107	0	PT
47.050		S-000375	3600	22,233	0	PT
47.050		SA 9-09	3600	366,713	0	PT
47.050		SA 9-09 MOD 2	3600	2,068,321	0	PT
47.050		SA 9-09 MOD 4	3600	409,726	0	PT
47.050		SA 9-09 MOD 5	3600	890,481	0	PT
47.050		SA 9-09 MOD 6	3600	2,534,594	0	PT
47.050		SUB2009186503ATM093459	3600	26,474	0	PT
47.050			3650	644,154	3,069	
47.050			3750	330,196	0	
47.050		EAR-0453975-04	3750	39,952	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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National Science Foundation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.050	Geosciences		3800	663,642	0	
47.050		207391C	3800	68,837	0	PT
47.050		BA-77	3800	3,863	0	PT
47.050		BA-77/T331B77	3800	40,818	0	PT
47.050		T333A77	3800	795	0	PT
	Federal Program 47.050 Total			**28,741,693**	**221,246**	
47.070	Computer and Information Science and Engineering		3600	9,608,986	131,479	
47.070		2007-03543-01	3600	6,664	0	PT
47.070		C00014708-1	3600	2,410	0	PT
47.070		CIF-288	3600	35,091	0	PT
47.070		CIF-364	3600	133,443	0	PT
47.070		CIF-B-58	3600	42,790	0	PT
47.070		CIF-B-64	3600	100,511	0	PT
47.070		CIFA288AM02	3600	99,998	0	PT
47.070		PO 10311160-SUB	3600	32,143	0	PT
47.070		PO#9500009460 MOD06	3600	214,698	0	PT
47.070		S0790A-A AM03	3600	(759)	0	PT
47.070		S1065A-A	3600	40,763	0	PT
47.070		UW BUD# 637905	3600	19,147	0	PT
47.070			3650	816,010	27,888	
47.070		20050451002	3650	(15,755)	0	PT
	Federal Program 47.070 Total			**11,136,140**	**159,367**	
47.074	Biological Sciences		3600	6,651,574	(3,243)	
47.074		04SCNSF1029MOD4	3600	(1,902)	0	PT
47.074		2008-2054	3600	(416)	0	PT
47.074		252F195	3600	124,708	0	PT
47.074		61-2075UW AM01	3600	190,592	0	PT
47.074		61-207SUW	3600	159,610	0	PT
47.074		6110567RFS900119AMD2	3600	82,156	0	PT
47.074		FY2008-84, MOD 02	3600	264	0	PT
47.074		Y561909	3600	37,404	0	PT
47.074			3650	5,568,121	1,821,831	
47.074		4204071F	3650	109,178	0	PT
47.074		602479191	3650	7,599	0	PT
47.074			3750	70,601	0	

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National Science Foundation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.074	Biological Sciences	FY2011-099	3750	2,977	0	PT
47.074			3760	750,931	0	
47.074			3800	225,928	0	
	Federal Program 47.074 Total			**13,979,325**	**1,818,588**	
47.075	Social, Behavioral, and Economic Sciences		3600	5,420,054	1,882,569	
47.075		0751362	3600	(854)	0	PT
47.075		09030336	3600	9,983	0	PT
47.075		11-471	3600	1,822	0	PT
47.075		18442820-36418-A AM04	3600	56,975	0	PT
47.075			3650	570,563	1,976	
47.075			3700	11,029	0	
47.075			3750	192,971	0	
47.075			3800	29,489	0	
	Federal Program 47.075 Total			**6,292,032**	**1,884,545**	
47.076	Education and Human Resources		3600	12,206,427	694,294	
47.076		10-087	3600	12,878	0	PT
47.076		1546952 MOD01	3600	27,755	0	PT
47.076		420-28-03D	3600	31,652	0	PT
47.076		4206150	3600	(596)	0	PT
47.076		5060 S09-088 MOD1	3600	103,755	0	PT
47.076		FY10.455.001_AMD1	3600	273	0	PT
47.076		FY11.455.001_AMD02_UWA	3600	23,263	0	PT
47.076		G-3437	3600	47,223	0	PT
47.076		GKA10-0032	3600	110,521	0	PT
47.076		NSF EDGE/REESE 7026	3600	21,871	0	PT
47.076		UW BUD# 637528	3600	19,036	0	PT
47.076			3650	4,132,721	238,479	
47.076		208090102847	3650	7,634	0	PT
47.076		3001416490	3650	30,000	0	PT
47.076		3558WSUNSF3747	3650	24,756	0	PT
47.076		4202803E	3650	33,110	0	PT
47.076		667378	3650	46,198	0	PT
47.076		NSFATEDUE1002931	3650	18,850	0	PT
47.076			3700	112,932	0	
47.076			3750	662,718	0	

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National Science Foundation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.076	Education and Human Resources		3800	543,092	0	
	Federal Program 47.076 Total			**18,216,069**	**932,773**	
47.078	Polar Programs		3600	7,318,950	709,738	
47.078		FY2011-025 MOD01	3600	94,897	0	PT
47.078		PO#FP905073 CO04	3600	24,939	0	PT
47.078		PO323242 CO2	3600	(39)	0	PT
47.078		D001872701	3650	4,594	0	PT
47.078			3750	104,960	0	
47.078		3778-CWU-NSF-2136	3750	71,245	0	PT
47.078			3800	187,170	0	
	Federal Program 47.078 Total			**7,806,716**	**709,738**	
47.079	International Science and Engineering (Oise)		3600	112,854	0	
47.079		S1315A-C	3600	3,714	0	PT
47.079		RUB2982ST10	3650	1,198	0	PT
47.079		UZB22878TA07	3650	2,586	0	PT
47.079			3750	9,449	0	
	Federal Program 47.079 Total			**129,801**	**0**	
47.080	Office of Cyberinfrastructure		3600	367,520	0	
47.080		2010-07196-04	3600	79,170	0	PT
	Federal Program 47.080 Total			**446,690**	**0**	
47.082	ARRA - Trans-Nsf Recovery Act Research Supp		3600	11,482,850	239,021	
47.082		0000007899	3600	33,772	0	PT
47.082		1833G, MOD.#1	3600	99,194	0	PT
47.082		340021543002310382	3600	988	0	PT
47.082		60419-9042	3600	493,638	0	PT
47.082		730013/712683	3600	142,765	0	PT
47.082		7H-1090663	3600	877	0	PT
47.082		CONTRACTNO1696MOD1	3600	218,617	0	PT
47.082		SA 9-09	3600	38,928,920	0	PT
47.082		SC360025-10-07	3600	29,628	0	PT
47.082		SUB24957PRIMENSF072497	3600	1,433	0	PT
47.082			3650	3,729,129	14,572	
47.082		WSU001028	3650	(5,110)	0	PT
47.082			3750	39,861	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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National Science Foundation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.082	ARRA - Trans-Nsf Recovery Act Research Supp		3800	345,036	0	
	Federal Program 47.082 Total			**55,541,598**	**253,593**	
	National Science Foundation Total			**175,265,981**	**10,639,472**	
	National Science Foundation Total			**175,265,981**	**10,639,472**	

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Environmental Protection Agency

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
66.034	Surveys, Studies, Research, Investigations, Demons	PG08-67099-02	3600	(999)	0	PT
66.034		XA-96066801-0-SUBAWARD	3600	13,516	0	PT
66.034		XA-96069801-0-SUBAWARD	3600	2,596	0	PT
66.034			3650	34,821	0	
66.034		HC710500	3650	11,805	0	PT
66.034			4610	646,256	0	
	Federal Program 66.034 Total			**707,995**	**0**	
	Office of Air and Radiation Total			**707,995**	**0**	
66.509	Science to Achieve Results (Star) Research Program		3600	4,181,238	1,630,601	
66.509		07-003825-02 AM01	3600	38,725	0	PT
66.509			3650	123,305	0	
66.509		68F1088313	3650	59,300	0	PT
66.509		G58681	3650	26,383	0	PT
66.509			3800	145,766	0	
	Federal Program 66.509 Total			**4,574,717**	**1,630,601**	
66.511	Office of Research and Development Consolidated Re		3600	59,342	0	
66.511		4749-RFA05-1A/06-10-3	3600	426,742	0	PT
	Federal Program 66.511 Total			**486,084**	**0**	
66.514	Science to Achieve Results (Star) Fellowship Progr		3600	61,924	0	
	Federal Program 66.514 Total			**61,924**	**0**	
	Office of Research and Development Total			**5,122,725**	**1,630,601**	
	Environmental Protection Agency Total			**5,830,720**	**1,630,601**	

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Dept of Energy

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.049	Office of Science Financial Assistance		3600	18,225,083	340,842	
81.049		00001890	3600	19,076	0	PT
81.049		1070096-242680 AM01	3600	132,721	0	PT
81.049		234151M AM03	3600	6,860	0	PT
81.049		234151M AM04	3600	2,637	0	PT
81.049		4148	3600	(1)	0	PT
81.049		503008P1001642MOD03	3600	58,114	0	PT
81.049		ARI-10667-1	3600	29,656	0	PT
81.049		MPC 35VA-01	3600	(3,722)	0	PT
81.049		MPC35ZU AM03	3600	86,274	0	PT
81.049		UWOSPA58717DESC0004480	3600	34,045	0	PT
81.049			3650	3,803,771	335,184	
81.049		08X01	3650	122,217	0	PT
81.049		DDPSC28120WS	3650	387,633	0	PT
81.049		WSU001272	3650	17,440	0	PT
81.049		Sub No. 0190 G MA4598	3700	32,841	0	PT
	Federal Program 81.049 Total			**22,954,645**	**676,026**	
81.049A	ARRA - Office of Science Financial Assistance		3600	543,268	0	
81.049A		124328	3600	2,166,631	0	PT
81.049A		59262	3600	108,615	0	PT
81.049A		Y551851	3600	120,189	0	PT
81.049A		Y551851AMENDMENTNO1	3600	82,018	0	PT
81.049A			3650	122,236	0	
	Federal Program 81.049A Total			**3,142,957**	**0**	
	Headquarters Office Total			**26,097,602**	**676,026**	
81.086	Conservation Research and Development		3600	111,464	0	
81.086		83301401	3800	271,037	0	PT
	Federal Program 81.086 Total			**382,501**	**0**	
81.086A	ARRA - Conservation Research and Development		3600	617,724	0	
81.086A		20110140IAA	3650	27,426	0	PT
	Federal Program 81.086A Total			**645,150**	**0**	
81.087	Renewable Energy Research and Development		3600	730,413	0	
81.087		A60617PRIMEDEEE0002650	3600	21,764	0	PT

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Dept of Energy

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.087	Renewable Energy Research and Development	CORRIMSUBCONTRACT410	3600	67,024	0	PT
81.087		G0107A-A	3600	235,162	0	PT
81.087		GO12026-278 AM-E	3600	11,144	0	PT
81.087		GO12026-300	3600	30,984	0	PT
81.087		UW BUD# 637028	3600	1,337	0	PT
81.087			3650	868,422	100,386	
81.087		PO102756	3650	4,863	0	PT
81.087		DE-EE0002850	4900	171,829	0	PT
	Federal Program 81.087 Total			**2,142,942**	**100,386**	
81.087A	ARRA - Renewable Energy Research and Development	28302-U	3600	308,818	0	PT
81.087A		28302-X	3650	37,779	0	PT
	Federal Program 81.087A Total			**346,597**	**0**	
	Energy Efficiency and Renewable Energy Total			**3,517,190**	**100,386**	
81.089	Fossil Energy Research and Development	G30208W2036	3650	12,903	0	PT
	Federal Program 81.089 Total			**12,903**	**0**	
	Office of Fossil Energy Total			**12,903**	**0**	
81.104	Office of Environmental Waste Processing		2450	904,933	738,029	
81.104			4610	3,018,242	0	
	Federal Program 81.104 Total			**3,923,175**	**738,029**	
	Office of Bilingual Education and Minority Languag Total			**3,923,175**	**738,029**	
81.113	Defense Nuclear Nonproliferation Research		3600	264,194	28,343	
81.113			3650	275,426	0	
	Federal Program 81.113 Total			**539,620**	**28,343**	
	National Nuclear Security Adminisration Total			**539,620**	**28,343**	
	Dept of Energy Total			**34,090,490**	**1,542,784**	

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Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.017	International Research and Studies		3600	9,029	19,122	
	Federal Program 84.017 Total			**9,029**	**19,122**	
84.022	Overseas Programs - Doctoral Dissertation Research		3600	289,564	0	
	Federal Program 84.022 Total			**289,564**	**0**	
	Office of Postsecondary Education Total			**298,593**	**19,122**	
84.133	National Institute on Disability and Rehabilitatio		3600	6,526,544	611,661	
84.133		201F3132006 AMEND #1	3600	8,298	0	PT
84.133		AMENDMENT 2	3600	16,251	0	PT
84.133		H133G070020	3600	16,291	0	PT
84.133		H133G070143-09	3600	7,503	0	PT
84.133		PRIME H133G070143-09	3600	32,818	0	PT
84.133			3650	65,632	3,200	
	Federal Program 84.133 Total			**6,673,337**	**614,861**	
	Office of Special Education and Rehabilitative Ser Total			**6,673,337**	**614,861**	
84.220	Centers for International Business Education		3600	394,285	0	
	Federal Program 84.220 Total			**394,285**	**0**	
	Office of Postsecondary Education Total			**394,285**	**0**	
84.305	Education Research, Development and Dissemination		3600	936,015	0	
84.305		UW BUD# 639787	3600	51,087	0	PT
	Federal Program 84.305 Total			**987,102**	**0**	
	Office of Educational Research and Improvement Total			**987,102**	**0**	
84.324	Research In Special Education		3600	75,394	0	
84.324		51423	3600	54,335	0	PT
84.324		FY2009-083 MOD01	3600	11,897	0	PT
84.324		FY2009-083 MOD02	3600	309,342	0	PT
84.324		UF07089 AM03	3600	40,381	0	PT
	Federal Program 84.324 Total			**491,349**	**0**	
	Office of Special Education and Rehabilitative Ser Total			**491,349**	**0**	
	Dept of Education Total			**8,844,666**	**633,983**	

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Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.061	Innovations In Applied Public Health Research		3600	1,898,661	364,465	
	Federal Program 93.061 Total			**1,898,661**	**364,465**	
93.068	Chronic Diseases: Research, Control, and Preventio		3600	184,460	2,723	
	Federal Program 93.068 Total			**184,460**	**2,723**	
	Centers for Disease Control and Prevention Total			**2,083,121**	**367,188**	
93.103	Food and Drug Administration_research		3600	147,402	95,597	
93.103		5RO1FD000372802SUB01AM	3600	91,300	0	PT
93.103			4950	451,572	0	
	Federal Program 93.103 Total			**690,274**	**95,597**	
	Food and Drug Administration Total			**690,274**	**95,597**	
93.113	Environmental Health		3600	11,486,927	1,159,307	
93.113		10149SUB/AM01	3600	72,937	0	PT
93.113		104281	3600	172,941	0	PT
93.113		104281 (PROJECT 1)	3600	(1)	0	PT
93.113		1087317-2-54037	3600	99,305	0	PT
93.113		1553 G MC571	3600	6,036	0	PT
93.113		1553 G MC571-AM1	3600	80,114	0	PT
93.113		23570-111008 AM03	3600	11,196	0	PT
93.113		23570-114018 AM02	3600	47,825	0	PT
93.113		580344512-01/UFPS0029	3600	(667)	0	PT
93.113		GCROE0137C, AM03	3600	2,611	0	PT
93.113		GCROE0137C, AM2	3600	29,675	0	PT
93.113		R694299	3600	12,431	0	PT
93.113		SA5306-11521 AM03	3600	(1,962)	0	PT
93.113		SA574611753AMENDMENTNO	3600	143,753	0	PT
93.113		TO141096; MA75501	3600	30,676	0	PT
93.113		UW BUD# 660989	3600	14,637	0	PT
93.113		WU-10-138 MOD01	3600	37,409	0	PT
93.113		WU07136PO29932PAM05	3600	57,366	0	PT
93.113			3650	1,874,089	118,659	
93.113		SUB07004128WSU	3650	4,947	0	PT
93.113		UTA09000505	3650	59,234	0	PT
	Federal Program 93.113 Total			**14,241,479**	**1,277,966**	

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Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.114	Health & Human Services Dept		3650	(2,025)	(2,025)	
	Federal Program 93.114 Total			**(2,025)**	**(2,025)**	
93.115	Health & Human Services Dept	0576-06A MOD3	3600	12	0	PT
93.115		SR00000562, AM05	3600	(571)	0	PT
	Federal Program 93.115 Total			**(559)**	**0**	
93.121	Oral Diseases and Disorders Research		3600	9,694,925	792,042	
93.121		114038 AMENDMENT NO 05	3600	88,316	0	PT
93.121		414450020101.UW01 MOD3	3600	10,060	0	PT
93.121		414730010101.UW MOD03	3600	2,659	0	PT
93.121		5-51223	3600	(623)	0	PT
93.121		5-51223, AM01	3600	27,983	0	PT
93.121		B6146038206	3600	(7,413)	0	PT
93.121		R01-DE017207, AMD 2	3600	55,755	0	PT
93.121		RES502558 MOD 2	3600	37,295	0	PT
93.121		SA1100830	3600	8,458	0	PT
	Federal Program 93.121 Total			**9,917,415**	**792,042**	
	National Institutes of Health Total			**24,156,310**	**2,067,983**	
93.135	Centers for Research and Demonstration for Health		3600	2,622,392	262,641	
	Federal Program 93.135 Total			**2,622,392**	**262,641**	
93.136	Injury Prevention and Control Research and State A		3600	885,694	66,067	
93.136		1001502_UW	3600	25,918	0	PT
93.136		RS20081722-01	3600	(9,094)	0	PT
93.136		RS20092114-01	3600	22,330	0	PT
93.136		RS20092114-02	3600	23,476	0	PT
	Federal Program 93.136 Total			**948,324**	**66,067**	
	Centers for Disease Control and Prevention Total			**3,570,716**	**328,708**	
93.143	Niehs Superfund Hazardous Substances_basic Researc		3600	2,357,203	141,998	
93.143		SA5306-11522 AM04	3600	1,962	0	PT
93.143		SA5306-11523 AM05	3600	15,167	0	PT
	Federal Program 93.143 Total			**2,374,332**	**141,998**	
	National Institutes of Health Total			**2,374,332**	**141,998**	
93.155	Rural Health Research Centers		3600	715,918	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.155	Rural Health Research Centers	UW BUD# 639885	3600	34,853	0	PT
	Federal Program 93.155 Total			**750,771**	**0**	
	Health Resources and Services Administration Total			**750,771**	**0**	
93.172	Human Genome Research		3600	10,855,288	1,501,131	
93.172		10-225	3600	204,099	0	PT
93.172		10225	3600	67,010	0	PT
93.172		105074	3600	2,632	0	PT
93.172		105074, AM 1	3600	96,271	0	PT
93.172		11-436	3600	448,978	0	PT
93.172		11-436 AM01	3600	838,405	0	PT
93.172		1U01HG004695-01, SUBCR	3600	197,396	0	PT
93.172		2000752483 AM01	3600	350,051	0	PT
93.172		2000870255	3600	11,463	0	PT
93.172		2007.1912 AM04	3600	8,281	0	PT
93.172		2010109001	3600	35,679	0	PT
93.172		2010121139	3600	72,161	0	PT
93.172		2010121244	3600	253,545	0	PT
93.172		26366880-49414-D AM02	3600	347,799	0	PT
93.172		5-51148, AMEND# YR2 #1	3600	(1,068)	0	PT
93.172		5U01HG00469502SUBGRANT	3600	(40,007)	0	PT
93.172		PO#2009119754	3600	193,571	0	PT
93.172		PO#2009119755	3600	7,473	0	PT
93.172		SA# 5-51148, AM#YR4	3600	18,934	0	PT
93.172		SUBAWARD: 2000752483	3600	(4,638)	0	PT
93.172		SUBAWARDNO551148AMYR32	3600	151,321	0	PT
93.172		UAF 11-0078	3600	107,649	0	PT
93.172		UW BUD# 634607	3600	(160)	0	PT
93.172		UW BUD# 636523	3600	16,977	0	PT
93.172		WU-10-282	3600	49,329	0	PT
93.172		WU112565U54HG00307908	3600	96,346	0	PT
	Federal Program 93.172 Total			**14,384,785**	**1,501,131**	
93.173	Research Related to Deafness and Communication DIS		3600	8,015,474	374,899	
93.173		0000679351	3600	33,812	0	PT
93.173		0000696361	3600	101,092	0	PT

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93.173	Research Related to Deafness and Communication DIS	54065EP35317801211AM01	3600	46,777	0	PT
93.173		610-4610000-60026244	3600	24,442	0	PT
93.173		GOTOL0173A_UW/AMD01	3600	43,098	0	PT
93.173		PRIME #R01DC010202-01	3600	24,739	0	PT
93.173		PRIME5R01DC01020202MOD	3600	124,311	0	PT
93.173		PROJ000311261046100006	3600	58,827	0	PT
93.173		1000783312	3650	68,443	0	PT
	Federal Program 93.173 Total			**8,541,015**	**374,899**	
	National Institutes of Health Total			**22,925,800**	**1,876,030**	
93.186	National Research Service Award In Primary Care Me		3600	293,805	0	
	Federal Program 93.186 Total			**293,805**	**0**	
	Health Resources and Services Administration Total			**293,805**	**0**	
93.213	Research and Training In Complementary and Alterna		3600	1,155,773	206,179	
93.213		0000611873	3600	(372)	0	PT
93.213		0005127/116131-1	3600	19,214	0	PT
93.213		110980-1	3600	(60)	0	PT
93.213		5576SC-AM1	3600	8,700	0	PT
93.213		H34B11-01	3600	164,423	0	PT
93.213		H34B12-01	3600	142,029	0	PT
93.213		H34B12-02	3600	4,125	0	PT
93.213		H94B11 MOD 4	3600	27,726	0	PT
93.213		PO#2009126142	3600	12,892	0	PT
93.213		PO#2011102817	3600	11,454	0	PT
	Federal Program 93.213 Total			**1,545,904**	**206,179**	
	National Institutes of Health Total			**1,545,904**	**206,179**	
93.225	National Research Service Awards_health Services R		3600	288,262	0	
	Federal Program 93.225 Total			**288,262**	**0**	
93.226	Research on Healthcare Costs, Quality and Outcomes		3600	1,042,386	68,037	
93.226		0007879A	3600	44,314	0	PT
93.226		10031SUB	3600	12,045	0	PT
93.226		10234SUB AM01	3600	190,925	0	PT
93.226		162328	3600	5,062	0	PT
93.226		2007-02872-04-04 KN	3600	16,998	0	PT

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93.226	Research on Healthcare Costs, Quality and Outcomes	2010114143	3600	8,901	0	PT
93.226		2010114145	3600	4,536	0	PT
93.226		2010115931	3600	5,807	0	PT
93.226		303-5486AM01	3600	60,007	0	PT
93.226		SUBCONTRACT AM01	3600	114,473	0	PT
93.226			3650	188,307	18,143	
	Federal Program 93.226 Total			**1,693,761**	**86,180**	
	Agency for Health Care Policy and Research Total			**1,982,023**	**86,180**	
93.233	National Center on Sleep Disorders Research		3600	653,870	5,119	
93.233			3650	80,569	0	
	Federal Program 93.233 Total			**734,439**	**5,119**	
	National Institutes of Health Total			**734,439**	**5,119**	
93.239	Policy Research and Evaluation Grants		3600	652,336	69,811	
93.239		NCMRSUBWSU08	3650	3,043	0	PT
	Federal Program 93.239 Total			**655,379**	**69,811**	
	Office of the Secretary Total			**655,379**	**69,811**	
93.242	Mental Health Research Grants		3600	12,684,005	1,256,879	
93.242		07-0925, AM04	3600	11,539	0	PT
93.242		07-0925, AMENDMENT #1	3600	(208,599)	0	PT
93.242		07-0925, AMENDMENT #2	3600	265,600	0	PT
93.242		07-0925, AMENDMENT #3	3600	276,374	0	PT
93.242		0800094 AM03	3600	40,311	0	PT
93.242		1-5-27585AM07	3600	99,951	0	PT
93.242		10-NIH-1015/MOD01	3600	30,578	0	PT
93.242		1000708939 AMEND 01	3600	44,590	0	PT
93.242		1350GNA655AM04	3600	23,204	0	PT
93.242		2007129862	3600	(47)	0	PT
93.242		2364UWDHHS2988AM02	3600	32	0	PT
93.242		415140010101.UW MOD02	3600	48,379	0	PT
93.242		5-31006.570	3600	(617)	0	PT
93.242		5820-1112-00-A, MOD.2	3600	9,737	0	PT
93.242		A06-102 DIAMOND, AM 03	3600	35,713	0	PT
93.242		HS1778	3600	85,127	0	PT

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93.242	Mental Health Research Grants	JPAPOTD13TD12SIBCR	3600	10,119	0	PT
93.242		JPATD13MH065558TSUANG0	3600	18,214	0	PT
93.242		M10A10818(A07872) AM01	3600	32,073	0	PT
93.242		PO #0875PJC059	3600	(1,370)	0	PT
93.242		PO #0875PJC059 04	3600	(7,581)	0	PT
93.242		PO#5002244-SERV	3600	152	0	PT
93.242		PRIME1117710002W000154	3600	22,813	0	PT
93.242		SUB#10001SUB	3600	18,680	0	PT
93.242		SUB0800037 AM03	3600	1,264,962	0	PT
93.242		SUB0800044 AM3	3600	281,653	0	PT
93.242		TD13MH065558MEICHLE02	3600	35,890	0	PT
93.242		UW BUD# 634089	3600	89,692	0	PT
93.242		UW BUD# 673022	3600	142	0	PT
93.242		WU-09-19 (PO 2904889N)	3600	(1,821)	0	PT
93.242			3650	418,906	0	
93.242			3800	44,418	0	
	Federal Program 93.242 Total			**15,672,819**	**1,256,879**	
	National Institutes of Health Total			**15,672,819**	**1,256,879**	
93.262	Occupational Safety and Health Program		3600	4,537,182	441,184	
93.262		COEUS#005180 AM02	3600	38,040	0	PT
93.262		COEUS#005180 AM03	3600	114,028	0	PT
93.262		R694044	3650	9,558	0	PT
93.262		3002-011-02-A1	3700	27,573	0	PT
93.262		301-11-02 DHHS U60	3700	6,359	0	PT
	Federal Program 93.262 Total			**4,732,740**	**441,184**	
	Centers for Disease Control and Prevention Total			**4,732,740**	**441,184**	
93.271	Alcohol Research Career Development Awards for Sci		3600	316,918	0	
93.271			3650	188,952	0	
	Federal Program 93.271 Total			**505,870**	**0**	
93.272	Alcohol National Research Service Awards for Resea		3600	596,223	0	
	Federal Program 93.272 Total			**596,223**	**0**	
93.273	Alcohol Research Programs		3600	5,943,645	730,738	
93.273		00006876A-AMD03	3600	(132)	0	PT

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93.273	Alcohol Research Programs	10181SUB	3600	51,883	0	PT
93.273		1603-56UW	3600	14,241	0	PT
93.273		2011-00552-01-01	3600	18,985	0	PT
93.273		2827-UW-DHHS-2529 AM05	3600	63	0	PT
93.273		3001520412 AM01	3600	14,019	0	PT
93.273		4046 MOD01	3600	72,297	0	PT
93.273		430-78-12, AM05	3600	(2,060)	0	PT
93.273		4332-UW-DHHS-2529	3600	17,929	0	PT
93.273		53257CP16607804211E000	3600	(1,406)	0	PT
93.273		RD111AA018604RASMUSSEN	3600	38,076	0	PT
93.273		ST18 GRAHAM MOD03	3600	5,152	0	PT
93.273		ST18/605799469	3600	1,009	0	PT
93.273		ST19FLAHERTY5R01AA0171	3600	6,393	0	PT
93.273			3650	397,551	0	
	Federal Program 93.273 Total			**6,577,645**	**730,738**	
93.279	Drug Abuse and Addiction Research Programs	B00A00	3000	61,324	0	PT
93.279		B09A90	3000	12,405	0	PT
93.279			3600	15,164,008	1,393,311	
93.279		#24215/MOD01	3600	152,311	0	PT
93.279		010059-07, AM04 REV	3600	968	0	PT
93.279		1935 G JB131 AM03	3600	88,832	0	PT
93.279		1R01DA025651-01A2	3600	345,070	0	PT
93.279		1R43DA027251-01	3600	5,663	0	PT
93.279		2009113192	3600	3,856	0	PT
93.279		37223	3600	32,241	0	PT
93.279		5170SC	3600	10,264	0	PT
93.279		618A	3600	51,527	0	PT
93.279		618B	3600	9,661	0	PT
93.279		AM01	3600	87,697	0	PT
93.279		NWIC# 24216.01	3600	105,611	0	PT
93.279		PT103743SC101985/AM 02	3600	53,126	0	PT
93.279		R433627AM04	3600	31,282	0	PT
93.279		R446560 AM05	3600	31,227	0	PT
93.279		STTR2R42DA020284AM2	3600	110,984	0	PT
93.279			3650	1,918,653	275,726	

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93.279	Drug Abuse and Addiction Research Programs		3800	10,339	0	
	Federal Program 93.279 Total			**18,287,049**	**1,669,037**	
93.281	Mental Health Research Career/Scientist Developmen		3600	824,496	8,370	
	Federal Program 93.281 Total			**824,496**	**8,370**	
93.282	Mental Health National Research Service Awards For		3600	846,788	0	
93.282		819	3600	65,646	0	PT
	Federal Program 93.282 Total			**912,434**	**0**	
	National Institutes of Health Total			**27,703,717**	**2,408,145**	
93.283	Centers for Disease Control and Prevention_investi		3600	399,564	8,727	
93.283		101820	3600	48,754	0	PT
93.283		101820 AM1	3600	59,070	0	PT
93.283		1U84DD000512	3600	1,890	0	PT
93.283		2000110652	3600	16,832	0	PT
93.283		414230010101. UW	3600	(535)	0	PT
93.283		414230010401.UW MOD 01	3600	7,767	0	PT
93.283		CDC 1421-03-08889-SUB	3600	26,065	0	PT
93.283		D34198D	3600	(1,192)	0	PT
93.283		D40007D	3600	21,198	0	PT
	Federal Program 93.283 Total			**579,413**	**8,727**	
	Centers for Disease Control and Prevention Total			**579,413**	**8,727**	
93.286	Discovery and Applied Research for Technological I		3600	7,869,972	541,355	
93.286		06-674-UW AMEND 1	3600	45,846	0	PT
93.286		10008615 AM04	3600	24,357	0	PT
93.286		10707558209200 5410FA12	3600	1,925	0	PT
93.286		6860120	3600	37,045	0	PT
93.286		NIH.1374-03-08614-SUB	3600	29	0	PT
93.286		NIH.1374-04-08996-SUB	3600	357,390	0	PT
93.286		NIH.1374-07768-SUB	3600	(1,411)	0	PT
93.286		PEHSU	3600	14,334	0	PT
93.286		UW OSP #A60605	3600	43,257	0	PT
93.286		UW OSP #A60605AM01	3600	133	0	PT
93.286			3650	448,250	0	

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	Federal Program 93.286 Total			**8,841,127**	**541,355**	
93.307	Minority Health and Health Disparities Research		3600	1,004,192	377,201	
93.307		C09-11 AM03; PO#20256	3600	16,158	0	PT
93.307		CO9-11 PO#19323	3600	28,836	0	PT
93.307		UW BUD# 635158	3600	9,273	0	PT
93.307		UW BUD# 638461	3600	20,004	0	PT
	Federal Program 93.307 Total			**1,078,463**	**377,201**	
93.310	Trans-NIH Research Support		3600	4,031,499	33,914	
93.310		0000678346	3600	1,193	0	PT
93.310		0000678349	3600	3,968	0	PT
93.310		0000680299	3600	20,269	0	PT
93.310		0000680306	3600	18,647	0	PT
93.310		0000680313	3600	1,591	0	PT
93.310		0000680314	3600	1,382	0	PT
93.310		0000697191	3600	74,977	0	PT
93.310		2U54RR022220-06	3600	110,612	0	PT
93.310		680309	3600	79,392	0	PT
93.310		SUB07004392-UW	3600	(11)	0	PT
93.310		UW BUD# 672848	3600	54,672	0	PT
	Federal Program 93.310 Total			**4,398,191**	**33,914**	
93.333	Health & Human Services Dept		3600	36,945	0	
	Federal Program 93.333 Total			**36,945**	**0**	
93.361	Nursing Research		3600	4,798,379	404,554	
93.361		0000666599	3600	(744)	0	PT
93.361		10171SUB AM01	3600	162,948	0	PT
93.361		1145306-AM2	3600	60,298	0	PT
93.361		2039925AM15R01NR011873	3600	32,286	0	PT
93.361		2718SC AM03	3600	(43,426)	0	PT
93.361		2718SC AM05	3600	1,986	0	PT
93.361		4308SC, AMEND # 3	3600	(3,045)	0	PT
93.361		4308SC, AMEND #4	3600	(4)	0	PT
93.361		4308SC, AMO6	3600	100,153	0	PT
93.361		4600412829-AM04	3600	15,648	0	PT
93.361		C00028355-1	3600	36,182	0	PT

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93.361	Nursing Research		3650	19,101	0	
	Federal Program 93.361 Total			**5,179,762**	**404,554**	
93.389	National Center for Research Resources		3600	38,702,076	4,661,467	
93.389		06-000931-1	3600	35,992	0	PT
93.389		10037SUB AM01	3600	96,107	0	PT
93.389		17998 INITIAL	3600	(64)	0	PT
93.389		5798SC AM01	3600	17,972	0	PT
93.389		5798SC AM02	3600	1,668	0	PT
93.389		P397714 AM02	3600	64,905	0	PT
93.389		PO#5600503441	3600	65,007	0	PT
93.389		SRS20309SAP1004717AMD3	3600	13,489	0	PT
93.389		UW BUD# 635536	3600	103,751	0	PT
93.389			3650	429,750	47,864	
93.389		004210	3650	86,878	0	PT
93.389		101711	3650	55,861	0	PT
	Federal Program 93.389 Total			**39,673,392**	**4,709,331**	
93.393	Cancer Cause and Prevention Research		3600	6,886,632	1,487,184	
93.393		0000632815	3600	(202)	0	PT
93.393		0000636676	3600	(176)	0	PT
93.393		0000638338	3600	(1)	0	PT
93.393		0000638338, AMEND NO.2	3600	23	0	PT
93.393		0000675045	3600	(125)	0	PT
93.393		0000677073CA13424502	3600	1,301	0	PT
93.393		0000678309	3600	41,485	0	PT
93.393		0000680602	3600	1,644	0	PT
93.393		0000683937	3600	1,837	0	PT
93.393		0000685364	3600	234,244	0	PT
93.393		0000688004	3600	72,779	0	PT
93.393		0000689029	3600	37,126	0	PT
93.393		0000691144	3600	11,248	0	PT
93.393		0000691608	3600	76,145	0	PT
93.393		0000693853	3600	14,570	0	PT
93.393		0000694019 AM1	3600	16,691	0	PT
93.393		0000695089	3600	18,199	0	PT
93.393		0000695963	3600	12,820	0	PT

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93.393	Cancer Cause and Prevention Research	0000696160	3600	15,119	0	PT
93.393		0000696904	3600	7,606	0	PT
93.393		0000698662	3600	91,134	0	PT
93.393		0000698743	3600	29,557	0	PT
93.393		0000701221	3600	201,187	0	PT
93.393		0000703575	3600	28,160	0	PT
93.393		0000704045	3600	1,914	0	PT
93.393		0000704345	3600	107,582	0	PT
93.393		0000705442	3600	26,375	0	PT
93.393		0000706034	3600	1,355	0	PT
93.393		0000713810	3600	1,024	0	PT
93.393		08JDEAR-01WU AM03	3600	20,963	0	PT
93.393		1R42CA141875	3600	117,523	0	PT
93.393		2009119414.MOD02	3600	5,050	0	PT
93.393		21681.975007.6694	3600	14,931	0	PT
93.393		217156U01CA15292601	3600	175,136	0	PT
93.393		5-40255-G5 MOD1	3600	(4,796)	0	PT
93.393		651645 AM01	3600	96	0	PT
93.393		655916	3600	(3,983)	0	PT
93.393		676911	3600	5,076	0	PT
93.393		PRIME5P20CA13721902AM4	3600	53,306	0	PT
93.393		PSA 10-BIO-GAR-02 MOD1	3600	4,327	0	PT
93.393		PSA10-BIO-ZHE-02	3600	33,311	0	PT
93.393		PSA10-EPI-POC-02	3600	19,422	0	PT
93.393		PSA10-PHA-WIR-01 MOD02	3600	9,726	0	PT
93.393		PSA10BIOOMI02MOD01	3600	5,289	0	PT
93.393		PSA10EPICLI01MOD04	3600	6,531	0	PT
93.393		SA1000743 MOD02	3600	6,275	0	PT
93.393		SA1000771 MOD01	3600	16,688	0	PT
93.393		SA1100781	3600	17,181	0	PT
93.393		SA1100817 MO01	3600	43,953	0	PT
93.393		SA1100826	3600	4,670	0	PT
93.393		SUB0000675686	3600	1,654	0	PT
93.393		0010074	3650	25,500	0	PT
93.393		4304626A	3650	61,235	0	PT
93.393		IUPUI479159WSU	3650	1,693	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.393	Cancer Cause and Prevention Research	WU11229	3650	5,914	0	PT
93.393		WU1130	3650	11,722	0	PT
	Federal Program 93.393 Total			**8,595,646**	**1,487,184**	
93.394	Cancer Detection and Diagnosis Research		3600	6,200,681	241,588	
93.394		0000656297 AM02	3600	55,706	0	PT
93.394		0000697775	3600	7,162	0	PT
93.394		01-335-UW AM02	3600	4,012	0	PT
93.394		01-335-UW AMEND 1	3600	11,626	0	PT
93.394		303-5419 AM01	3600	79,949	0	PT
93.394		6615110-55000000133	3600	2,389	0	PT
93.394		6615110-55000000289	3600	5,533	0	PT
93.394		66151105500000125MOD1	3600	8,212	0	PT
93.394		66151105500000288MOD03	3600	19,375	0	PT
93.394			3650	558,387	133,770	
	Federal Program 93.394 Total			**6,953,032**	**375,358**	
93.395	Cancer Treatment Research		3600	4,396,713	189,329	
93.395		0000652795	3600	(4,584)	0	PT
93.395		0000652796	3600	(2,003)	0	PT
93.395		0000674118AMENDMENTNO3	3600	204,057	0	PT
93.395		0000674120	3600	19,781	0	PT
93.395		0000681415	3600	43	0	PT
93.395		0000681879 AM01	3600	52,174	0	PT
93.395		0000683042 AMEND.2	3600	57,563	0	PT
93.395		0000683434	3600	44,609	0	PT
93.395		0000687121	3600	79,189	0	PT
93.395		00006911765ROLCA125636	3600	32,130	0	PT
93.395		0000691857	3600	7,851	0	PT
93.395		0000691860	3600	165,997	0	PT
93.395		0000695762	3600	6,311	0	PT
93.395		0000702931	3600	75,434	0	PT
93.395		0000703624	3600	54,515	0	PT
93.395		0000704668	3600	185,351	0	PT
93.395		0000705323 AM01	3600	41,520	0	PT
93.395		0000707701	3600	39,732	0	PT
93.395		0000707716	3600	6,693	0	PT

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93.395	Cancer Treatment Research	0000710184	3600	10,110	0	PT
93.395		04-104125-05-S0950	3600	(358)	0	PT
93.395		18954	3600	(7,919)	0	PT
93.395		19837	3600	177,480	0	PT
93.395		19917,AM#1	3600	2,409	0	PT
93.395		2000056564 AM03	3600	13,614	0	PT
93.395		2000056564 AMEND 2	3600	(833)	0	PT
93.395		2000056564, AM #4	3600	152,212	0	PT
93.395		24067/98016970	3600	(2,633)	0	PT
93.395		28894/98017734	3600	1,564	0	PT
93.395		30681/98014830	3600	40,458	0	PT
93.395		F025217	3600	15,544	0	PT
93.395		II-005006-04 AMEND. 2	3600	(1,793)	0	PT
93.395		LS2-16-KR11SIBCR MOD02	3600	41,401	0	PT
93.395		LS2-16-SAVARD	3600	10,537	0	PT
93.395		PRIME: R21CA1300849	3600	312	0	PT
93.395			3650	375,105	0	
93.395		0000692248	3650	129,790	0	PT
93.395			3800	20,853	0	
	Federal Program 93.395 Total			**6,440,929**	**189,329**	
93.396	Cancer Biology Research		3600	5,383,675	1,110,734	
93.396		0000652276	3600	(644)	0	PT
93.396		0000690385	3600	17,131	0	PT
93.396		0000696726	3600	54,800	0	PT
93.396		0000704739	3600	59,679	0	PT
93.396		0000708492	3600	3,912	0	PT
	Federal Program 93.396 Total			**5,518,553**	**1,110,734**	
93.397	Cancer Centers Support Grants		3600	1,147,311	535,558	
93.397		0000	3600	67,776	0	PT
93.397		0000606985	3600	(672)	0	PT
93.397		0000618137	3600	(218)	0	PT
93.397		0000618161	3600	(69)	0	PT
93.397		0000618489	3600	(1,044)	0	PT
93.397		0000620680	3600	(3,481)	0	PT
93.397		0000639077	3600	(34)	0	PT

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93.397	Cancer Centers Support Grants	0000639129	3600	(682)	0	PT
93.397		0000657837	3600	(1,011)	0	PT
93.397		0000659885	3600	(26)	0	PT
93.397		0000659888	3600	(24,251)	0	PT
93.397		0000673566	3600	(17,595)	0	PT
93.397		0000677012	3600	27,791	0	PT
93.397		00006783505U54CA118647	3600	73,892	0	PT
93.397		0000679684	3600	(330)	0	PT
93.397		0000680858	3600	1,738	0	PT
93.397		0000680902	3600	90,542	0	PT
93.397		0000682880	3600	(1,446)	0	PT
93.397		0000690458	3600	19,186	0	PT
93.397		0000690497	3600	9,952	0	PT
93.397		0000690498 AM01	3600	103,634	0	PT
93.397		0000690499 AM01	3600	75,009	0	PT
93.397		0000690500	3600	31,641	0	PT
93.397		0000690507 AM01	3600	83,374	0	PT
93.397		0000690708	3600	83,609	0	PT
93.397		0000690746	3600	43,879	0	PT
93.397		0000690922	3600	117,646	0	PT
93.397		0000691127	3600	35	0	PT
93.397		0000691128PR530CA01570	3600	55,992	0	PT
93.397		0000691146	3600	19,147	0	PT
93.397		0000691152PRIME5P30CA0	3600	28,896	0	PT
93.397		0000691356 AMEND 1	3600	41,468	0	PT
93.397		0000691358	3600	42,352	0	PT
93.397		0000691909	3600	9,954	0	PT
93.397		0000693232	3600	13,826	0	PT
93.397		0000693670	3600	150,095	0	PT
93.397		0000693675	3600	353,302	0	PT
93.397		0000694442	3600	20,987	0	PT
93.397		0000696554	3600	1,436	0	PT
93.397		0000699787	3600	52,174	0	PT
93.397		0000699788	3600	112,841	0	PT
93.397		0000699789	3600	53,467	0	PT
93.397		0000700867	3600	47,517	0	PT

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93.397	Cancer Centers Support Grants	0000705880	3600	4,647	0	PT
93.397		0000705882	3600	33,526	0	PT
93.397		0000705886	3600	40,903	0	PT
93.397		0000705888 AM01	3600	58,451	0	PT
93.397		0000705892 AM01	3600	33,843	0	PT
93.397		0000705897 AM01	3600	96,693	0	PT
93.397		0000706006 AM01	3600	9,952	0	PT
93.397		0000706008	3600	46,633	0	PT
93.397		0000706013 AM01	3600	86,155	0	PT
93.397		0000706029 AM01	3600	76,459	0	PT
93.397		0000706030 AM01	3600	74,699	0	PT
93.397		0000708666	3600	1,496	0	PT
93.397		0000710116	3600	4,818	0	PT
93.397		0000710143	3600	6,333	0	PT
93.397		0000713102	3600	15,733	0	PT
93.397		0000713301	3600	10,928	0	PT
93.397		0000713336	3600	17,783	0	PT
93.397		0000713339	3600	3,572	0	PT
93.397		0000713342	3600	28,258	0	PT
93.397		0000713347	3600	12,171	0	PT
93.397		0000713358	3600	170	0	PT
93.397		0000713364	3600	13,890	0	PT
93.397		0000713373	3600	3,100	0	PT
93.397		000713779	3600	2,033	0	PT
93.397		05 P30 CA015704-33	3600	11	0	PT
93.397		0520030602S1104PO57826	3600	(2,972)	0	PT
93.397		0520030802S1058MOD1	3600	(1,504)	0	PT
93.397		200912673-03 AM01	3600	13,151	0	PT
93.397		3641SC AMEND 3	3600	(739)	0	PT
93.397		5 P30 CA015704-33	3600	(11)	0	PT
93.397		5P30CA0157043600069091	3600	27,079	0	PT
93.397		5U54CA142157-2UWASH	3600	17,057	0	PT
93.397		SUB0000691139	3600	20,449	0	PT
93.397		SUBAWARD #0000678225	3600	1,461	0	PT
93.397		SUBAWARD #0000691138	3600	14,482	0	PT
93.397		SUBAWARD #0000691147	3600	53,549	0	PT

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93.397	Cancer Centers Support Grants	SUBAWARD NO 0000615660	3600	(22)	0	PT
93.397		UW BUD# 637878	3600	26,515	0	PT
	Federal Program 93.397 Total			**3,780,362**	**535,558**	
93.398	Cancer Research Manpower		3600	3,822,788	135,453	
	Federal Program 93.398 Total			**3,822,788**	**135,453**	
93.399	Cancer Control		3600	2,469,615	542,277	
93.399		0000571238 AM01	3600	(11,798)	0	PT
93.399		0000646098,AM01	3600	(173)	0	PT
93.399		0000646118, AMD # 1	3600	(101)	0	PT
93.399		0000659773	3600	(2,963)	0	PT
93.399		0000679059 AM01	3600	4,943	0	PT
93.399		0000679087 AM02	3600	49,177	0	PT
93.399		0000679095	3600	17,124	0	PT
93.399		00006791165P50CA097186	3600	33,410	0	PT
93.399		0000679117 AMEND. 1	3600	84,968	0	PT
93.399		0000679295	3600	7,282	0	PT
93.399		0000689949	3600	54,041	0	PT
93.399		0000689954/AMD02	3600	43,710	0	PT
93.399		0000695105	3600	15,660	0	PT
93.399		0000698257	3600	43,754	0	PT
93.399		0000698263	3600	162,326	0	PT
93.399		0000698371	3600	94,318	0	PT
93.399		0000698659	3600	47,271	0	PT
93.399		0000700082	3600	37,672	0	PT
93.399		000698257	3600	12,876	0	PT
93.399		3001290173	3600	36,237	0	PT
93.399		5P50CA09718607SUB66070	3600	(38,261)	0	PT
93.399		612991	3600	7,496	0	PT
93.399		616538	3600	(5,776)	0	PT
93.399		695279	3600	10,116	0	PT
93.399		GHEMA0202A UW	3600	2,110	0	PT
93.399		K-013506-UW AMEND#4	3600	7,892	0	PT
93.399		PS19-SUN-09-10	3600	6,131	0	PT
93.399		PS19-SUN-10-11	3600	30,657	0	PT
93.399		SELECT-06008 MOD 1	3600	(673)	0	PT

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93.399	Cancer Control	UW BUD# 660893	3600	7,278	0	PT
93.399		UW-YR25 AM 3	3600	24,092	0	PT
93.399		UW-YR26	3600	2,561	0	PT
	Federal Program 93.399 Total			**3,252,972**	**542,277**	
	National Institutes of Health Total			**97,572,162**	**10,442,248**	
93.420	ARRA - Community Health Applied Research Network	UB2HA20233	3600	101,884	0	PT
	Federal Program 93.420 Total			**101,884**	**0**	
	Health Resources and Services Administration Total			**101,884**	**0**	
93.564	Child Support Enforcement Research		3000	119,974	0	
	Federal Program 93.564 Total			**119,974**	**0**	
93.647	Social Services Research and Demonstration		3650	1,013	0	
	Federal Program 93.647 Total			**1,013**	**0**	
	Administration for Children and Families Total			**120,987**	**0**	
93.701	ARRA - Trans-NIH Research Support		3600	91,547,854	10,280,903	
93.701		#0000675730	3600	7,722	0	PT
93.701		#101098627	3600	10,073	0	PT
93.701		#19307	3600	7,280	0	PT
93.701		#42989-E	3600	5,149	0	PT
93.701		0000677074	3600	8,715	0	PT
93.701		0000678787	3600	75,282	0	PT
93.701		0000680206	3600	39,453	0	PT
93.701		0000680635	3600	82,091	0	PT
93.701		0000688822	3600	5,598	0	PT
93.701		0000695520	3600	119,227	0	PT
93.701		0000696739	3600	30,218	0	PT
93.701		0000696759	3600	23,947	0	PT
93.701		0000696898	3600	48,906	0	PT
93.701		0000696997	3600	255,656	0	PT
93.701		0002032294AMENDMENTNO1	3600	65,573	0	PT
93.701		000240501-115	3600	5,641	0	PT
93.701		000259927-011	3600	187,608	0	PT
93.701		0007006-C	3600	69,744	0	PT
93.701		0007224E	3600	15,097	0	PT

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93.701	ARRA - Trans-NIH Research Support	0007224EAMENDMENTNO1	3600	132,769	0	PT
93.701		006467 AMEND 2	3600	35,462	0	PT
93.701		006467/L10-4500044887	3600	2,653	0	PT
93.701		006467/L10-4500044893	3600	8,912	0	PT
93.701		0125 G NA553	3600	41,601	0	PT
93.701		0189301	3600	19,384	0	PT
93.701		0256-8101-4609	3600	280,105	0	PT
93.701		0256-8102-4609	3600	660,745	0	PT
93.701		09-S40	3600	412,922	0	PT
93.701		10-217	3600	45,440	0	PT
93.701		100056-N	3600	46,409	0	PT
93.701		100162380-02	3600	66,320	0	PT
93.701		10025SUBAMENDMENTNO3	3600	109,351	0	PT
93.701		10246SUB	3600	100,000	0	PT
93.701		10302992-SUB	3600	27,148	0	PT
93.701		10302SUB	3600	24,524	0	PT
93.701		14-15885-01-01-G1	3600	39,232	0	PT
93.701		14-15885-01-01-G2	3600	26,189	0	PT
93.701		14-15885-01-02-G2	3600	172,518	0	PT
93.701		163360	3600	351	0	PT
93.701		180K541AMENDMENTNO1	3600	71,368	0	PT
93.701		1RC1HL10062501UW01	3600	15,185	0	PT
93.701		1RO1HD061312-01 ARRA	3600	12,811	0	PT
93.701		2 PO1 CA029605	3600	740	0	PT
93.701		2000784427	3600	329,471	0	PT
93.701		2006-06651-01	3600	(167)	0	PT
93.701		2009119413MODIFICATION	3600	3,609	0	PT
93.701		2009120764	3600	19,017	0	PT
93.701		2009121754	3600	6,117	0	PT
93.701		2009122469	3600	14,539	0	PT
93.701		2010114789	3600	32,778	0	PT
93.701		2010116377	3600	76,212	0	PT
93.701		20246	3600	25,798	0	PT
93.701		218596	3600	(125)	0	PT
93.701		2324.001 AWARE	3600	88,509	0	PT
93.701		2324.002 AWARE	3600	339,489	0	PT

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93.701	ARRA - Trans-NIH Research Support	24301-02345-S01	3600	6,947	0	PT
93.701		2802301	3600	58,673	0	PT
93.701		2802302AMENDMENTNO1	3600	145,727	0	PT
93.701		2ACCT538156PO580188AME	3600	32,654	0	PT
93.701		3 R01 AI 067750-04S1	3600	6,815	0	PT
93.701		3 U01 GM 074492-05S1	3600	3,706	0	PT
93.701		30.6692.910135	3600	60,579	0	PT
93.701		3034920AMENDMENTNO1	3600	7,594	0	PT
93.701		325011.300001.80180	3600	147,333	0	PT
93.701		3R01 AI067750-04S1	3600	(1,064)	0	PT
93.701		3R01AI05763905S1SUB100	3600	1,727	0	PT
93.701		3R01CA12545502S1SUBAWA	3600	14,256	0	PT
93.701		4221	3600	193,237	0	PT
93.701		4221,RTOG2701	3600	1,412	0	PT
93.701		42932-A	3600	19,317	0	PT
93.701		42989EAMENDMENTNO2	3600	26,769	0	PT
93.701		5-30299	3600	12,131	0	PT
93.701		553471 PO#2327301	3600	19,498	0	PT
93.701		555449	3600	46,607	0	PT
93.701		5R01A10712120510275SUB	3600	43,824	0	PT
93.701		5RC1HL10062502UW02	3600	16,291	0	PT
93.701		5UC2 HL103010-02	3600	31,416	0	PT
93.701		6119-1211-00-E	3600	5,111	0	PT
93.701		6371SC	3600	2,577	0	PT
93.701		6687	3600	68,362	0	PT
93.701		7107142005AMENDMENTNO1	3600	17,995	0	PT
93.701		8350-2	3600	10,765	0	PT
93.701		8350-6	3600	27,301	0	PT
93.701		9003774_06S1_UW	3600	4,898	0	PT
93.701		9003774_06S2_UW	3600	12,245	0	PT
93.701		9004667PROJECTNO117119	3600	371,345	0	PT
93.701		96377	3600	54,892	0	PT
93.701		ACRIN 6684	3600	(24,835)	0	PT
93.701		ACRIN 6688	3600	28,876	0	PT
93.701		AFAMP0076ST-UW	3600	7,497	0	PT
93.701		AGREEMT2803262S108PO11	3600	43,058	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.701	ARRA - Trans-NIH Research Support	BJ118-CO-SFS-BAKER1	3600	965	0	PT
93.701		BJ118-CO-SFS-GARRETT1	3600	4,757	0	PT
93.701		BJ118-SFS-BAKER2	3600	4,824	0	PT
93.701		BJ118COSFSCALLAGHANI	3600	1,629	0	PT
93.701		BJ18-ANAU-ARRA	3600	3,674	0	PT
93.701		BJ18-BAKER-ARRA	3600	2,894	0	PT
93.701		BJ18-SFS-CALLAGHAN2	3600	10,811	0	PT
93.701		BJ18-SFS-GARRETT2	3600	23,137	0	PT
93.701		BRSACUREQ0600130T004	3600	56,499	0	PT
93.701		BRSIMPCTQ0600124T002	3600	1,768	0	PT
93.701		COEUS006467AMENDMENT02	3600	16,849	0	PT
93.701		ER185625	3600	4,030	0	PT
93.701		FY10.253.001 #2515348	3600	21,819	0	PT
93.701		FY11.253.002 #2515395	3600	56,831	0	PT
93.701		FY2011-046	3600	50,786	0	PT
93.701		GVGTI0101UOFWNMAIZELS	3600	318,806	0	PT
93.701		JPA/PO#J18-ANNAU2-ARRA	3600	28,485	0	PT
93.701		JPAPOBJ18BAKER2ARRA	3600	42,451	0	PT
93.701		JPAPOBJ18DEVSWATSON1	3600	13,513	0	PT
93.701		N000949304AMENDMENTNO1	3600	92,163	0	PT
93.701		P0304A-A	3600	181,343	0	PT
93.701		PSA10-EPI-CLI-01 MOD#3	3600	5,175	0	PT
93.701		PSA10-EPI-POC-02	3600	12,194	0	PT
93.701		PSA10BIOOMI02MOD2	3600	5,289	0	PT
93.701		S329788	3600	38,219	0	PT
93.701		S363826AMENDMENTNO2	3600	34,903	0	PT
93.701		SA 131-DONOVAN	3600	1,646	0	PT
93.701		SA 131-DONOVAN-YR2	3600	8,230	0	PT
93.701		SC-09-15-09-UW-ARRA-AS	3600	9,594	0	PT
93.701		SC-09-15-09-UW-ARRA-CR	3600	7,926	0	PT
93.701		SUB NO.710-7142005	3600	10,189	0	PT
93.701		SUB9005955PJT1174861	3600	386,526	0	PT
93.701		SUBAWARD 2815108	3600	32,095	0	PT
93.701		SUBAWARD# 2105 G MA308	3600	22,362	0	PT
93.701		SUBCONTRACTNO4221ACRIN	3600	31,185	0	PT
93.701		TG19ARRA-MEI-01	3600	54,213	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.701	ARRA - Trans-NIH Research Support	TG19ARRA-MUNDINGER-01	3600	61,635	0	PT
93.701		UW BUD# 203518	3600	(1,798)	0	PT
93.701		UW BUD# 203843	3600	77	0	PT
93.701		VUMC 34748	3600	(267)	0	PT
93.701		VUMC35940AMENDMENTNO1	3600	76,709	0	PT
93.701		VUMC36046	3600	207,769	0	PT
93.701		W000219330	3600	6,263	0	PT
93.701		WU-11-175 PO 2911561P	3600	20,199	0	PT
93.701		WU10224 PO NO.2911856A	3600	87,917	0	PT
93.701		ZC10075-134968	3600	1,882	0	PT
93.701		ZC10075-136471	3600	109,323	0	PT
93.701		ZC10075136475AMENDMENT	3600	38,217	0	PT
93.701			3650	2,724,751	628,824	
93.701		2010161741	3650	9,801	0	PT
93.701		2363902231S01	3650	6,037	0	PT
93.701			3800	366,891	0	
	Federal Program 93.701 Total			**102,736,942**	**10,909,727**	
	National Institutes of Health Total			**102,736,942**	**10,909,727**	
93.727	Arra- Health Technology Beacon Communities	2997	3600	120,998	0	PT
	Federal Program 93.727 Total			**120,998**	**0**	
93.728	ARRA Strategic Health Advanced Res Proj	0007512G (PROJECT 1)	3600	318,902	0	PT
93.728		2010-03958-09	3600	61,815	0	PT
93.728		UW BUD# 203797	3600	74,823	0	PT
	Federal Program 93.728 Total			**455,540**	**0**	
	Office of the Secretary Total			**576,538**	**0**	
93.779	Centers for Medicare and Medicaid Services (Cms) R		1600	749,609	0	
93.779			3000	14,461,376	185,077	
	Federal Program 93.779 Total			**15,210,985**	**185,077**	
	Centers for Medicare and Medicaid Services Total			**15,210,985**	**185,077**	
93.837	Cardiovascular Diseases Research		3600	48,826,986	11,654,620	
93.837		0000634675 AM03	3600	139,652	0	PT
93.837		0000682535 AM01	3600	1,017	0	PT
93.837		0000695710	3600	189,485	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.837	Cardiovascular Diseases Research	0000698174	3600	267,926	0	PT
93.837		00007212130	3600	56,697	0	PT
93.837		0008215A	3600	15,771	0	PT
93.837		10144SUB/AMD01	3600	45,707	0	PT
93.837		10281SUB	3600	251,109	0	PT
93.837		105963	3600	47,978	0	PT
93.837		12.8044.I	3600	92,092	0	PT
93.837		128044UNIVOFWASHINGTON	3600	142,148	0	PT
93.837		144752	3600	(48)	0	PT
93.837		2000009981 MOD 3	3600	(285)	0	PT
93.837		203-9990	3600	48,156	0	PT
93.837		205514, AMEND 01	3600	(3,688)	0	PT
93.837		205514, AMEND 02	3600	40,260	0	PT
93.837		23570-113954-UW AMD #4	3600	173,810	0	PT
93.837		24225 50B6B	3600	39,184	0	PT
93.837		2R44HL08357803A2SUB1MO	3600	82,508	0	PT
93.837		2R44HL08357803A2SUB2	3600	27,876	0	PT
93.837		3001290982AM01	3600	16,680	0	PT
93.837		3001290982AM02	3600	1,321	0	PT
93.837		3001598618 AM01	3600	69,371	0	PT
93.837		303-1586 AM02	3600	90,344	0	PT
93.837		303-6869 AM02	3600	20,248	0	PT
93.837		3376-5	3600	(15,474)	0	PT
93.837		3724-5	3600	3,588	0	PT
93.837		41447011 UW	3600	27,377	0	PT
93.837		422955R01HL09332803	3600	63,079	0	PT
93.837		5 R01 HL073824-05EXT	3600	13,141	0	PT
93.837		551412 MOD 1	3600	261	0	PT
93.837		551412 MOD02	3600	2,156	0	PT
93.837		553525	3600	(1,364)	0	PT
93.837		555084	3600	162,680	0	PT
93.837		5U01HL08970902SICR02	3600	93,634	0	PT
93.837		5U01HL08970903SICR03	3600	25,903	0	PT
93.837		8(ACCT.#538786)	3600	64,366	0	PT
93.837		A57620	3600	20,083	0	PT
93.837		ABMEN0080-UWAM01	3600	117,765	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.837	Cardiovascular Diseases Research	JPAPOSM58SMITNSIBCR3	3600	1,635	0	PT
93.837		M0700086 AM07	3600	316,269	0	PT
93.837		NHL243-01	3600	469,430	0	PT
93.837		NHLBI CVD	3600	(14,440)	0	PT
93.837		NHLBI CVD AM05	3600	34,661	0	PT
93.837		P001435606	3600	78,286	0	PT
93.837		PO 101389 MOD 4	3600	(17,862)	0	PT
93.837		PO# 10283220-003	3600	26,822	0	PT
93.837		PO#10299796-022	3600	91,415	0	PT
93.837		PO#489044 AM06	3600	(1)	0	PT
93.837		QR852020U01HL10523201	3600	15,736	0	PT
93.837		RA207256NGM AM01	3600	17,862	0	PT
93.837		SM58-SMITH02	3600	8,173	0	PT
93.837		UW BUD# 630548	3600	223,806	0	PT
93.837		UW BUD# 635730	3600	(555)	0	PT
93.837		UW BUD# 637189	3600	299,781	0	PT
93.837		UW BUD# 660523	3600	25,299	0	PT
93.837		UW BUD# 660762	3600	92,117	0	PT
93.837		UW BUD# 661020	3600	30,876	0	PT
93.837		UW BUD# 661179	3600	21,184	0	PT
93.837		UW BUD# 661199	3600	9,593	0	PT
93.837		UW BUD# 661207	3600	11,632	0	PT
93.837		UW BUD# 661551	3600	9,459	0	PT
93.837		UW155030-11140AM05	3600	9,758	0	PT
93.837		UW15503011140AMEND4REV	3600	(26)	0	PT
93.837		VUMC 36120 AM02	3600	3,024	0	PT
93.837		VUMC36120AM01R01HL0947	3600	34,203	0	PT
93.837		WFUHS 13861 AM02	3600	6,492	0	PT
93.837		WFUHS 13861 AM1	3600	33,396	0	PT
93.837		WFUHS 14061 AM02	3600	18,902	0	PT
93.837		WU-07-222 AM05	3600	87,440	0	PT
93.837			3650	745,048	12,095	
	Federal Program 93.837 Total			**53,948,915**	**11,666,715**	
93.838	Lung Diseases Research		3600	8,769,756	854,512	
93.838		0000693278	3600	61,251	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.838	Lung Diseases Research	0016623PROJ1164384AMD0	3600	103,186	0	PT
93.838		10216SUB	3600	214,112	0	PT
93.838		3 (ACCT# 5-36361) AM03	3600	72,750	0	PT
93.838		4 (ACCT #5-30084)	3600	1,483	0	PT
93.838		413390300501.UW MOD032	3600	(1)	0	PT
93.838		4566 IPF-ACE 009	3600	37,354	0	PT
93.838		6020SC	3600	4,731	0	PT
93.838		6020SC AM02	3600	13,744	0	PT
93.838		AM02, PO # 4600598892	3600	(15,388)	0	PT
93.838		FY100210198901A49429	3600	366,928	0	PT
93.838		FY100310199301A49438	3600	97,776	0	PT
93.838		FY100320199001A49439	3600	103,675	0	PT
93.838		HL67939, AMENDMENT 1	3600	31,099	0	PT
93.838		IN-4685522-UW	3600	22,532	0	PT
93.838		IUPUI4687918UWASHU01HL	3600	1,095	0	PT
93.838		SA5614-11560AM04	3600	130,656	0	PT
93.838		SUBAWARD #551976AM03	3600	13,619	0	PT
93.838		SUBWU09179PONO2905559N	3600	9,340	0	PT
93.838		TASKORD140660MASTER755	3600	350,329	0	PT
93.838		UW BUD# 634090	3600	85,448	0	PT
93.838		UW BUD# 635327	3600	26,171	0	PT
93.838		UW BUD# 660792	3600	43,274	0	PT
93.838		UW BUD# 661116	3600	37,289	0	PT
93.838		WU-09-179; PO 2905559N	3600	301,415	0	PT
	Federal Program 93.838 Total			**10,883,624**	**854,512**	
93.839	Blood Diseases and Resources Research		3600	6,491,735	1,404,578	
93.839		0000635742	3600	(4,539)	0	PT
93.839		00006742355R01HL084345	3600	93,403	0	PT
93.839		0000674801-AM02	3600	13,002	0	PT
93.839		0000682728 AM01	3600	94,340	0	PT
93.839		0000684710	3600	97,002	0	PT
93.839		0000705607	3600	95,659	0	PT
93.839		000308405-001 AM2	3600	8,368	0	PT
93.839		10237SUB AM01	3600	51,482	0	PT
93.839		2905423A, AMD#04	3600	454,904	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.839	Blood Diseases and Resources Research	413110070101-UW	3600	1,087	0	PT
93.839		5 R01 HL079582-05	3600	(15)	0	PT
93.839		5 R01HL084345-03	3600	(39)	0	PT
93.839		5R01HL0661760355114	3600	13,637	0	PT
93.839		715 UW2009/10 -1 AM1	3600	19,688	0	PT
93.839		969-UW-2009-3	3600	2,964	0	PT
93.839		PO#2372080	3600	(171)	0	PT
93.839		VUMC33664AM1R01HL06519	3600	43,750	0	PT
93.839		695773	3650	4,093	0	PT
93.839			3800	94,182	0	
	Federal Program 93.839 Total			**7,574,532**	**1,404,578**	
93.846	Arthritis, Musculoskeletal and Skin Diseases Resea		3600	9,678,264	795,611	
93.846		0000678603	3600	6,993	0	PT
93.846		0000693854	3600	38,543	0	PT
93.846		10166SUB, AMENDMENT #1	3600	22,794	0	PT
93.846		10266442-007	3600	8,655	0	PT
93.846		AFAMP0076-UW, AMD#1	3600	95,089	0	PT
93.846		IU PROPOSAL # 100801	3600	15,971	0	PT
93.846		UW BUD# 635914	3600	(3,055)	0	PT
93.846		UW BUD# 635945	3600	(341)	0	PT
93.846			3650	231,608	0	
93.846		Sub No. FY11.553.002	3700	8,716	0	PT
	Federal Program 93.846 Total			**10,103,237**	**795,611**	
93.847	Diabetes Digestive Kidney Disease Extra		3600	16,282,902	1,433,448	
93.847		0000702320	3600	20,000	0	PT
93.847		0000706032	3600	4,426	0	PT
93.847		0000708771	3600	6,888	0	PT
93.847		0008705 (118203-1)	3600	69,466	0	PT
93.847		0012368PROJECT1179431	3600	278,437	0	PT
93.847		0015374PROJECT1154245	3600	4,994	0	PT
93.847		0015374PROJECT1178623	3600	180,574	0	PT
93.847		02C09PTA233012CCLS2012	3600	(327)	0	PT
93.847		04-D16,MOD 1	3600	6	0	PT
93.847		09-D19	3600	(6)	0	PT
93.847		10-D17	3600	20,073	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.847	Diabetes Digestive Kidney Disease Extra	10-D19	3600	543,082	0	PT
93.847		1000119PROJECT67040	3600	24,257	0	PT
93.847		10265SUB	3600	620,897	0	PT
93.847		103075M5PRIME5U01DK072	3600	106,969	0	PT
93.847		10D18PRIME5U01DK061230	3600	31,287	0	PT
93.847		11-D13	3600	6,052	0	PT
93.847		11-D14	3600	173,056	0	PT
93.847		20497-22	3600	11,274	0	PT
93.847		20497-23	3600	(22)	0	PT
93.847		20497-25	3600	12,793	0	PT
93.847		20497-27	3600	44,247	0	PT
93.847		20497-28	3600	34,465	0	PT
93.847		20497-29	3600	54,739	0	PT
93.847		2905423A, AMD#2	3600	(28,939)	0	PT
93.847		3001343695U54DK083912A	3600	5,697	0	PT
93.847		3001693367PRIMER01DK05	3600	29,057	0	PT
93.847		6116-1144-00-Z MOD02	3600	49,147	0	PT
93.847		6119-1144-00-AA	3600	(2)	0	PT
93.847		6119-1144-00-AA MOD 3	3600	56,158	0	PT
93.847		6119-1144-00-AA MOD1&2	3600	1,128	0	PT
93.847		6119-1144-00-AA MOD5	3600	66,461	0	PT
93.847		6119-1144-00-AD MOD 1	3600	5,419	0	PT
93.847		6119-1144-00-AD MOD 2	3600	225,286	0	PT
93.847		6119-1144-00-Z	3600	28	0	PT
93.847		6119-1144-00-Z MOD02	3600	646,552	0	PT
93.847		66444RAM025R01DK078907	3600	293,979	0	PT
93.847		ACSWR0005-AMED 3	3600	8,139	0	PT
93.847		DL-LD12KD040963	3600	29,384	0	PT
93.847		FY100160189702A49424	3600	17,195	0	PT
93.847		GMO-111131	3600	31,475	0	PT
93.847		HR-661572	3600	1,360	0	PT
93.847		JAPPOLD12DKZAVA1SIBCR	3600	25,686	0	PT
93.847		JB-LD12DK040963	3600	21,490	0	PT
93.847		JPAPOLD12DKBENNEJ1SIBC	3600	8,596	0	PT
93.847		KS1-21-KNOPP	3600	5,677	0	PT
93.847		KS1-21-LIPKIN2	3600	51,279	0	PT

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93.847	Diabetes Digestive Kidney Disease Extra	KS1-21-LOVATO	3600	10,669	0	PT
93.847		KS1-21-SOCHA	3600	4,290	0	PT
93.847		KS1-21-SOCHA2	3600	62,139	0	PT
93.847		KS1-21-SPIVEY	3600	323	0	PT
93.847		KS1-21-TRENCE2	3600	11,034	0	PT
93.847		KS1-6-LOVATO	3600	3,112	0	PT
93.847		KS1-6-SPIVEY	3600	2,264	0	PT
93.847		KS121-KAHN1	3600	11,185	0	PT
93.847		KS121-KAHN2	3600	15,371	0	PT
93.847		KS121-SPIVEY2	3600	3,557	0	PT
93.847		KS16-KAHN1	3600	16,775	0	PT
93.847		KS16-SOCHA	3600	5,350	0	PT
93.847		KS16KS11SIBCR	3600	6,987	0	PT
93.847		KS16LOVATC1SIBCR	3600	2,223	0	PT
93.847		KS16SPIVEL1SIBCR	3600	1,617	0	PT
93.847		KS16TRENCE1SIBCR	3600	5,079	0	PT
93.847		LD12DKZAVA2SIBCR MOD01	3600	72,423	0	PT
93.847		LW115-WANG	3600	5,957	0	PT
93.847		N01DK62203AMENDMENT18	3600	(21)	0	PT
93.847		PO 1000822691 AM09	3600	102,644	0	PT
93.847		PO# 10289887-001	3600	2,724	0	PT
93.847		PO# 10289887-002	3600	242,284	0	PT
93.847		PO#1000740355; AMEND#7	3600	24,800	0	PT
93.847		PO#10303997-001	3600	26,849	0	PT
93.847		PO#10303997-SUB	3600	1,916	0	PT
93.847		RES429675,AMENDMENT 18	3600	340,094	0	PT
93.847		S-DPP1011-MR02	3600	746,528	0	PT
93.847		SM-LD12DK040963	3600	40,802	0	PT
93.847		SUBAWARD550803AMEND3	3600	19,081	0	PT
93.847		TG1-7-MEI	3600	5,459	0	PT
93.847		TG1-7-MEI-02	3600	12,047	0	PT
93.847		TG1-7-MUNDINGER	3600	6,164	0	PT
93.847		TG1-7-MUNDINGER-02	3600	13,697	0	PT
93.847		UTA08-443 AM03	3600	69,038	0	PT
93.847		UW BUD# 635938	3600	(1,410)	0	PT
93.847		UW BUD# 636038	3600	3,764	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.847	Diabetes Digestive Kidney Disease Extra	UW BUD# 636040	3600	7,639	0	PT
93.847		UW BUD# 636041	3600	4,409	0	PT
93.847		UW BUD# 636042	3600	1,149	0	PT
93.847		UW BUD# 636047	3600	24,556	0	PT
93.847		UW BUD# 636049	3600	1,942	0	PT
93.847		UW BUD# 638278	3600	7,091	0	PT
93.847		UW BUD# 661465	3600	16,867	0	PT
93.847		WFUHS 14111 AM04	3600	238,650	0	PT
93.847		WU-11-198 PO# 2911630P	3600	15,051	0	PT
93.847		X0813200 MOD01	3600	152,640	0	PT
93.847		X08132001R01DK08447501	3600	50,605	0	PT
93.847			3650	989,918	0	
93.847			3750	116,527	0	
	Federal Program 93.847 Total			**23,604,640**	**1,433,448**	
93.847A	ARRA - Diabetes Digestive Kidney Disease Extra	WSU001086	3650	162,678	0	PT
	Federal Program 93.847A Total			**162,678**	**0**	
93.848	Health & Human Services Dept		3600	822,348	79,996	
93.848		0012368PROJECT1161641	3600	39,132	0	PT
93.848		FY08.01864-02.A40574	3600	(3,829)	0	PT
93.848		GMO 900069, MOD06	3600	(1,092)	0	PT
93.848		GMO-500801	3600	2,539	0	PT
93.848		Q6636457103, AMD #5	3600	9,131	0	PT
93.848		SUBAWARD0005316PROJECT	3600	(15,669)	0	PT
93.848		WFUHS 14130	3600	43,557	0	PT
93.848			3650	636,316	0	
	Federal Program 93.848 Total			**1,532,433**	**79,996**	
93.849	Health & Human Services Dept		3600	1,495,444	0	
93.849		0000681240	3600	12,450	0	PT
93.849		0000681257	3600	7,072	0	PT
93.849		IUPUI4682197 U WA	3600	363,919	0	PT
93.849		PO# 011127 MOD02	3600	39,438	0	PT
93.849		UW BUD# 634926	3600	(83,151)	0	PT
	Federal Program 93.849 Total			**1,835,172**	**0**	
93.853	Extramural Research Programs In the Neurosciences		3600	22,352,742	2,509,006	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.853	Extramural Research Programs In the Neurosciences	00005174	3600	139,425	0	PT
93.853		0000690301	3600	210,555	0	PT
93.853		0000708757	3600	60,236	0	PT
93.853		077-AM1	3600	(162)	0	PT
93.853		10316345-SUB	3600	14,875	0	PT
93.853		117006/115709	3600	(3,864)	0	PT
93.853		142318	3600	7,346	0	PT
93.853		147758	3600	83,161	0	PT
93.853		201770-UW	3600	26,725	0	PT
93.853		208248AM02R01NS0597270	3600	12,356	0	PT
93.853		2085-01 AM 03	3600	(3,948)	0	PT
93.853		41507-00 06 A	3600	(25,576)	0	PT
93.853		5-41845-G1 AM01	3600	(10,636)	0	PT
93.853		6495SC	3600	95	0	PT
93.853		A07917 (M11A10873)	3600	8,301	0	PT
93.853		A54454	3600	740	0	PT
93.853		AAIRC0023A AM01	3600	62,851	0	PT
93.853		F09044872U01NS03852909	3600	56,672	0	PT
93.853		GMO-100104	3600	33,595	0	PT
93.853		JPAPOBW25KOVACA2SIBCR	3600	13,687	0	PT
93.853		MOD 01 GMO-100104	3600	120,952	0	PT
93.853		PO #4600507997	3600	(23)	0	PT
93.853		PRIME R43NS067866-01A1	3600	100,302	0	PT
93.853		S381854 (G-19)	3600	1,365	0	PT
93.853		S522960AM035K23NS04910	3600	11,875	0	PT
93.853		SIBCRJPA-KOVAC1	3600	18,249	0	PT
93.853		SUB08-000674	3600	73,072	0	PT
93.853		UW BUD# 639832	3600	14,192	0	PT
93.853		UW BUD# 661540	3600	7,173	0	PT
93.853		W000075588, AMEND. 10	3600	(24,100)	0	PT
93.853		W000117574, AMEND. 11	3600	(6,257)	0	PT
93.853		W000152162	3600	865	0	PT
93.853		W000223681 AM13	3600	4,229	0	PT
93.853		WU-08-204 AM03	3600	8,482	0	PT
93.853			3650	1,236,682	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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	Federal Program 93.853 Total			**24,606,234**	**2,509,006**	
93.855	Allergy, Immunology and Transplantation Research		3600	49,164,081	6,086,090	
93.855		#AVGTI0102-UOFWN-KATZE	3600	484,762	0	PT
93.855		0000	3600	1,707	0	PT
93.855		0000660415	3600	(13,574)	0	PT
93.855		0000674594 AM01	3600	(2)	0	PT
93.855		0000675914 AMEND 2	3600	(33,918)	0	PT
93.855		0000675915 AM01	3600	15,837	0	PT
93.855		0000677234	3600	(2,496)	0	PT
93.855		0000677260	3600	3,920	0	PT
93.855		0000677266	3600	(247)	0	PT
93.855		0000677272	3600	(416)	0	PT
93.855		0000677276	3600	12,974	0	PT
93.855		0000677284	3600	13,383	0	PT
93.855		0000677728	3600	76	0	PT
93.855		0000680856	3600	948	0	PT
93.855		0000681995	3600	47,872	0	PT
93.855		0000681998	3600	(99,394)	0	PT
93.855		0000683436	3600	87	0	PT
93.855		0000683439	3600	162,410	0	PT
93.855		0000685260AM01	3600	16,943	0	PT
93.855		0000687695	3600	289,299	0	PT
93.855		0000688821	3600	48,679	0	PT
93.855		0000690072	3600	9,625	0	PT
93.855		0000690913 AM01	3600	64,471	0	PT
93.855		0000692003	3600	117,316	0	PT
93.855		0000692322	3600	48,171	0	PT
93.855		0000692426	3600	68,057	0	PT
93.855		0000693559	3600	44,174	0	PT
93.855		00006935605U01A1068614	3600	44,173	0	PT
93.855		0000693669 AM01	3600	100,187	0	PT
93.855		0000693923	3600	20,475	0	PT
93.855		0000693928	3600	76,694	0	PT
93.855		0000694051	3600	45,002	0	PT
93.855		0000694218	3600	591,785	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.855	Allergy, Immunology and Transplantation Research	0000694225	3600	887,831	0	PT
93.855		0000694536	3600	2,055,993	0	PT
93.855		0000695951PRIME5R37AI4	3600	54,815	0	PT
93.855		0000696399	3600	264,227	0	PT
93.855		0000696500	3600	307,485	0	PT
93.855		0000696551	3600	117,675	0	PT
93.855		0000696555	3600	185,001	0	PT
93.855		0000696556	3600	263,196	0	PT
93.855		0000696560	3600	269,533	0	PT
93.855		0000696595	3600	116,297	0	PT
93.855		0000696875	3600	219,612	0	PT
93.855		0000697197	3600	142,518	0	PT
93.855		0000699368	3600	146,057	0	PT
93.855		0000700038 AM01	3600	55,034	0	PT
93.855		0000703642	3600	134,170	0	PT
93.855		0000703858	3600	525,495	0	PT
93.855		0000704014	3600	11,259	0	PT
93.855		0000705149 AM01	3600	10,248	0	PT
93.855		0000705215	3600	68,852	0	PT
93.855		0000705667	3600	990,399	0	PT
93.855		0000705765	3600	44,496	0	PT
93.855		0000708079	3600	16,724	0	PT
93.855		0000709819	3600	42,215	0	PT
93.855		0000711014	3600	13,911	0	PT
93.855		0000711391	3600	16,165	0	PT
93.855		0000711408	3600	32,766	0	PT
93.855		0000712462	3600	740	0	PT
93.855		0001010PROJECT1143761	3600	3,409	0	PT
93.855		000259927-001	3600	90,501	0	PT
93.855		000259927-001 AM07	3600	552,753	0	PT
93.855		000338217-002	3600	141,304	0	PT
93.855		000338217-003	3600	8,737	0	PT
93.855		000338217-007	3600	181,765	0	PT
93.855		000384588-001	3600	22,772	0	PT
93.855		000384588-002	3600	3,240	0	PT
93.855		00052631139862AM03	3600	40,159	0	PT

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93.855	Allergy, Immunology and Transplantation Research	00052631139862AMEND2	3600	148,512	0	PT
93.855		000643701 AM03	3600	43,346	0	PT
93.855		0007748AM011169322	3600	352,903	0	PT
93.855		0010255 (119015-1)	3600	5,011	0	PT
93.855		0010255 PRO 1174871	3600	69,792	0	PT
93.855		0600370F527WUAMA02	3600	337	0	PT
93.855		07-004309 B-03 AM03	3600	28,793	0	PT
93.855		08-065	3600	(2,633)	0	PT
93.855		09-110	3600	(3,473)	0	PT
93.855		10009618-UW MOD02	3600	24,398	0	PT
93.855		10013 SUB AM03	3600	46,095	0	PT
93.855		10038SUB-AM1	3600	22,067	0	PT
93.855		101114198 AM02	3600	36,953	0	PT
93.855		1015109AMENDMENTNO7	3600	169,486	0	PT
93.855		10189SUB AM01	3600	111,492	0	PT
93.855		10268SUB	3600	8,580	0	PT
93.855		10289SUB	3600	2,595	0	PT
93.855		171K765, AMENDMENT #1	3600	182,153	0	PT
93.855		191675W AM01	3600	295,775	0	PT
93.855		1P01AO082274-01	3600	19,265	0	PT
93.855		20386.914123.6692AM05	3600	56,858	0	PT
93.855		219866	3600	(610)	0	PT
93.855		22941520-39760-A AM2	3600	50,160	0	PT
93.855		23069-10	3600	42,843	0	PT
93.855		23069-14 AM01	3600	166,694	0	PT
93.855		23570-114063 AM01	3600	6,602	0	PT
93.855		26-3301-4210	3600	(5,032)	0	PT
93.855		26-3301-4267	3600	(737)	0	PT
93.855		31-864023,AM001	3600	12,554	0	PT
93.855		413910020101 MOD5	3600	(31)	0	PT
93.855		413910020101UWFANNMOD4	3600	16,539	0	PT
93.855		4320	3600	(4,750)	0	PT
93.855		4349 AM1	3600	701,605	0	PT
93.855		4471	3600	246,330	0	PT
93.855		5-50817 AM04	3600	204,851	0	PT
93.855		500373AM01POGRT286140	3600	33,645	0	PT

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93.855	Allergy, Immunology and Transplantation Research	60022770	3600	54,133	0	PT
93.855		610 4733000 60024693	3600	138,551	0	PT
93.855		6123657/RFS2011076AM01	3600	329,344	0	PT
93.855		645053	3600	(6,600)	0	PT
93.855		687311	3600	42,953	0	PT
93.855		AVGTI0101-UOFWN-BEVAN	3600	(1)	0	PT
93.855		AVGTI0102-UOFWN-BEVAN	3600	212,005	0	PT
93.855		AVGTI0102-UOFWN-GALE	3600	238,337	0	PT
93.855		AVGTI0102UOFWNANDERSON	3600	103,863	0	PT
93.855		AVGTI0102UOFWNKRISHNAK	3600	171,383	0	PT
93.855		AVGTI0103UOFWNBEVANAM0	3600	60,730	0	PT
93.855		AVGTI0103UOFWNGALEAM03	3600	89,863	0	PT
93.855		BRSACUREQ0600130T001MO	3600	248,011	0	PT
93.855		BRSACUREQ0600130T002MO	3600	322,108	0	PT
93.855		BRSACUREQ0600130T005	3600	9,151	0	PT
93.855		BRSACUREQ0600130T006	3600	49,697	0	PT
93.855		BRSACUREQ0600130T008	3600	1,334	0	PT
93.855		BRSACURES1000004600079	3600	12,001	0	PT
93.855		BRSACURES1100004600095	3600	7,222	0	PT
93.855		BRSACURES1100004600121	3600	51,130	0	PT
93.855		CONSORTIUM AGREEMENT	3600	282,013	0	PT
93.855		DREXEL 232284 AM04	3600	134,825	0	PT
93.855		DREXEL 232284 AM05	3600	78,981	0	PT
93.855		FY090210186701A40598	3600	8,580	0	PT
93.855		FY11.112.003	3600	36,507	0	PT
93.855		FY11.284.002	3600	151,615	0	PT
93.855		G-7851-1	3600	34,320	0	PT
93.855		GMO111101PRIME2R56AI53	3600	20,598	0	PT
93.855		GPRC00765A1 AM04	3600	73,332	0	PT
93.855		GVGT10103O8	3600	23,730	0	PT
93.855		JHUPO2000056550MOD4	3600	127,198	0	PT
93.855		JHUPO2000056550MOD5	3600	359,061	0	PT
93.855		MMV06/0013	3600	270,576	0	PT
93.855		PO# 10287084	3600	(68,574)	0	PT
93.855		PO# 10289256-003	3600	12,266	0	PT
93.855		PO# 10293192-002	3600	263,219	0	PT

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93.855	Allergy, Immunology and Transplantation Research	PO#10289256-002	3600	32,084	0	PT
93.855		PO#10293192-003	3600	36,898	0	PT
93.855		PROJ 60020299	3600	19,088	0	PT
93.855		SUB 1R01AI083060-02	3600	53,171	0	PT
93.855		SUBAWARD 0000675336	3600	5,328	0	PT
93.855		SUBAWARD 0000690492	3600	94,665	0	PT
93.855		SUBAWARD0000675336AMD1	3600	9,436	0	PT
93.855		SUBAWARD10144/PO690492	3600	48,819	0	PT
93.855		UW BUD# 633143	3600	(130,352)	0	PT
93.855		UW BUD# 661096	3600	57,729	0	PT
93.855		UW BUD# 661222	3600	81,533	0	PT
93.855		UW BUD# 661389	3600	5,505	0	PT
93.855		UW BUD# 661392	3600	19,176	0	PT
93.855		UW BUD# 661891	3600	26,275	0	PT
93.855		UW-12534	3600	57,844	0	PT
93.855		UW-15015 MOD02	3600	221,685	0	PT
93.855		UW-15026 MOD01	3600	128,854	0	PT
93.855			3650	1,656,435	24,782	
	Federal Program 93.855 Total			**68,837,018**	**6,110,872**	
93.856	Microbiology and Infectious Diseases Research		3600	1,399,332	4,616	
93.856		0000605365	3600	(1,699)	0	PT
93.856		0000610124	3600	(1,705)	0	PT
93.856		04-103223-03-S0912	3600	(5,236)	0	PT
93.856		04-106153-05-S0967	3600	(17,028)	0	PT
93.856		1 (ACCT. #5-39481)	3600	12,676	0	PT
93.856		1015107, AMEND#4	3600	32,976	0	PT
93.856		13880 AMEND 02	3600	50,996	0	PT
93.856		FY102840025U19AI066328	3600	21,608	0	PT
93.856		GMO-400421 MOD5	3600	6,095	0	PT
93.856		GMO-401124	3600	(334)	0	PT
93.856		REF A30732	3600	68,554	0	PT
93.856		S050053	3650	2,032	0	PT
	Federal Program 93.856 Total			**1,568,267**	**4,616**	
93.859	Biomedical Research and Research Training		3600	28,394,954	1,495,175	
93.859		#1	3600	114,155	0	PT

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93.859	Biomedical Research and Research Training	09-130, AM02	3600	69,130	0	PT
93.859		11138-02	3600	(75,079)	0	PT
93.859		11138-03, MOD02	3600	(61,939)	0	PT
93.859		11138-04, MOD03	3600	(9,753)	0	PT
93.859		165859/147497	3600	13,442	0	PT
93.859		18821-S1 AM05	3600	171,781	0	PT
93.859		2 P50 GMO15431-39	3600	(21,884)	0	PT
93.859		20090020PO31626AMEND2	3600	30,236	0	PT
93.859		204804	3600	64,203	0	PT
93.859		204804 MOD05	3600	256,207	0	PT
93.859		23570-114041	3600	34,586	0	PT
93.859		23570114041AM01U54GM08	3600	13,450	0	PT
93.859		303-4705 AM02	3600	25,843	0	PT
93.859		3189-UW-DHHS-2432 AM03	3600	(3,762)	0	PT
93.859		5-30194	3600	20,564	0	PT
93.859		5-30194AM01	3600	100,807	0	PT
93.859		9-526-5266	3600	93,692	0	PT
93.859		9-526-5433	3600	47,030	0	PT
93.859		BD513577	3600	4,468	0	PT
93.859		FY09,001-005	3600	(27,206)	0	PT
93.859		FY10,001-003 AMEND #2	3600	(296)	0	PT
93.859		FY10.001.111 AMEND 3	3600	416,101	0	PT
93.859		FY110290197601A55915	3600	3,576	0	PT
93.859		G126-07-W1286, AM 04	3600	49,945	0	PT
93.859		GC11617-134421	3600	703	0	PT
93.859		GM058881075184045402	3600	264,018	0	PT
93.859		P01-2 MOD03	3600	47,048	0	PT
93.859		PO 539704, AMEND #2	3600	99,788	0	PT
93.859		RES502582 AM03	3600	38,384	0	PT
93.859		U54 GM074945-06	3600	3,977	0	PT
93.859		U54 GM62119 MOD3	3600	(4,022)	0	PT
93.859		UW BUD# 661000	3600	8,586	0	PT
93.859		UW BUD# 661483	3600	729	0	PT
93.859		UW BUD# 661488	3600	3,711	0	PT
93.859		UW BUD# 661491	3600	4,682	0	PT
93.859		UW BUD# 661492	3600	1,686	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.859	Biomedical Research and Research Training	UW BUD# 661493	3600	2,969	0	PT
93.859		UW BUD# 661494	3600	2,988	0	PT
93.859		UW BUD# 661495	3600	4,943	0	PT
93.859		UW BUD# 668828	3600	2,241	0	PT
93.859		VUMC 32786	3600	(271)	0	PT
93.859			3650	1,638,142	34,103	
93.859		00006379	3650	49,482	0	PT
93.859		08011	3650	32,903	0	PT
93.859		40123501	3650	(7,545)	0	PT
93.859		G31108W1286	3650	11,284	0	PT
93.859		P0287AA	3650	5,640	0	PT
93.859		P#00080194 Sub#UF09051	3700	37,963	0	PT
93.859			3760	947	0	
	Federal Program 93.859 Total			**31,975,227**	**1,529,278**	
93.865	Child Health and Human Development Extramural Rese		3600	23,999,679	4,210,688	
93.865		0000678522	3600	31,992	0	PT
93.865		0000694817	3600	100,501	0	PT
93.865		0000697392	3600	311,885	0	PT
93.865		0000697393	3600	206,544	0	PT
93.865		000223A3	3600	41,521	0	PT
93.865		000396222-001	3600	2,166	0	PT
93.865		10-0002	3600	90,709	0	PT
93.865		10211SUB	3600	23,103	0	PT
93.865		10255SUB	3600	25,581	0	PT
93.865		10286SUB	3600	5,758	0	PT
93.865		1215 G JB215 AM02	3600	42,098	0	PT
93.865		1521-2	3600	21,660	0	PT
93.865		232290-3684 AM02	3600	65,182	0	PT
93.865		412430040101.UW	3600	17	0	PT
93.865		413920056101.UW	3600	(493)	0	PT
93.865		5-51032 AM02	3600	658,412	0	PT
93.865		551032AMENDMENTNO1	3600	21,289	0	PT
93.865		551355AMENDMENTNO1	3600	4,549	0	PT
93.865		684136	3600	13,078	0	PT
93.865		693248	3600	154,794	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.865	Child Health and Human Development Extramural Rese	7023	3600	108,911	0	PT
93.865		803033 A YR1	3600	5,270	0	PT
93.865		A07571 (M10A10376)	3600	(626)	0	PT
93.865		A08023 (M10A10376)	3600	14,631	0	PT
93.865		AMEND2PRIME5R01HD05456	3600	4,083	0	PT
93.865		AMENDMENT #1	3600	5,562	0	PT
93.865		FY2007091MOD03	3600	143,286	0	PT
93.865		GSMMI0106A UW	3600	113,169	0	PT
93.865		GSMMI0106A UW AM02	3600	(13,900)	0	PT
93.865		HC12663	3600	35,710	0	PT
93.865		PO# /SA#	3600	1,089	0	PT
93.865		PO3100189344SA108863AM	3600	93,563	0	PT
93.865		SUB04, AM02	3600	(24)	0	PT
93.865		SUBAWARD# 0000684142	3600	80,213	0	PT
93.865		SUBAWARD# 0000697384	3600	432,006	0	PT
93.865		UW 803235 MOD 2	3600	94,655	0	PT
93.865		UW BUD# 661178	3600	7,965	0	PT
93.865		UW BUD# 661363	3600	13,670	0	PT
93.865		UW BUD# 661575	3600	4,240	0	PT
93.865			3650	2,363,995	29,345	
93.865		00001542	3650	36,608	0	PT
93.865		101425825	3650	17,655	0	PT
93.865		3000610867	3650	(1)	0	PT
93.865		N644607401	3650	(1,773)	0	PT
93.865		PO10305562	3650	(98)	0	PT
93.865		R24HD050837	3650	5,400	0	PT
	Federal Program 93.865 Total			**29,385,284**	**4,240,033**	
93.866	Aging Research		3600	17,649,684	2,459,511	
93.866		00-SC-NIH-1036 MOD05	3600	(3,962)	0	PT
93.866		00000056 P992706 AMD04	3600	156,487	0	PT
93.866		0000677015	3600	4,782	0	PT
93.866		0000697752	3600	26,464	0	PT
93.866		04-SC-NIH-1025	3600	(57,397)	0	PT
93.866		04-SC-NIH-1059	3600	49,968	0	PT
93.866		05-SC-NIH-1047	3600	(7,313)	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.866	Aging Research	0600 370 F371 UW AM02	3600	2,402	0	PT
93.866		10213SUB AM01	3600	186,202	0	PT
93.866		1094521AM05SUBAWD00049	3600	5,040	0	PT
93.866		11ACCT535644AG02639505	3600	664	0	PT
93.866		11ACCT535644AM01	3600	87,000	0	PT
93.866		1536	3600	83,946	0	PT
93.866		2000073393AM04	3600	6,616	0	PT
93.866		2009119936	3600	12,143	0	PT
93.866		20091200472U01AG006781	3600	138,641	0	PT
93.866		2010109150PRIME1R01AG0	3600	88,786	0	PT
93.866		2010118154	3600	711,882	0	PT
93.866		2010118319	3600	48,593	0	PT
93.866		3000838728 AM02	3600	(1)	0	PT
93.866		3470-5 AM02	3600	54,165	0	PT
93.866		41531001.UW AM01	3600	(3,978)	0	PT
93.866		545901 AM01 PO2332991	3600	3,691	0	PT
93.866		554369	3600	71,069	0	PT
93.866		AMENDMENT 3	3600	6,377	0	PT
93.866		BT123STEINE1SIBCRMOD02	3600	6,939	0	PT
93.866		BW22-BANKS1	3600	33,211	0	PT
93.866		CS120-GREEN3	3600	5,560	0	PT
93.866		CSI-20, MOD 1	3600	(315)	0	PT
93.866		F09684 AM04	3600	(1)	0	PT
93.866		FY08001011UWASHYR11	3600	(422)	0	PT
93.866		FY09001012AMD1UWASH	3600	(4,007)	0	PT
93.866		FY11001004AMD032574454	3600	162,714	0	PT
93.866		FY1O001007AMD2UWASH	3600	4,563	0	PT
93.866		JPA/PO#BW22BW2_2_SIBCR	3600	16,606	0	PT
93.866		JPAPOCS120BAKER10	3600	15,195	0	PT
93.866		JPAPOCS120BL11SIBCR	3600	4,342	0	PT
93.866		JPAPOCS120WOJTOWICZ2	3600	29,909	0	PT
93.866		JPAPOPE1AG033133SHOFER	3600	18,298	0	PT
93.866		PO 10229917-004	3600	(518)	0	PT
93.866		PO20101111835R01AG0300	3600	18,698	0	PT
93.866		QL 114-ANDERSON05 MOD1	3600	40,732	0	PT
93.866		R01 AG 030266 AM01	3600	119,892	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.866	Aging Research	R01 AG023027, MOD. #2	3600	(49)	0	PT
93.866		SC-08-1-08-UW MOD02	3600	819	0	PT
93.866		SC-08-1-08-UW MOD3	3600	50,821	0	PT
93.866		SUB0900012 AMEND 2	3600	35,189	0	PT
93.866		UW BUD# 635837	3600	45,021	0	PT
93.866		UW BUD# 636263	3600	(187)	0	PT
93.866		UW BUD# 660248	3600	17,677	0	PT
93.866		UW BUD# 660334	3600	15,218	0	PT
93.866		UW BUD# 660790	3600	6,965	0	PT
93.866		UW BUD# 661421	3600	3,426	0	PT
	Federal Program 93.866 Total			**19,968,247**	**2,459,511**	
93.867	Vision Research		3600	11,687,112	119,172	
93.867		00006390 AM01	3600	36,956	0	PT
93.867		00006390 AM02	3600	66,278	0	PT
93.867		00007517PRIME2PN2EY018	3600	216,042	0	PT
93.867		686, AMENDMENT NO. 1	3600	138,807	0	PT
93.867		9-29-03	3600	35,473	0	PT
93.867		N640615302 AM01	3600	19,986	0	PT
93.867		PO#10315588-SUB	3600	16,684	0	PT
93.867		PO#10317338-SUB	3600	101,307	0	PT
93.867		UW BUD# 636315	3600	9,105	0	PT
93.867		UW BUD# 638479	3600	43,764	0	PT
93.867			3650	396,751	0	
93.867		0000006880	3650	50,165	0	PT
93.867		GCAEI0244A	3650	68,374	0	PT
93.867		GPHYP0181WSU	3650	154,496	0	PT
	Federal Program 93.867 Total			**13,041,300**	**119,172**	
93.879	Medical Library Assistance		3600	1,322,003	0	
93.879		104318 AM03	3600	12,357	0	PT
93.879		17111-01247-S01	3600	(1)	0	PT
93.879		UW BUD# 639301	3600	57,373	0	PT
93.879		A08030	3650	13,251	0	PT
	Federal Program 93.879 Total			**1,404,983**	**0**	
	National Institutes of Health Total			**300,431,791**	**33,207,348**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Research and Development

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.941	HIV Demonstration, Research, Public and Profession		3600	1,412,674	709,621	
	Federal Program 93.941 Total			**1,412,674**	**709,621**	
93.978	Preventive Health Services_sexually Transmitted DI		3600	365,655	0	
	Federal Program 93.978 Total			**365,655**	**0**	
	Centers for Disease Control and Prevention Total			**1,778,329**	**709,621**	
93.989	International Research and Research Training		3600	2,349,992	310,258	
93.989		5 D 43 TW 008438 2	3600	87,951	0	PT
93.989		UW BUD# 672847	3600	103,545	0	PT
93.989		UW BUD# 673289	3600	761	0	PT
93.989		VUMC 34749	3600	4,658	0	PT
93.989		VUMC 34749, AM0	3600	1,821	0	PT
93.989		VUMC 34749, AM02	3600	43,840	0	PT
93.989		VUMC 35540 AM01	3600	9,168	0	PT
93.989		VUMC 35542 AM01	3600	18,844	0	PT
93.989		VUMC 36924	3600	57,614	0	PT
93.989		VUMC35543AM025R24TW007	3600	21,590	0	PT
93.989		VUMC35544AM15R24TW0079	3600	4,315	0	PT
93.989		VUMC355595R24TW0079880	3600	189,529	0	PT
93.989		VUMC35561AM015R24TW007	3600	8,301	0	PT
93.989		VUMC36834	3600	52,141	0	PT
93.989		VUMC369085R24TW0079880	3600	16,250	0	PT
	Federal Program 93.989 Total			**2,970,320**	**310,258**	
	National Institutes of Health Total			**2,970,320**	**310,258**	
	Dept of Health & Human Services Total			**631,951,501**	**65,124,007**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development

Dept of Homeland Security

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
97.002	Homeland Security		3650	50,497	18,386	
	Federal Program 97.002 Total			**50,497**	**18,386**	
	Homeland Security Total			**50,497**	**18,386**	
	Dept of Homeland Security Total			**50,497**	**18,386**	
Research and Development Total				**984,869,712**	**87,737,698**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Student Financial Assistance

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.007	Federal Supplemental Educational Opportunity Grant		3600	2,020,631	0	
84.007			3650	1,199,138	0	
84.007			3700	438,835	0	
84.007			3750	236,430	0	
84.007			3760	239,700	0	
84.007			6990	3,484,435	0	
	Federal Program 84.007 Total			**7,619,169**	**0**	
84.032	Federal Family Education Loans		3800	18,366,122	0	
84.032			6990	4,028,441	0	
	Federal Program 84.032 Total			**22,394,563**	**0**	
84.033	Federal Work-Study Program		3600	1,752,407	0	
84.033			3650	1,028,746	0	
84.033			3700	206,111	0	
84.033			3750	348,127	0	
84.033			3760	298,156	0	
84.033			3800	514,962	0	
84.033			6990	4,439,434	0	
	Federal Program 84.033 Total			**8,587,943**	**0**	
84.038	Federal Perkins Loan Program_federal Capital Contr		3600	7,378,983	0	
84.038			3600	47,599,637	0	OL
84.038			3650	2,737,619	0	
84.038			3650	18,255,629	0	OL
84.038			3700	5,085,193	0	OL
84.038			3700	706,877	0	
84.038			3750	712,167	0	
84.038			3750	7,352,378	0	OL
84.038			3760	418,103	0	
84.038			3760	4,039,518	0	OL
84.038			3800	1,003,432	0	
84.038			3800	8,082,966	0	OL
84.038			6990	2,632,753	0	OL
	Federal Program 84.038 Total			**106,005,255**	**0**	
84.063	Federal Pell Grant Program		3600	44,182,251	0	
84.063			3650	29,097,317	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Student Financial Assistance

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.063	Federal Pell Grant Program		3700	17,988,317	0	
84.063			3750	16,781,836	0	
84.063			3760	8,710,522	0	
84.063			3800	14,368,381	0	
84.063			6990	271,277,233	0	
	Federal Program 84.063 Total			**402,405,857**	**0**	
84.063A	ARRA - Federal Pell Grant Program		6990	8,276,549	0	
	Federal Program 84.063A Total			**8,276,549**	**0**	
84.268	Federal Direct Student Loans		3600	269,022,507	0	
84.268			3650	147,720,474	0	
84.268			3700	63,404,004	0	
84.268			3750	67,046,195	0	
84.268			3760	22,695,762	0	
84.268			3800	47,167,255	0	
84.268			6990	213,872,286	0	
	Federal Program 84.268 Total			**830,928,483**	**0**	
84.375	Academic Competitiveness Grants		3600	1,439,413	0	
84.375			3650	948,603	0	
84.375			3700	575,229	0	
84.375			3750	453,238	0	
84.375			3760	114,597	0	
84.375			3800	518,927	0	
84.375			6990	729,160	0	
	Federal Program 84.375 Total			**4,779,167**	**0**	
84.376	National Science and Mathematics Access to Retain		3600	4,390,674	0	
84.376			3650	1,190,270	0	
84.376			3700	735,733	0	
84.376			3750	553,774	0	
84.376			3760	174,365	0	
84.376			3800	269,505	0	
	Federal Program 84.376 Total			**7,314,321**	**0**	
84.379	Teacher Education Assistance for College and Highe		3650	201,000	0	
84.379			3750	660,057	0	

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Student Financial Assistance

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.379	Teacher Education Assistance for College and Highe		3760	30,666	0	
84.379			6990	4,000	0	
	Federal Program 84.379 Total			**895,723**	**0**	
	Dept of Education Total			**1,399,207,030**	**0**	

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Student Financial Assistance

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.264	Nurse Faculty Loan Program		3600	291,760	0	
93.264			3600	912,941	0	OL
93.264			3650	160,000	0	
93.264			3650	259,576	0	OL
	Federal Program 93.264 Total			**1,624,277**	**0**	
93.342	Health Professions Student Loans, Including Primar		3600	12,475,727	0	OL
93.342			3600	(117,322)	0	
93.342			3650	2,592,447	0	OL
	Federal Program 93.342 Total			**14,950,852**	**0**	
93.364	Nursing Student Loans		3600	1,819,630	0	OL
93.364			3600	15,012	0	
93.364			3650	1,337,137	0	OL
	Federal Program 93.364 Total			**3,171,779**	**0**	
93.407	ARRA - Scholarship for Disadvantaged Students		3600	188,577	0	
93.407			3650	5,099	0	
93.407			3700	52,089	0	
93.407			6990	23,791	0	
	Federal Program 93.407 Total			**269,556**	**0**	
93.408	ARRA - Nurse Faculty Loan Program		3600	99,693	0	
93.408			3600	191,184	0	OL
	Federal Program 93.408 Total			**290,877**	**0**	
93.925	Scholarships for Health Professions Students From		3600	283,967	0	
93.925			3650	189,648	0	
93.925			3700	78,858	0	
93.925			6990	36,265	0	
	Federal Program 93.925 Total			**588,738**	**0**	
	Dept of Health & Human Services Total			**20,896,079**	**0**	
Student Financial Assistance Total				**1,420,103,109**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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SNAP

Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.551	Snap - Food Stamps (C)		3000	1,555,889,538	0	NC
10.551			3000	39,151	0	
	Federal Program 10.551 Total			**1,555,928,689**	**0**	
10.561	State Admin Match - Grants for Snap		3000	57,583,706	3,910,903	
	Federal Program 10.561 Total			**57,583,706**	**3,910,903**	
	Dept of Agriculture Total			**1,613,512,395**	**3,910,903**	
Snap Total				**1,613,512,395**	**3,910,903**	

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Emergency Food Assistance

Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.568	Temp Emerg Food Assist - Admin		4950	1,216,712	899,954	
	Federal Program 10.568 Total			**1,216,712**	**899,954**	
10.568A	ARRA - Temp Emerg Food Assist - Admin		4950	584,989	584,989	
	Federal Program 10.568A Total			**584,989**	**584,989**	
	Dept of Agriculture Total			**1,801,701**	**1,484,943**	
Emergency Food Assistance Total				**1,801,701**	**1,484,943**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Child Nutrition

Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.553	School Breakfast Program		3500	44,819,333	44,819,333	
	Federal Program 10.553 Total			**44,819,333**	**44,819,333**	
10.555	National School Lunch Program		3500	168,486,413	168,486,413	
	Federal Program 10.555 Total			**168,486,413**	**168,486,413**	
10.556	Special Milk Program for Children		3500	226,945	226,945	
	Federal Program 10.556 Total			**226,945**	**226,945**	
10.559	Summer Food Service Program for Children		3500	4,169,857	4,014,480	
	Federal Program 10.559 Total			**4,169,857**	**4,014,480**	
	Dept of Agriculture Total			**217,702,548**	**217,547,171**	
Child Nutrition Total				**217,702,548**	**217,547,171**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Fish and Wildlife

Dept of the Interior

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.605	Sport Fish Restoration Program		4770	7,468,202	0	
	Federal Program 15.605 Total			**7,468,202**	**0**	
15.611	Wildlife Restoration	WSU002006	3650	19	0	PT
15.611			4770	7,715,734	0	
15.611			4900	3,998	0	
	Federal Program 15.611 Total			**7,719,751**	**0**	
	Dept of the Interior Total			**15,187,953**	**0**	
Fish and Wildlife Total				**15,187,953**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Employment Service

Dept of Labor

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
17.207	Employ Serv/Wagner-Peyser Funded		5400	17,644,250	0	
	Federal Program 17.207 Total			**17,644,250**	**0**	
17.207A	ARRA - Employ Serv/Wagner-Peyser Funded		5400	2,925,865	0	
	Federal Program 17.207A Total			**2,925,865**	**0**	
17.801	Disabled Veterans' Outreach Program (Dvop)		5400	2,129,900	0	
	Federal Program 17.801 Total			**2,129,900**	**0**	
17.804	Local Veterans' Employment Representative Program		5400	2,016,212	0	
	Federal Program 17.804 Total			**2,016,212**	**0**	
	Dept of Labor Total			**24,716,227**	**0**	
Employment Service Total				**24,716,227**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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WIA

Dept of Labor

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
17.258	WIA Adult Program	10/405 VAR MOD01	3600	24,184	0	PT
17.258		1067525MOD01639941	3600	10,796	0	PT
17.258			5400	19,723,384	18,806,458	
17.258		504x	5400	188,086	0	PT
17.258		628x	5400	131,689	0	PT
17.258		674x	5400	48,643	0	PT
17.258		757x	5400	85,943	0	PT
17.258		770x	5400	142,503	0	PT
17.258		781x	5400	204,161	0	PT
17.258		Contracts	5400	324,190	0	PT
17.258		10-EVC-X-042-5809	6990	23,024	0	PT
17.258		10/164-OPR	6990	7,572	0	PT
17.258		A4SSC-112-WDA	6990	(3,993)	0	PT
17.258		KC-382-10 & 10A	6990	3,559	0	PT
17.258		WBS09-C773-ICTOC	6990	18,854	0	PT
	Federal Program 17.258 Total			**20,932,595**	**18,806,458**	
17.258A	ARRA - WIA Adult Program		5400	2,708,141	1,939,128	
17.258A		527x	5400	9,716	0	PT
17.258A		Contracts	5400	123,756	0	PT
17.258A		10-EVC-050-AWGT	6990	24,046	0	PT
17.258A		10-EVC-X-018-AWGT	6990	57,987	0	PT
17.258A		10-EVC-X-040-AWGT	6990	32,902	0	PT
17.258A		10/201-GOV	6990	102,992	0	PT
17.258A		C9SSC-501-VAR	6990	(977)	0	PT
17.258A		C9SSC-502-VAR	6990	(103,912)	0	PT
17.258A		WBS09-C772-ICTSPS	6990	35,627	0	PT
	Federal Program 17.258A Total			**2,990,278**	**1,939,128**	
17.259	WIA Youth Activities		5400	16,590,352	15,269,248	
17.259		Contracts	5400	292,985	0	PT
17.259		WBS09-C773-IC703	6990	18,854	0	PT
	Federal Program 17.259 Total			**16,902,191**	**15,269,248**	
17.259A	ARRA - WIA Youth Activities		5400	3,707,547	1,095,832	
17.259A		10/201-GOV	6990	102,992	0	PT
17.259A		WBS09-C772-ICTSPS	6990	76,136	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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WIA

Dept of Labor

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
	Federal Program 17.259A Total			**3,886,675**	**1,095,832**	
17.260	WIA Disclocated Workers		5400	4,994,597	4,970,818	
17.260		355x	5400	275,727	0	PT
17.260		Contracts	5400	3,066,914	0	PT
17.260		0910-WDC	6990	215,136	0	PT
17.260		SKS11	6990	14,316	0	PT
17.260		WBS09-C773-ICTOC	6990	73,199	0	PT
	Federal Program 17.260 Total			**8,639,889**	**4,970,818**	
17.260A	ARRA - WIA Disclocated Workers		5400	6,492,470	4,942,647	
17.260A		526x	5400	14,321	0	PT
17.260A		Contracts	5400	196,774	0	PT
17.260A		10-EVC-X-019-AWGT	6990	104,976	0	PT
17.260A		10/201-GOV	6990	102,992	0	PT
17.260A		111-3284	6990	21,667	0	PT
17.260A		ARRA-Cohort-Aviation	6990	31,522	0	PT
17.260A		ARRA-Cohort-Career	6990	32,115	0	PT
17.260A		ARRA-Cohort-IBest	6990	(311)	0	PT
17.260A		ARRA-Cohort-LPN	6990	33,160	0	PT
17.260A		ARRA-Cohort-MA	6990	63,343	0	PT
17.260A		ARRA-Cohort-Mach	6990	41,487	0	PT
17.260A		ARRA-Cohort-PM	6990	1,023	0	PT
17.260A		ARRA-Gov10%-Chem	6990	62,773	0	PT
17.260A		ARRA-Gov10%-Cust	6990	100,212	0	PT
17.260A		ARRA-Gov10%-Trans	6990	109,378	0	PT
17.260A		C91SVI-511-VAR	6990	91,612	0	PT
17.260A		C9SSC-501-VAR	6990	(2,511)	0	PT
17.260A		NAC IBEST March 2011	6990	5,253	0	PT
17.260A		NAC IBEST Nov 2010	6990	23,088	0	PT
17.260A		PY10-Incumbent	6990	97,440	0	PT
17.260A		WBS09-C770-ICTCC	6990	24,936	0	PT
17.260A		WBS09-C772-ICTSPS	6990	142,187	0	PT
	Federal Program 17.260A Total			**7,789,907**	**4,942,647**	
17.278	WIA Dislocated Worker Formula Grants	10-67525 MOD01	3600	25,200	0	PT
17.278			5400	15,459,449	13,333,579	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

For the Year Ended
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WIA

Dept of Labor

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
17.278	WIA Dislocated Worker Formula Grants	10/164-OPR	6990	7,572	0	PT
17.278		Bates NAC/OTA	6990	35,971	0	PT
17.278		Bates-DW Training	6990	48,039	0	PT
17.278		KC-382.10&10A	6990	31,562	0	PT
	Federal Program 17.278 Total			**15,607,793**	**13,333,579**	
17.278A	ARRA - WIA Dislocated Worker Formula Grants	10-EDC-X-015-AWGT	6990	51,818	0	PT
17.278A		10-EDC-X-016-AWGT	6990	103,060	0	PT
17.278A		10-EDC-X-017-AWGT	6990	72,327	0	PT
17.278A		10-EDC-X-049-AWGT	6990	91,200	0	PT
	Federal Program 17.278A Total			**318,405**	**0**	
	Dept of Labor Total			**77,067,733**	**60,357,710**	

WIA Total **77,067,733** **60,357,710**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Federal Transit

Dept of Transportation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.500	Fedl Transit - Capital Invest Grants		4050	14,971,161	5,105,174	
	Federal Program 20.500 Total			**14,971,161**	**5,105,174**	
20.500A	ARRA - Fedl Transit - Capital Invest Grants		4050	3,315,056	0	
	Federal Program 20.500A Total			**3,315,056**	**0**	
	Dept of Transportation Total			**18,286,217**	**5,105,174**	
Federal Transit Total				**18,286,217**	**5,105,174**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Highway Safety

Dept of Transportation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.600	State and Community Highway Safety		2280	5,640,850	4,108,825	
20.600			3600	109	0	
20.600		WSU001486	3650	4,187	0	PT
	Federal Program 20.600 Total			**5,645,146**	**4,108,825**	
20.601	Alcohol Traffic Safety and Drunk Driving Preventio		2280	3,325,338	3,325,338	
	Federal Program 20.601 Total			**3,325,338**	**3,325,338**	
20.602	Occupant Protection		2280	391,592	391,592	
	Federal Program 20.602 Total			**391,592**	**391,592**	
20.609	Safety Belt Performance Grants		2280	668,469	668,469	
	Federal Program 20.609 Total			**668,469**	**668,469**	
20.610	State Traffic Safety Information System Improvemen		2280	521,663	521,663	
	Federal Program 20.610 Total			**521,663**	**521,663**	
20.611	Incentive Grant Program to Prohibit Racial Profili		2280	123,843	123,843	
	Federal Program 20.611 Total			**123,843**	**123,843**	
20.612	Incentive Grant Program to Increase Motorcyclist S		2280	55,685	55,685	
	Federal Program 20.612 Total			**55,685**	**55,685**	
20.613	Child Safety and Child Booster Seats Incentive Gra		2280	374,026	374,026	
	Federal Program 20.613 Total			**374,026**	**374,026**	
	Dept of Transportation Total			**11,105,762**	**9,569,441**	

Highway Safety Total **11,105,762** **9,569,441**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Special Education (IDEA)

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.027	Special Ed - State Grants		3500	210,984,649	207,350,642	
84.027		12108000013/1210800014	3750	42,051	0	PT
84.027		1211000004.000	3750	155,882	0	PT
84.027		CWU/Ellensburg School	3750	500	0	PT
	Federal Program 84.027 Total			**211,183,082**	**207,350,642**	
84.173	Special Ed - Preschool Grants		3500	7,781,717	7,468,987	
	Federal Program 84.173 Total			**7,781,717**	**7,468,987**	
84.391	ARRA - Special Education Grants to States		3500	102,103,707	102,103,707	
	Federal Program 84.391 Total			**102,103,707**	**102,103,707**	
84.392	ARRA - Special Education - Preschool Grants		3500	3,837,951	3,837,951	
	Federal Program 84.392 Total			**3,837,951**	**3,837,951**	
	Dept of Education Total			**324,906,457**	**320,761,287**	

Special Education (Idea) Total **324,906,457** **320,761,287**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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TRIO

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.042	Trio Student Support Services		3600	702,290	0	
84.042			3650	365,820	1,600	
84.042			3700	405,073	0	
84.042			3750	278,944	0	
84.042			3760	310,796	0	
84.042			6990	5,455,223	0	
	Federal Program 84.042 Total			**7,518,146**	**1,600**	
84.044	Trio Talent Search		3600	315,715	0	
84.044			6990	1,104,676	0	
	Federal Program 84.044 Total			**1,420,391**	**0**	
84.047	Trio Upward Bound		3600	417,278	0	
84.047			3650	927,679	7,000	
84.047			3760	440,647	0	
84.047			6990	2,338,295	0	
	Federal Program 84.047 Total			**4,123,899**	**7,000**	
84.066	Trio Educational Opportunity Centers		3750	257,615	0	
	Federal Program 84.066 Total			**257,615**	**0**	
84.217	Trio Mcnair Post-Baccalaureate Achievement		3600	246,759	0	
84.217			3650	247,052	0	
84.217			3700	251,221	0	
84.217			3750	245,174	0	
	Federal Program 84.217 Total			**990,206**	**0**	
	Dept of Education Total			**14,310,257**	**8,600**	
Trio Total				**14,310,257**	**8,600**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Aging

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.044	Special Programs for the Aging Title Iii, Part B G		3000	9,751,349	9,683,494	
	Federal Program 93.044 Total			**9,751,349**	**9,683,494**	
93.045	Special Programs for the Aging Title Iii, Part C N		3000	11,117,202	10,349,706	
	Federal Program 93.045 Total			**11,117,202**	**10,349,706**	
93.053	Nutrition Services Incentive Program		3000	1,933,194	1,933,194	
	Federal Program 93.053 Total			**1,933,194**	**1,933,194**	
93.705	ARRA - Aging Home-Delivd Nutrition Services		3000	246,582	246,582	
	Federal Program 93.705 Total			**246,582**	**246,582**	
93.707	ARRA - Aging Congre Nutrition Serv for States		3000	532,902	532,902	
	Federal Program 93.707 Total			**532,902**	**532,902**	
	Dept of Health & Human Services Total			**23,581,229**	**22,745,878**	
Aging Total				**23,581,229**	**22,745,878**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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CCDF

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.575	Child Care & Dev - Block Grant		3000	104,910,979	0	
93.575			3570	31,647,113	0	
93.575		WSU001043	3650	59,604	0	PT
93.575		WSU001044	3650	62,200	0	PT
93.575		WSU001045	3650	66,219	0	PT
	Federal Program 93.575 Total			**136,746,115**	**0**	
93.596	Child Care Mandatory and Matching Funds of the Chi		3000	7,755	0	
93.596			3570	76,970,631	0	
	Federal Program 93.596 Total			**76,978,386**	**0**	
93.713	ARRA - Child Care & Dev - Block Grant		3570	3,745,312	0	
	Federal Program 93.713 Total			**3,745,312**	**0**	
	Dept of Health & Human Services Total			**217,469,813**	**0**	
Ccdf Total				**217,469,813**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Medicaid

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.720	ARRA - Survey & Cert Ambulatory Surgical		3030	202,931	0	
	Federal Program 93.720 Total			**202,931**	**0**	
93.775	State Medicaid Fraud Control Units		1000	1,911,352	0	
	Federal Program 93.775 Total			**1,911,352**	**0**	
93.777	State Survey and Certification of Health Care Prov		3000	8,960,996	0	
93.777			3030	1,346,792	0	
	Federal Program 93.777 Total			**10,307,788**	**0**	
93.778	Medical Assistance Program		1070	23,263,876	0	
93.778			3000	4,013,010,986	68,086,127	
93.778			3050	4,583,913	0	
93.778		DA11-1527 AM01	3600	17,072	0	PT
	Federal Program 93.778 Total			**4,040,875,847**	**68,086,127**	
93.778A	ARRA - Medical Assistance Program		3000	673,567,587	0	
	Federal Program 93.778A Total			**673,567,587**	**0**	
	Dept of Health & Human Services Total			**4,726,865,505**	**68,086,127**	

Medicaid Total **4,726,865,505** **68,086,127**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Schools and Roads

Dept of Agriculture

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.665	Secure Payments for States and Counties Containing		0050	30,526,738	0	
10.665			3650	76,559	0	
	Federal Program 10.665 Total			**30,603,297**	**0**	
	Dept of Agriculture Total			**30,603,297**	**0**	
Schools and Roads Total				**30,603,297**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Disability Insurance/SSI

Social Security Administration

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
96.001	Social Security Disability Insurance		3000	47,749,688	0	
	Federal Program 96.001 Total			**47,749,688**	**0**	
	Social Security Administration Total			**47,749,688**	**0**	
Disability Insurance/SSI Total				**47,749,688**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Highway Planning and Construction

Dept of Transportation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.205	Highway Planning & Constructn	27146	3600	22,413	0	PT
20.205			4050	557,752,458	188,276,428	
	Federal Program 20.205 Total			**557,774,871**	**188,276,428**	
20.205A	ARRA - Highway Planning & Constructn		4050	171,903,618	44,920,514	
	Federal Program 20.205A Total			**171,903,618**	**44,920,514**	
20.219	Recreational Trails Program		4670	1,730,595	1,295,790	
	Federal Program 20.219 Total			**1,730,595**	**1,295,790**	
20.933	Surface Transportation Infrastructure Disc. Grants		4050	117,777	116,415	
	Federal Program 20.933 Total			**117,777**	**116,415**	
	Dept of Transportation Total			**731,526,861**	**234,609,147**	

Highway Planning and Construction Total **731,526,861** **234,609,147**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Economic Development

Dept of Commerce

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
11.307	Economic Adjustment Assistance		3800	176,598	0	
11.307			6990	93,196	0	
	Federal Program 11.307 Total			**269,794**	**0**	
	Dept of Commerce Total			**269,794**	**0**	
Economic Development Total				**269,794**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Homeland Security

Dept of Homeland Security

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
97.004	State Domestic Preparedness Equipment Support Prog		2450	18,173,997	17,085,965	
	Federal Program 97.004 Total			**18,173,997**	**17,085,965**	
97.067	Homeland Security Grant Program	C110276FED-CEM1	2250	32,551	0	PT
97.067			2450	1,974,577	1,974,577	
	Federal Program 97.067 Total			**2,007,128**	**1,974,577**	
	Dept of Homeland Security Total			**20,181,125**	**19,060,542**	
Homeland Security Total				**20,181,125**	**19,060,542**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

For the Year Ended
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Transit Services Programs

Dept of Transportation

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.513	Capital Assistance Program for Elderly Persons And		4050	3,719,084	3,676,097	
20.513		GCA6144	4050	1,600	0	PT
20.513		GCA6180	4050	2,031	0	PT
20.513		GCA6183	4050	1,334	0	PT
20.513		GCA6195	4050	119,947	0	PT
20.513		GCA6333	4050	222,750	0	PT
	Federal Program 20.513 Total			**4,066,746**	**3,676,097**	
20.516	Job Access Reverse Commute		4050	2,726,421	2,643,578	
	Federal Program 20.516 Total			**2,726,421**	**2,643,578**	
20.521	New Freedom Program		4050	1,382,684	1,332,628	
	Federal Program 20.521 Total			**1,382,684**	**1,332,628**	
	Dept of Transportation Total			**8,175,851**	**7,652,303**	
Transit Services Programs Total				**8,175,851**	**7,652,303**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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CDBG - State Administered CDBG

Housing & Urban Development

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
14.228	Comm Dev Blk Grts States Prgm & Non Ent		1030	24,477,878	23,800,754	
	Federal Program 14.228 Total			**24,477,878**	**23,800,754**	
14.255A	ARRA - Cdbg-State & Non-Entit Grnt In Hawaii		1030	2,225,292	2,158,224	
	Federal Program 14.255A Total			**2,225,292**	**2,158,224**	
	Housing & Urban Development Total			**26,703,170**	**25,958,978**	
Cdbg - State Administered Cdbg Total				**26,703,170**	**25,958,978**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Lead Hazard Control

Housing & Urban Development

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
14.907A	ARRA - Lead-Based Paint Haz Control		1030	1,328,597	1,218,412	
	Federal Program 14.907A Total			**1,328,597**	**1,218,412**	
	Housing & Urban Development Total			**1,328,597**	**1,218,412**	
Lead Hazard Control Total				**1,328,597**	**1,218,412**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Title I, Part A

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.010	Title 1 Grants to Local Ed Agys		3500	183,596,923	177,351,521	
	Federal Program 84.010 Total			**183,596,923**	**177,351,521**	
84.389	ARRA - Title I Grants to Local Educl Age		3500	73,476,222	69,685,647	
	Federal Program 84.389 Total			**73,476,222**	**69,685,647**	
	Dept of Education Total			**257,073,145**	**247,037,168**	
Title I, Part A Total				**257,073,145**	**247,037,168**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

For the Year Ended
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(Expressed in whole dollars)

Vocational Rehabilitation

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.126	Vocl Rehab Grants to State Basic		3000	39,265,490	0	
84.126			3150	6,689,887	0	
	Federal Program 84.126 Total			**45,955,377**	**0**	
84.390	ARRA - Vocl Rehab Grants to States		3000	2,350,178	0	
84.390			3150	1,103,390	0	
	Federal Program 84.390 Total			**3,453,568**	**0**	
	Dept of Education Total			**49,408,945**	**0**	
Vocational Rehabilitation Total				**49,408,945**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

For the Year Ended
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(Expressed in whole dollars)

Early Intervention Services (IDEA)

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.181	Spec Ed-Grants for Infants & Families		3570	8,376,959	0	
	Federal Program 84.181 Total			**8,376,959**	**0**	
84.393	ARRA - Grants for Infants and Families		3570	4,166,787	0	
84.393		PRIME10132601700140007	3600	85,851	0	PT
84.393		KC241000-Amend #1	3700	222,084	0	PT
84.393		1210900053R	3750	3,570	0	PT
84.393		1000LC-65	6990	23,841	0	PT
84.393		IEL-ARRA-IDEA-Part C	6990	7,447	0	PT
	Federal Program 84.393 Total			**4,509,580**	**0**	
	Dept of Education Total			**12,886,539**	**0**	

Early Intervention Services (Idea) Total **12,886,539** **0**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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State Fiscal Stabilization Fund

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.394	ARRA - Sfsf - Education State Grant		3500	53,102,387	53,102,387	
	Federal Program 84.394 Total			**53,102,387**	**53,102,387**	
84.397	ARRA - Sfsf - Government Services		3800	82,668	0	
	Federal Program 84.397 Total			**82,668**	**0**	
	Dept of Education Total			**53,185,055**	**53,102,387**	
State Fiscal Stabilization Fund Total				**53,185,055**	**53,102,387**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Immunization

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.268	Immunization Grants		3030	82,631,538	0	NC
93.268			3030	7,286,467	3,455,337	
	Federal Program 93.268 Total			**89,918,005**	**3,455,337**	
93.712	ARRA - Immunization		3030	1,983,632	1,323,265	
	Federal Program 93.712 Total			**1,983,632**	**1,323,265**	
	Dept of Health & Human Services Total			**91,901,637**	**4,778,602**	
Immunization Total				**91,901,637**	**4,778,602**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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TANF

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.558	Temp Assistance for Needy Families (Tanf)		3000	331,976,524	0	
	Federal Program 93.558 Total			**331,976,524**	**0**	
93.714	ARRA - Emerg Conting TANF State Prog		3000	14,220,124	0	
	Federal Program 93.714 Total			**14,220,124**	**0**	
	Dept of Health & Human Services Total			**346,196,648**	**0**	
TANF Total				**346,196,648**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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CSBG

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.569	Community Services Block Grant		1030	7,627,723	7,129,924	
	Federal Program 93.569 Total			**7,627,723**	**7,129,924**	
93.710	ARRA - Commty Services Block Grant		1030	4,138,886	4,138,886	
93.710		CS-09-12-03-203	6990	32,379	0	PT
	Federal Program 93.710 Total			**4,171,265**	**4,138,886**	
	Dept of Health & Human Services Total			**11,798,988**	**11,268,810**	
Csbg Total				**11,798,988**	**11,268,810**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Head Start

Dept of Health & Human Services

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.600	Head Start		3570	171,179	0	
93.600			3600	2,392,851	503,130	
93.600		WSU001053	3650	2,725	0	PT
93.600		WSU001276	3650	10,116	0	PT
93.600			3700	1,875,710	0	
93.600			6990	22,222,248	0	
93.600		06934	6990	81,842	0	PT
93.600		0910 Headstart	6990	39,155	0	PT
93.600		1011 Headstart	6990	71,280	0	PT
93.600		145-161-1N46	6990	115,193	0	PT
93.600		145-161-1N48	6990	42,082	0	PT
93.600		1501011132	6990	91,017	0	PT
93.600		260-161-1N45	6990	9,933	0	PT
93.600		570-265-1550	6990	179,710	0	PT
93.600		LOA# 6901	6990	210,700	0	PT
	Federal Program 93.600 Total			**27,515,741**	**503,130**	
93.708	ARRA - Head Start		3570	77,173	0	
93.708		WSU001053	3650	9	0	PT
93.708			3700	17,973	0	
93.708			6990	293,458	0	
	Federal Program 93.708 Total			**388,613**	**0**	
93.709	ARRA - Early Head Start	WSU001177	3650	1,673	0	PT
93.709		WSU001275	3650	2,838	0	PT
93.709		LOA# 6902	6990	106,396	0	PT
	Federal Program 93.709 Total			**110,907**	**0**	
	Dept of Health & Human Services Total			**28,015,261**	**503,130**	

Head Start Total

28,015,261 **503,130**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

For the Year Ended
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Educational Technology State Grants

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.318	Education Technology State Grants		3500	2,237,827	2,087,893	
	Federal Program 84.318 Total			**2,237,827**	**2,087,893**	
84.386	ARRA - Education Technology State Grants		3500	3,593,154	3,350,890	
	Federal Program 84.386 Total			**3,593,154**	**3,350,890**	
	Dept of Education Total			**5,830,981**	**5,438,783**	
Educational Technology State Grants Total				**5,830,981**	**5,438,783**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Independent Living State Grants

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.169	Independent Living - State Grants		3000	283,753	312,474	
84.169			3150	47,571	0	
	Federal Program 84.169 Total			**331,324**	**312,474**	
84.398	ARRA - Indep Living State Grants,		3000	61,113	61,113	
	Federal Program 84.398 Total			**61,113**	**61,113**	
	Dept of Education Total			**392,437**	**373,587**	
Independent Living State Grants Total				**392,437**	**373,587**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Indepent Living Svcs for Older Indiv Who Are Blind

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.177	Independent Living Older Blind		3150	741,079	0	
	Federal Program 84.177 Total			**741,079**	**0**	
84.399	ARRA - Older Individuals Who Are Blind		3150	369,312	0	
	Federal Program 84.399 Total			**369,312**	**0**	
	Dept of Education Total			**1,110,391**	**0**	
Indepent Living Svcs for Older Indiv Who Are Blind Total				**1,110,391**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Education of Homeless Children & Youth

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.196	Ed for Homeless Children/Youth		3500	984,630	676,325	
	Federal Program 84.196 Total			**984,630**	**676,325**	
84.387	ARRA - Educ for Homeless Children and Youth		3500	485,417	485,416	
	Federal Program 84.387 Total			**485,417**	**485,416**	
	Dept of Education Total			**1,470,047**	**1,161,741**	
Education of Homeless Children & Youth Total				**1,470,047**	**1,161,741**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Teacher Quality Pertnership Grants

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.405	ARRA - Teacher Quality Partnerships	U405A100020	3600	114,433	0	PT
	Federal Program 84.405 Total			**114,433**	**0**	
	Dept of Education Total			**114,433**	**0**	
Teacher Quality Pertnership Grants Total				**114,433**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Statewide Data Systems

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.372	Statewide Data Systems		3500	1,150,986	0	
	Federal Program 84.372 Total			**1,150,986**	**0**	
84.384	ARRA - Statewide Data Systems, Recovery Act		3500	1,125,495	0	
	Federal Program 84.384 Total			**1,125,495**	**0**	
	Dept of Education Total			**2,276,481**	**0**	
Statewide Data Systems Total				**2,276,481**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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School Improvement Grants

Dept of Education

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.377	School Improvement Grants		3500	1,156,462	816,837	
	Federal Program 84.377 Total			**1,156,462**	**816,837**	
84.388	ARRA - School Improve Grants, Recovery Act		3500	14,146,336	13,921,229	
	Federal Program 84.388 Total			**14,146,336**	**13,921,229**	
	Dept of Education Total			**15,302,798**	**14,738,066**	
School Improvement Grants Total				**15,302,798**	**14,738,066**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
Schedule of Expenditures of Federal Awards

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Jag Program

Dept of Justice

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
16.738	Edwrd Byrne Mem Justice Asst Grant Pgm		1030	7,799,283	5,698,566	
	Federal Program 16.738 Total			**7,799,283**	**5,698,566**	
16.803A	ARRA - Edwd Byrne Memorial Jag Prog States		1030	694,470	(147,721)	
	Federal Program 16.803A Total			**694,470**	**(147,721)**	
	Dept of Justice Total			**8,493,753**	**5,550,845**	
Jag Program Total				**8,493,753**	**5,550,845**	

Total Federal Assistance	**17,308,755,010**	**2,390,903,771**

Footnotes:
NC - Expenditure amount noncash in nature
PT - Expenditure, Pass-through in nature (federal funds received through another nonfederal entity).

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Note A: **Purpose of the Schedule**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) is a supplementary schedule to the State's financial statements and is presented for purposes of additional analysis. The Schedule is required by the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.*

Note B: **Significant Accounting Policies**

Note B1: Basis of Presentation - The information in the Schedule is presented in accordance with OMB Circular A-133.

- Federal Financial Assistance - Pursuant to the Single Audit Act of 1984 (Public Law 98-502); the Single Audit Act Amendments of 1996 (Public Law 104-156); and OMB Circular A-133, federal financial assistance, hereafter referred to as federal assistance, is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance, endowments, or direct appropriations. Accordingly, non-monetary or non-cash federal assistance, including electronic benefit cards, food commodities, immunization supplies and surplus property, is federal assistance and, therefore, is reported on the Schedule. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the State and federal agencies for which the State provides tangible goods or services, acting as a vendor, are not considered to be federal assistance.

- Catalog of Federal Domestic Assistance (CFDA) - OMB Circular A-133 requires the Schedule to show total expenditures for each of the State's federal assistance programs as identified in the CFDA. The Federal Single Audit Clearinghouse has modified several of the CFDA programs for reporting purposes. The Schedule includes those modifications.

- Each program included in the CFDA is assigned a five-digit program identification number (CFDA number), the first two digits designating federal agency and the last three digits designating federal assistance program within the federal agency. The CFDA number is reflected in the Schedule. Federal assistance programs and awards which have not been assigned a CFDA number, but have a grant award or agreement number, are assigned a five digit code consisting of the first two digits indicating federal agency and the last three digits all zeros. Where no CFDA number has been identified and no award or agreement number was identifiable, a five-digit code consisting of two digits indicating federal agency followed by three nines, is displayed on the Schedule.

- Cluster of Programs - Closely related programs with different CFDA numbers that share common compliance requirements are to be considered a cluster of programs. The Schedule is structured to present the federal assistance information by cluster with the title of the cluster appearing in the heading. Programs not included within a designated cluster are presented under the title Programs Not Clustered. The only program clusters presented on the Schedule are those mandated by OMB in the most recent Circular A-133 *Compliance Supplement* (June 2011). No expenditures of federal awards were recorded in the following mandated clusters in the report year:

  Section 8 Project-Based
  Foster Grandparent/Senior Companion
  Foreign Food Aid Donation
  CDBG – Entitlement Grants
  Indian CDBG Program
  Indian Housing Block Grants
  CFP
  Native Hawaiian Housing
  Impact Aid
  Housing Voucher
  Emergency Food and Shelter Program
  Centers for Independent Living
  Teacher Incentive Fund
  CDFI

Note B2: Reporting Entity - The State reporting entity is fully described in Note 1A of the State's financial statements. The Schedule includes all federal assistance programs administered by the State during fiscal year ending June 30, 2011.

Note B3: Basis of Accounting - Federal assistance programs included in the Schedule are reported in the State's financial statements as federal grants-in-aid in the General, Special Revenue, Debt Service, Capital Projects, and Permanent Funds and as other revenue in proprietary and fiduciary funds. The Schedule is presented using the same basis of accounting as that used in reporting the expenditures of the related funds in the State's fund financial statements. The basis of accounting used for each fund type is described in Note 1C of the State's financial statements.

- Indirect Costs - The Schedule includes a portion of costs associated with general activities which is allocated to federal assistance programs under negotiated formulas commonly referred to as indirect cost rates and federally approved cost allocation plans. Reimbursement of state central service costs, achieved via the federally approved Statewide Central Services Cost Allocation Plan, is not reflected on the Schedule. A total of $1,793,705 was recovered for state central service costs during fiscal year ending June 30, 2011.

- Matching Costs - The Schedule does not include matching expenditures with the exception specified in Note C.

- Non-monetary Assistance - Non-monetary assistance programs included on the Schedule are identified with a non-cash expenditure (NC) including:

  1. The **Supplemental Nutrition Assistance Program (SNAP)** is administered through Electronic Benefit (EBT) cards that provide each eligible client with an authorized limit of service (purchase of specific food products). The dollar expenditure reported for the SNAP consists of actual disbursements for client purchases of authorized food products via the EBT card program.

  2. The **Commodity Supplemental Food** program is presented at the federally assigned value of product disbursed by the State.

  3. The **Surplus Property** program is presented at the fair market value of the property distributed. The fair market value was estimated to be 23% of the property's original acquisition value.

  4. The **Immunization Vaccine** programs are presented at the federally assigned value of product disbursed by the State.

- Endowment, Loan and Loan Guarantee Programs - Additional information on federal endowment, federal loan, and federal loan guarantee programs is included in Footnote G. Amounts in Footnote G included in the Schedule of Expenditures of Federal Awards are indicated with an (**s**).

- Indirect (Pass-Through) Federal Assistance - The majority of the State's federal assistance is received directly from federal awarding agencies (i.e., the State is the primary recipient). However, agencies and institutions of the State receive some federal assistance that is passed through a separate entity prior to receipt by the State (i.e., the State is a subrecipient). Although this type of assistance is included on the Schedule as "Pass-Through" (PT), it is not reported as federal revenue on the State's basic financial statements because it was not awarded directly from the federal government to the State.

- Federal Transactions Between State Agencies and Institutions - Some state agencies and institutions subaward federal assistance to other state agencies or institutions (i.e., a pass-through of funds by the primary recipient organization to a subrecipient state organization). In these situations, the federal revenue and expenditures are only reported once within the same fund in the State's financial statements in accordance with generally accepted accounting principles (GAAP) and reported once on the Schedule. This method avoids duplication and the overstatement of the aggregate level of federal assistance expended by the State. However, purchases of services between state organizations using federal monies are reported in the financial statements as expenditures or expenses by the purchasing organization and as revenues for services rendered by the providing organization.

Note B4: Presentation Comments

- Private company rebate activity is not included on the Schedule. Due to the significance of the resources provided by this rebate activity, the following amounts are disclosed for fiscal year ending June 30, 2011:

  10.557 - Special Supplemental Nutrition Program for WIC..... $27,786,057
  (Infant formula rebates provided by private companies)

  93.917 - HIV Care..... $4,575,112
  (Immunization rebates provided by private pharmaceutical companies)

- Expenditures for the federal share of bond repayment are not included on the Schedule. Due to the significance of the federal participation, the following amount is disclosed for the fiscal year ending June 30, 2010:

  20.205 Debt service costs for Referendum 49 bonds..... $4,027,281

- State agency numbers used in the Schedule can be referenced, either by number (listed numerically) or name of the agency (listed alphabetically), in the Appendix.

Note C: **U.I. Program, Employer (State) Financial Participation**

As required by U.S. Department of Labor letter dated December 24, 1997, the expenditures reported on the Schedule for Unemployment Insurance, CFDA Program No. 17.225, for fiscal year ending June 30, 2011 include:

State of Washington/Employer Funded	$1,402,051,950
Federal Funds	
ARRA	121,996,004
Non-ARRA	2,166,295,132
Total	$3,690,343,086

Note D: **Non-monetary Assistance Inventory**

As described previously in Note B3, non-monetary assistance is reported in the Schedule. As of June 30, 2011, the state held the following inventories of non-monetary assistance:

Food Commodities (10.565)..... $6,227,596

Note E: **Other Footnote Designations**

The following footnote codes are utilized in the Schedule (far right column):

NC - Non-cash expenditures.

PT - Pass Through (expenditures of resources received from a nonfederal entity outside of the State entity which the nonfederal entity recognized as federal assistance).

OL - Value of new loans made during the year plus balance of loans from previous years, net of payments to date, for which the federal government imposes continuing compliance requirements.

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
03.000	3600	MICHIGAN STATE UNIV	61-5202A, AM 1	36,451
05.024	3700	AM-Big Read 2011	90072	17,025
05.024	3870	Mid Atlantic Arts Foundation	22156	2,225
05.025	3600	WESTERN ARTS FEDERATION	UW BUD# 639161	2,500
06.000	3600	UNIVERSITY OF TEXAS, EL PASO	26-3001-46-62	17,731
07.000	0800	Northwest HIDTA	9009000063	45,000
07.000	2250	San Diego Sheriff's Office	C090207FED-NMI9	10,000
07.000	2250	Spokane Co./City of Spokane	C110497FED-TFG5	2,224
10.000	3600	CASCADE LAND CONSERVANCY	UW BUD# 638421	23,454
10.000	3600	CORRIM	NO. 310	84,440
10.000	3600	CORRIM	SUBCONTRACT #310B	14,400
10.000	3600	MARINE BIOLOGICAL LABORATORY	35540	-14,492
10.000	3650	AMER JERSEY CATTLE CLUB RES FNDN	WSU001201	5,286
10.000	3650	BAYLOR COLLEGE OF MED	101474002	5,435
10.000	3650	MANZANEROS MEXICANOS DE WA CORP	WSU001260	15,000
10.000	3650	NAT'L CATTLEMEN'S BEEF ASSN	WSU000837	4,987
10.000	3650	NW INDIAN COLLEGE	WSU001099	11,346
10.000	3650	OR ST UNIV	GUAR34553636	3,700
10.000	3650	PA ST UNIV	3310WSUNASULGC0114	552
10.000	3650	PURDUE UNIV	8000041656	1,310
10.000	3650	UNIV OF ID	P0023487	28,801
10.000	3650	UNIVERSITY OF MISSOURI	C000315874	2,457
10.001	3650	MI ST UNIV	RC064684J	940
10.001	3650	UNIV OF CT	6967	24,999
10.001	3650	UNIV OF ID	P0028394	1,241
10.170	3700	WSHA-Tree Fruit	N/A	51,169
10.200	3600	MARINE BIOLOGICAL LABORATORY	38631, AMEND #1	51,192
10.200	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF1000O62POFP02220	39,999

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
10.200	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF110073POFP12759	20,157
10.200	3650	CO ST UNIV	AFE742346	1,319
10.200	3650	OR ST UNIV	C0353AA	5,268
10.200	3650	OR ST UNIV	C0380AA	-3,507
10.200	3650	OR ST UNIV	C0396AE	10,586
10.200	3650	OR ST UNIV	C0400AA	14,308
10.200	3650	OR ST UNIV	C0406AA	14,443
10.200	3650	OR ST UNIV	C0417AE	32,178
10.200	3650	OR ST UNIV	C0427AA	25,507
10.200	3650	OR ST UNIV	SL063AA	17,389
10.200	3650	UNIV OF AK FAIRBANKS	UAF110074	27,720
10.200	3650	UNIV OF CA DAVIS	08001136WSU1	5,563
10.200	3650	UNIV OF CA DAVIS	08001136WSU2	-42
10.200	3650	UNIV OF CA DAVIS	08001136WSU3	-7,638
10.200	3650	UNIV OF CA DAVIS	09002101WSU1	-1,685
10.200	3650	UNIV OF CA DAVIS	09002101WSU3	21,749
10.200	3650	UNIV OF CA DAVIS	09002101WSU4	64,377
10.200	3650	UNIV OF CA DAVIS	200912415FUWSU1	57,485
10.200	3650	UNIV OF CA DAVIS	200912415OHWSU4	847
10.200	3650	UNIV OF CA DAVIS	SA7487	-2
10.200	3650	UNIV OF CA DAVIS	SA7580	31,925
10.200	3650	UNIV OF CA DAVIS	SA7653	23,746
10.200	3650	UNIV OF ID	BJK910SB001	446
10.200	3650	UNIV OF ID	P0015121	-182
10.200	3650	UNIV OF ID	P0018666	14,582
10.200	3650	UNIV OF ID	P0023487	25,256
10.200	3650	UNIV OF ID	P0024555	103,687
10.200	3650	UNIV OF ID	P0027904	71,474

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10.200	3650	UNIV OF ID	P0028544	42,005
10.200	3650	UT ST UNIV	061553001	51,514
10.200	3750	University of Wisconsin System	USDA 2010-34558-21128	92,323
10.200	3750	University of Wisconsin System	USDA/PSU RGIS 2009-10	50,161
10.206	3600	NORTHERN ARIZONA UNIVERSITY	FOR34FT-01 AM03	47,403
10.206	3650	OH ST UNIV RSCH FNDN	60015822	30,998
10.206	3650	PA ST UNIV	4362WSUUSDA8710	4,276
10.206	3650	UNIV OF CA DAVIS	501661814	8,580
10.206	3650	UNIV OF CO	2592158	6,063
10.206	3650	UNIV OF GA	RC2935023843688	43,961
10.206	3650	UNIV OF KS	S10200	10,178
10.206	3650	UNIV OF MN	Q4096504901	326
10.206	3650	VA TECH UNIV	42204819276	44,320
10.215	3650	UT ST UNIV	080019042	85
10.215	3650	UT ST UNIV	080019044	190
10.215	3650	UT ST UNIV	080861009	61,740
10.215	3650	UT ST UNIV	080861054	2,806
10.215	3650	UT ST UNIV	080861059	569
10.215	3650	UT ST UNIV	090758003	21,311
10.215	3650	UT ST UNIV	100893004	13,084
10.217	3650	MT ST UNIV	G23309W2325	77,169
10.219	3750	University of Georgia	AG 201033522219668 UOG	6,170
10.225	3600	SOLID GROUND WASHINGTON	UW BUD# 639704	9,736
10.227	3650	NW INDIAN COLLEGE	WSU001120	18,945
10.227	3800	NW Indian College	NONE	16,785
10.255	3650	UNIV OF WI MADISON	233K380	31,382
10.303	3650	OR ST UNIV	C0368AA	42,901
10.303	3650	UNIV OF CA DAVIS	07001492WA2	52,943

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
10.303	3650	UNIV OF ID	P0016207	55,219
10.303	3650	UNIV OF ID	P0019142	44,490
10.303	3650	UNIV OF ID	P0019143	81,055
10.303	3650	UNIV OF ID	P0019149	79,579
10.303	3650	UNIV OF ID	P0019634	4,925
10.304	3650	UNIV OF CA	8700255817	40,464
10.305	3650	NC ST UNIV	2008120601	5,194
10.309	3650	CARNEGIE MELLON UNIV	1080198219090	133,733
10.309	3650	MI ST UNIV	614296A	507,724
10.309	3650	NC ST UNIV	2010136502	57,229
10.309	3650	OR ST UNIV	C0423BA	115,491
10.309	3650	PA ST UNIV	3826WSUUSDA9561	13,344
10.309	3650	RUTGERS ST UNIV OF NJ	3651	9,046
10.309	3650	UNIV OF CA DAVIS	0800399602	2,072
10.309	3650	UNIV OF CA DAVIS	20101304802	98,419
10.309	3650	UNIV OF CA-BERKELEY	00006986	146,470
10.310	3650	BROAD INSTITUTE	50300805500000108	133,997
10.310	3650	KS ST UNIV	S11011	705
10.310	3650	MI ST UNIV	614202A	16,722
10.310	3650	ND ST UNIV	FAR00156802	7,418
10.310	3650	OR ST UNIV	C0414CB	20,417
10.310	3650	TX A&M RSCH FNDN	S110072	40,323
10.310	3650	UNIV OF CA DAVIS	20101571807	28,743
10.310	3650	UNIV OF CA DAVIS	20101573903	9,007
10.310	3650	UNIV OF GA	RC2933654693938	14,080
10.310	3650	UNIV OF ID	P0025266	27,084
10.310	3650	UNIV OF ID	P0029180	17,976
10.310	3650	UNIV OF ID	P0031113	168,253

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10.310	3650	UNIV OF MN	H000972009	19,060
10.310	3650	UNIV OF NE	2563210212002	3,957
10.315	3650	UNIV OF MN	H001344204	275,604
10.315	3650	UNIV OF MN	H001344218	29,990
10.500	3650	AUBURN UNIV	11USDAARMYWSU	35,621
10.500	3650	CORNELL UNIV	548748872	3,635
10.500	3650	KS ST UNIV	S10088	18,247
10.500	3650	KS ST UNIV	S10174	25,293
10.500	3650	KS ST UNIV	S11178	8,838
10.500	3650	NM ST UNIV	Q01465	3,962
10.500	3650	NM ST UNIV	Q01467	5,101
10.500	3650	OR ST UNIV	SL061AA	8,331
10.500	3650	PURDUE UNIV	8000020482AG	19,152
10.500	3650	PURDUE UNIV	8000025986AG	4,123
10.500	3650	TX A&M UNIV	TCEIRAQ1	128,065
10.500	3650	UNIV OF AZ	Y550112	4,378
10.500	3650	UNIV OF MASSACHUSETTS	11006323B00	10,072
10.500	3650	UNIV OF MN	S4079036501	65,354
10.500	3650	UNIV OF WY	UTSTUNV46442WA	6,479
10.500	3650	UNIV OF WY	UTSTUNV46460EES	2,436
10.500	3650	UNIV OF WY	UTSTUNV46467WA2	214
10.500	3650	UT ST UNIV	080018003	4,714
10.500	3650	UT ST UNIV	080827002	15,353
10.567	3650	S PUGET INTERTRIBAL PLAN AGCY	WSU001160	16,223
10.572	3750	Community Health of Central WA	Sub-contract	8,758
10.574	3750	University of S. Mississippi	SFM-GR03287.-A10	49,563
10.773	3600	NCW RES. CONSERVATION DVLPMT COUNCIL	UW BUD# 662090	-4,878
10.912	3650	NAT'L FISH & WILDLIFE FNDN	20080116039	126,546

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
10.912	3650	THE NATURE CONSERVANCY	WAF0261060910	1,756
11.000	3600	LIGHTWAVE MICROSYSTEMS CORP	UW BUD# 662425	-12,896
11.000	3600	NORTH PACIFIC RESEARCH BOARD	F3813-00	50,295
11.000	3600	NORTH PACIFIC RESEARCH BOARD	UW BUD# 801214	-24
11.000	3600	PACIFIC SALMON COMMISSION	CTC-2009	55,631
11.000	3600	PACIFIC SHELLFISH INST	NMFS-FHQ-2009-2001464	80,966
11.000	3600	PACIFIC SHELLFISH INST	UW BUD# 637814	31,302
11.000	3600	PACIFIC ST MARINE FISHERIES COMM	11-03	19,297
11.000	3600	PARAMETRIX	553-3975-003	27,577
11.000	3600	UNIV OF ALASKA FAIRBANKS	PO FP00983	69,009
11.000	3600	UNIV OF CA SAN DIEGO	R/FISH-208	22,750
11.000	3600	UNIV OF CA SAN DIEGO	R/FISH-208 MOD	24,845
11.000	3600	UNIV OF CA SAN DIEGO	R/FISH-208MOD	32,972
11.000	4770	N. Pacific Fishery Mgmt Council	2010-3	41,858
11.000	4770	Pacific Fish Mgmt Council	06-10	119,691
11.000	4770	Pacific States Marine Fisheries Commission	10-44	15,718
11.000	4770	Pacific States Marine Fisheries Commission	10-78	49,705
11.000	4770	Pacific States Marine Fisheries Commission	10-79	4,612
11.000	4770	Pacific States Marine Fisheries Commission	10-80	3,852
11.000	4770	Pacific States Marine Fisheries Commission	10-81	22,163
11.000	4770	Pacific States Marine Fisheries Commission	11-108	8,800
11.000	4770	Pacific States Marine Fisheries Commission	11-31	214,936
11.000	4770	Pacific States Marine Fisheries Commission	11-50	2,005
11.000	4770	Pacific States Marine Fisheries Commission	11-57	84,377
11.000	4770	Pacific States Marine Fisheries Commission	11-59	83,633
11.000	4770	Pacific States Marine Fisheries Commission	11-79	26,389
11.000	4770	Pacific States Marine Fisheries Commission	11-80	14,536
11.000	4770	Pacific States Marine Fisheries Commission	11-85	2,788

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
11.000	4770	Pacific States Marine Fisheries Commission	11-86	3,672
11.000	4770	Pacific States Marine Fisheries Commission	11-87	18,286
11.000	4770	Pacific States Marine Fisheries Commission	11-94	248,132
11.417	3600	OREGON STATE UNIVERSITY	NA2233-B	36,634
11.427	3600	PACIFIC SHELLFISH INST	UW BUD# 660350	421
11.430	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF 08-0119 MOD 4	15,232
11.431	3600	OREGON STATE UNIVERSITY	NA221A-F	12,160
11.431	3600	UNIVERSITY CORP FOR ATMOSPHERIC RESEARCH	S08-67883	21,424
11.431	3600	UNIVERSITY CORP FOR ATMOSPHERIC RESEARCH	S08-67883 MOD02	145,094
11.432	3600	UNIV OF CA SAN DIEGO	NA17RJ1231	27,954
11.432	3600	UNIV OF MICHIGAN	PO#3001446790	128,570
11.432	3600	UNIVERSITY OF HAWAII	Z972055	33,892
11.436	4770	Pacific States Marine Fisheries Commission	11-13	199,342
11.436	4770	Pacific States Marine Fisheries Commission	11-16	141,500
11.437	4770	Pacific States Marine Fisheries Commission	10-88	410,210
11.437	4770	Pacific States Marine Fisheries Commission	10-89	125,828
11.437	4770	Pacific States Marine Fisheries Commission	11-36	185,494
11.437	4770	Pacific States Marine Fisheries Commission	11-46	45,901
11.437	4770	Pacific States Marine Fisheries Commission	Agreement	163,589
11.438	3600	ALASKA DEPARTMENT OF FISH AND GAME	COOP 10-029	131,052
11.438	3600	ALASKA DEPARTMENT OF FISH AND GAME	COOP 11012	31,385
11.438	3600	ALASKA DEPT OF FISH AND GAME	COOP-09-009	-968
11.438	3600	ALASKA DEPT OF FISH AND GAME	COOP-10-008, AMEND #1	39,776
11.438	3600	ALASKA DEPT OF FISH AND GAME	PROJ # 11145128	5,041
11.439	4770	Pacific States Marine Fisheries Commission	11-18	107,382
11.441	4770	Pacific Fishery Management Council	06-11	110,000
11.460	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A100609,AMEND#2	15,606
11.467	3600	UCAR	Z10-81101 MOD02	15,605

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11.467	3600	UCAR	Z10-81101, MOD02	15,745
11.469	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA#10-25	14,359
11.472	3600	NORTH PACIFIC RESEARCH BOARD	#1006	48,068
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1009, F4009	132,756
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1016	319
11.472	3600	NORTH PACIFIC RESEARCH BOARD	814	16
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B 53	77,771
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B 53 AMENDMENT #1	-871
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B 59	94,568
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B 59 AMEND #1	-9
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B 70 AMENDMENT #1	110,413
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B 71 AMENDMENT #1	30,586
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B 73 AMEND #1	90,736
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B62 AMEND #1	30,309
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B69, AMEND #1	5,212
11.472	3600	NORTH PACIFIC RESEARCH BOARD	F2628-01	-1,825
11.472	3600	NORTH PACIFIC RESEARCH BOARD	F2852-03	78
11.472	3600	NORTH PACIFIC RESEARCH BOARD	F2870-01	13,731
11.472	3600	NORTH PACIFIC RESEARCH BOARD	F2871-01	25,164
11.472	3600	NORTH PACIFIC RESEARCH BOARD	F2873-00	-14
11.472	3600	NORTH PACIFIC RESEARCH BOARD	F3859-01	-5
11.472	3600	NORTH PACIFIC RESEARCH BOARD	F3869-06	6,939
11.472	3600	NORTH PACIFIC RESEARCH BOARD	G82	11,269
11.472	3600	NORTH PACIFIC RESEARCH BOARD	G83	63,041
11.472	3600	NORTH PACIFIC RESEARCH BOARD	G84	15,910
11.472	3600	NORTH PACIFIC RESEARCH BOARD	UW BUD# 634022	-1
11.472	3800	N Pacific Research Board	NA09NMF4720159	87,772
11.472	4770	Oregon Dept of Fish & Wildlife	020-1025-ISA-FISH	253,679

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
11.472	4770	Oregon Dept of Fish & Wildlife	020-10259-ISA-FISH	261,962
11.557	3600	EDLAB GROUP	53-42-B10585	5,933
11.609A	3650	UNIV OF CA SAN DIEGO	10305702	117,653
11.999	4770	Columbia Basin Fish & Wildlife Foundation	None	62,008
12.000	3600	AEROVEL CORPORATION	UW BUD# 635688	9,079
12.000	3600	AEROVEL CORPORATION	UW BUD# 638640	31,060
12.000	3600	ANDREWS SPACE, INC.	SC-0809-0004	-125
12.000	3600	BAE SYSTEMS	744450	18,090
12.000	3600	BBN TECHNOLOGIES CORP.	PO#9500009783 MOD06	302,781
12.000	3600	CARNEGIE MELLON UNIV	1011078-255312	83,246
12.000	3600	CARNEGIE MELLON UNIV	1011078-259568 AM03	43,976
12.000	3600	CENTER FOR PLANT CONSERVATION	UW BUD# 660715	539
12.000	3600	COMPUTATIONAL SCIENCES LLC	UW BUD# 635677	27,991
12.000	3600	CUBRC	07688-02 AM01	20,713
12.000	3600	DUKE UNIVERSITY	UW BUD# 636641	-1,322
12.000	3600	DUKE UNIVERSITY	UW BUD# 637561	71,068
12.000	3600	EAGLE HARBOR TECHNOLOGIES, INC.	A55795	15,101
12.000	3600	ERC, INC.	RS100297, MOD 02	33,624
12.000	3600	EXPONENT	S95-0079	3,152
12.000	3600	FNDN FOR HLTH CARE QUALITY	UW BUD# 668965	-4,906
12.000	3600	FNDN FOR HLTH CARE QUALITY	UW BUD# 668990	7,798
12.000	3600	HONEYWELL INTERNATIONAL	PO C09110002	91,117
12.000	3600	HSTAR TECHNOLOGIES CORP.	UW BUD# 638300	113,444
12.000	3600	IMPACT COMPUTING CORPORATION	UW BUD# 660406	18,034
12.000	3600	IMPULSE DEVICES, INC.	W9113M07S4BASEMOD07	89,202
12.000	3600	INST FOR SYS BIOLOGY	2008.0006-PO22732 AM02	291,028
12.000	3600	INTEGRATION PARTNERS INC	PO 99-024	-92,367
12.000	3600	IPITEK	AMENDMENT NO.6	25,570

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
12.000	3600	IPITEK	AMENDMENT NO.8	57,485
12.000	3600	JOHNS HOPKINS UNIVERSITY	106314	1,515
12.000	3600	MANDEX, INC.	PO# 28074	31,062
12.000	3600	MANDEX, INC.	PO# 28300	3,405
12.000	3600	MASSACHUSETTS INST TECHNOLOGY/MIT	5710002101-07	137,699
12.000	3600	MICROCOATING TECHNOLOGIES INC.	UW BUD# 667343	-5,010
12.000	3600	MOBILISA, INC.	UW BUD# 634021	278,662
12.000	3600	MOBILISA, INC.	UW BUD# 634257	187,159
12.000	3600	MOIRE INCORPORATED	MOIRE-SUB-2010	6,392
12.000	3600	NORTHWEST RESEARCH ASSOCIATES	NWRA-10-S-128 MOD02	42,128
12.000	3600	OMEGA OPTICS, INC	CMOS-OMG804	80,550
12.000	3600	PORTAGE BAY PHOTONICS	A52771	55,185
12.000	3600	SARCOMA ALLIANCE FOR RSCH THU COLLABORATION (SARC)	UW BUD# 638538	10,707
12.000	3600	SPI SURGICAL	UW BUD# 638119	-239
12.000	3600	SPI SURGICAL	UW BUD# 660407	29,224
12.000	3600	SRI INTERNATIONAL	69-000535	214,179
12.000	3600	SRI INTERNATIONAL, INC.	03-000225, TO 18	-524
12.000	3600	SRI INTERNATIONAL, INC.	27-001340 MOD06	112,195
12.000	3600	SRI INTERNATIONAL, INC.	27-001341 MOD06	359,028
12.000	3600	STOTTLER HENKE ASSOCIATES, INC	UW BUD# 632945	23,924
12.000	3600	TELEDYNE BROWN ENGINEERING INC	955492 MOD04	121,788
12.000	3600	THE BOEING COMPANY	321715 CHANGE#10	63,255
12.000	3600	THE BOEING COMPANY	PO 416996	256,565
12.000	3600	THE GENEVA FNDN	S-2004-TSNRP-03 MOD03	23,015
12.000	3600	THE GENEVA FNDN	S2005TSNRP07HU0001051T	-93
12.000	3600	THE UNIVERSITY OF TEXAS HEALTH	SUB AWD 0006622B	164,367
12.000	3600	TRISERVICE NURSING RESEARCH	HU0001061TS10MOD5N06P1	82,359
12.000	3600	UNIV OF CALIFORNIA, SAN DIEGO	PO #10291495-003	524,852

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
12.000	3600	UNIV OF CALIFORNIA, SAN DIEGO	PO# 10313249	439,466
12.000	3600	UNIV OF MARYLAND	Z883401 MOD G	-6,991
12.000	3600	UNIVERSAL TECHNOLOGY CORP	09S590001114C1MOD02	28,726
12.000	3600	UNIVERSAL TECHNOLOGY CORP	10-S590-0011-18-C1	46,837
12.000	3600	UNIVERSAL TECHNOLOGY CORP	10-S590-0019-02-C5	16,231
12.000	3600	UNIVERSAL TECHNOLOGY CORP	10-T583-013-C1	88,707
12.000	3600	UNIVERSAL TECHNOLOGY CORP	10-T583-014-C1	48,500
12.000	3600	UNIVERSITY OF HAWAII	Z917917 AM05	28,651
12.000	3600	UNIVERSITY OF MICHIGAN	3001719205	14,461
12.000	3600	UNIVERSITY OF MICHIGAN	N65540-10-C-0003	24,943
12.000	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER, HOUSTON	SUB AWD 0006622B	76,731
12.000	3600	WOODS HOLE OCEANOGRAPHIC INST	PO# M214264	48,602
12.000	3650	ADVANCED TECHNOLOGY INSTITUTE	2010315	13,548
12.000	3650	BAE SYSTEMS	739623	18,460
12.000	3650	BATTELLE COLUMBUS	0000255710	63,840
12.000	3650	BINGHAMTON UNIV	54680	75,813
12.000	3650	GENERAL DYNAMICS INFO TECH	F54301007SC0600	86,210
12.000	3650	HARVARD UNIV	GUAR58072180	47,172
12.000	3650	INFINIA CORP	113700	20,150
12.000	3650	NORTHROP GRUMMAN CORP	2634052	-4,308
12.000	3650	PRINTPACK INC	113970	388,689
12.000	3650	SCIENCE APPLICATIONS INTL CORP	P010007799	-330
12.000	3650	SCIENCE APPLICATIONS INTL CORP	P010058810	109,188
12.000	3650	SRI INT'L	61000802	187,740
12.000	3650	THE NATURE CONSERVANCY	WAFO161052907	20,149
12.000	3650	VLOC INC	AFRLYAG0003	-324
12.000	4770	Oregon Dept of Fish & Wildlife	050-10329-ISA-FISH	19,083
12.000A	3600	CDM FEDERAL PROGRAMS CORPORATION	6407-001-001-CS-S	65,980

State of Washington
Schedule of Expenditures of Federal Awards
Note F:
Supplemental Information for Pass-Through Funds

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
12.300	3600	AEROVEL CORPORATION	UW BUD# 638557	17,865
12.300	3600	CARNEGIE MELLON UNIV	1141207236198AMEND3	227,556
12.300	3600	INSTITUTE FOR STUDY OF LEARNING	WASHINGTON-01 M0D1	-1,450
12.300	3600	IOWA STATE UNIV	421-23-01-AMEND#4	10,560
12.300	3600	MASSACHUSETTS INST TECHNOLOGY/MIT	5710002230 MOD06	121,153
12.300	3600	OREGON STATE UNIVERSITY	K9643H-A	35,859
12.300	3600	SOLUXRA, LLC	UW BUD# 661405	13,123
12.300	3600	UNIV OF MIAMI	66654T	21,204
12.300	3600	UNIV OF MICHIGAN	F012919 AM10	33,110
12.300	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF 08-0047	90,085
12.300	3600	UNIVERSITY OF CALIFORNIA, IRVINE	2008-2038 AM04	144,401
12.300	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	10276960-007	136,153
12.300	3600	UNIVERSITY OF CHICAGO	27499-B	20,152
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A100587 AM03	31,027
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A100593	4,361
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A100615	77,002
12.300	3650	MASS INST OF TECH	5710002043	399,717
12.300	3650	UNIV OF ID	KKK696SB001	20,418
12.300	3650	UNIV OF ID	KKK745SB001	5,655
12.300	3650	UNIV OF ID	P0016625	-6,081
12.300	3650	UNIV OF ID	P0021601	69,430
12.400	3600	HENRY M. JACKSON FOUNDATION	669610 AM01	212,635
12.420	3600	AMERICAN BURN ASSOCIATION	ABAUNDERPRIMEW81XWH092	33,723
12.420	3600	CEDARS-SINAI RESEARCH INSTITUTE	W81XWH-10-1-1039	30,877
12.420	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	10274SUB	21,528
12.420	3600	FHCRC	0000697387	84,573
12.420	3600	HENRY M. JACKSON FOUNDATION	669701	464,372
12.420	3600	HENRY M. JACKSON FOUNDATION	671800 MOD01	943,002

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
12.420	3600	HENRY M. JACKSON FOUNDATION	713003	34,332
12.420	3600	N CA INST RSCH EDUC	DAMD-01-1-0764 AMD#2	-3,102
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	K6612	8,639
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	KG112-SEYEDALL-2	32,695
12.420	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	KG112-SRISUWAN-2	31,662
12.420	3600	SIBCR	JPAPOKG112MILLEJ1SIBCR	3,516
12.420	3600	THE CATHOLIC UNIVERSITY OF AMERICA	364271-SUB 2	13,825
12.420	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	10313538-SUB	1,124
12.420	3650	INST SYST MEDICINE	WSU000864	27,596
12.431	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	28D 1083900 MOD05	90,700
12.431	3600	COLORADO STATE UNIVERSITY	G-2308-1 AM2	229,939
12.431	3600	DUKE UNIVERSITY	11-IARPA-1009	722,337
12.431	3600	PROFUSA, INC	UW BUD# 660341	76,015
12.431	3600	TULANE UNIVERSITY	TUL-570-08/09	117
12.431	3600	UNIVERSITY OF MARYLAND, COLLEGE PARK	Z848401	239,224
12.431	3650	ORG ECONOMIC INITIATIVES INC	ARL10NWMIWSU120610	31,554
12.550	3600	CENTER FOR APPLIED LINGUISTICS	4926-1	-21,720
12.630	3600	BOSTON UNIVERSITY	GC200014NGD AMD 5	307,729
12.630	3650	ACADEMY OF APPLIED SCI	1045	2,600
12.630	3650	ACADEMY OF APPLIED SCI	1156	885
12.630	3650	ADVANCED BRAIN MONITORING	NBCHC090054	147,362
12.800	3600	ARIZONA STATE UNIVERSITY	10-219AM03	81,363
12.800	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	102-1080632/MOD06	218,564
12.800	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	7H-1090612	22,203
12.800	3600	GEORGIA INSTITUTE OF TECHNOLOGY	RB250-G3 AM01	17,272
12.800	3600	GEORGIA INSTITUTE OF TECHNOLOGY	RB250-G3 AM03	46,268
12.800	3600	MSNW LLC	A62823	44,761
12.800	3600	SYSTIMA TECHNOLOGIES, INC.	60429	14,183

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
12.800	3600	UNIVERSITY OF NEVADA, LAS VEGAS	11-708B-00 AM01	8,893
12.800	3600	UNIVERSITY OF NOTRE DAME	UND-201563, AM2	142,273
12.800	3600	VENTURA HEALTHCARE SYSTEMS LLC	FA7014-08-0002	411,510
12.800	3650	CLEMSON UNIV	14932002008207	39,680
12.910	3600	GEORGIA INSTITUTE OF TECHNOLOGY	RA231-G2	175,896
12.910	3600	GEORGIA INSTITUTE OF TECHNOLOGY	RA231G2W31P4Q0910012AM	89,042
12.910	3600	MIT	5710002617	-142
12.910	3600	STANFORD UNIVERSITY	25969810-50204-A	441,028
12.910	3600	UNIVERSITY OF PENNSYLVANIA	554995-8	178,926
14.000	1480	Neighborworks	PL110-161:95x1350	34,996
14.000	1480	Neighborworks	PL110-289:95x1350	64,876
14.000	1480	Neighborworks	PL111-117:95x1350	414,655
14.000	1480	Neighborworks	PL111-8:95x1350	3,263
14.000	1480	Neighborworks	Seattle Training	2,279
14.000	3600	BREMERTON HOUSING AUTHORITY	RED092008-02	48,942
14.000	3650	KITSAP COUNTY	KC10410	9,874
14.239	1480	City of Bellevue	FY 2011 HKPArch	8,000
14.239	1480	City of Bremerton	FY 2011 HK Bremerton	5,964
14.239	1480	City of Seattle	FY 2011 HKPS	241,566
14.239	1480	King County	FY 2011 HKP King Cnty	16,768
14.239	1480	King County	FY 2011 HKPArch	10,000
14.256	1480	City of Federal Way	FY 2011 HK Federal Way	316,703
15.000	3600	CENTER FOR PLANT CONSERVATION	UW BUD# 637288	-4,355
15.000	3600	CENTER FOR PLANT CONSERVATION	UW BUD# 639239	31,941
15.000	3600	CENTER FOR PLANT CONSERVATION	UW BUD# 661026	2,024
15.000	3600	INTERTRIBAL TIMBER COUNCIL	UW BUD# 639484	71,842
15.000	3600	MAR, INC	PO OHM-466	8,304
15.000	3650	OR DEPT OF ST LANDS	E655WSU52211589	3,076

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
15.000	3650	UNIV OF CA SAN DIEGO	R09AC20043	18,157
15.000	3650	UNIV OF WY	DOINPS44151WA	-721
15.000	4770	Oregon Dept of Fish & Wildlife	020-10330-ISA-FISH	4,538
15.423	3650	OR ST UNIV	DI068AA	19,818
15.611	3650	ID DEPT OF FISH & GAME	WSU002006	19
15.615	3600	DEPT. OF LAND & NATURAL RESOURCE-MARINA	438401-OC, AM06	270,717
15.649	3760	WDFW	10-1610	6,821
15.650	3600	NATIONAL WILDLIFE FEDERATION	1102-046	2,183
15.650	3600	THE NATURE CONSERVANCY	WA-S-110321-117 AM01	2,333
15.808	3650	CORNELL UNIV	497878176	-1
15.820	3600	OREGON STATE UNIVERSITY	GS240B-B	56,369
16.560	3600	PROFESSOR JEFFREY EDLESON	T3996061101 AM07	34,518
16.580	2250	WA Assoc of Sheriffs and Police Chiefs (WASPC)	C080195FED-WQA8	137,994
16.610	2250	WSIN Inc.	C101015GSC-WS11	89,139
17.000	6990	Kitsap County WIA	KC-134-10	17,566
17.000	6990	Kitsap County WIA	KC-349-10	252,309
17.235	5400	WDC01	738x	253,357
17.253	5400	WDC09	746x	123,631
17.258	3600	SEATTLE KING COUNTY WDC	10/405 VAR MOD01	24,184
17.258	3600	WORKSYSTEMS, INC.	1067525MOD01639941	10,796
17.258	5400	WDC01	Contracts	324,190
17.258	5400	WDC02	504x	188,086
17.258	5400	WDC04	674x	48,643
17.258	5400	WDC07	628x	131,689
17.258	5400	WDC08	770x	142,503
17.258	5400	WDC09	757x	85,943
17.258	5400	WDC12	781x	204,161
17.258	6990	Kitsap County WIA	KC-382-10 & 10A	3,559

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
17.258	6990	Pacific Mountain WIA	WBS09-C773-ICTOC	18,854
17.258	6990	WDC-Seattle King County	10/164-OPR	7,572
17.258	6990	WDC-Seattle King County	A4SSC-112-WDA	-3,993
17.258	6990	Workforce Dev Council of Snoco	10-EVC-X-042-5809	23,024
17.258A	5400	WDC01	Contracts	33,740
17.258A	5400	WDC02	Contracts	36,487
17.258A	5400	WDC07	Contracts	53,529
17.258A	5400	WDC09	527x	9,716
17.258A	6990	Pac Mountain	WBS09-C772-ICTSPS	35,627
17.258A	6990	WDC-Seattle King County	10/201-GOV	102,992
17.258A	6990	WDC-Seattle King County	C9SSC-501-VAR	-977
17.258A	6990	WDC-Seattle King County	C9SSC-502-VAR	-103,912
17.258A	6990	Workforce Dev Council of Snoco	10-EVC-050-AWGT	24,046
17.258A	6990	Workforce Dev Council of Snoco	10-EVC-X-018-AWGT	57,987
17.258A	6990	Workforce Dev Council of Snoco	10-EVC-X-040-AWGT	32,902
17.259	5400	WDC08	Contracts	183,024
17.259	5400	WDC09	Contracts	109,961
17.259	6990	Pacific Mountain WIA Grant	WBS09-C773-IC703	18,854
17.259A	6990	Pac Mountain	WBS09-C772-ICTSPS	76,136
17.259A	6990	WDC-Seattle King County	10/201-GOV	102,992
17.260	5400	WDC01	Contracts	909,043
17.260	5400	WDC02	Contracts	770,740
17.260	5400	WDC05	355x	275,727
17.260	5400	WDC07	Contracts	166,207
17.260	5400	WDC08	Contracts	154,019
17.260	5400	WDC09	Contracts	187,510
17.260	5400	WDC10	Contracts	374,171
17.260	5400	WDC12	Contracts	505,224

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
17.260	6990	Pacific Mountain WIA Grant	WBS09-C773-ICTOC	73,199
17.260	6990	Skillsource	SKS11	14,316
17.260	6990	Workforce Development Council	0910-WDC	215,136
17.260A	5400	WDC01	Contracts	57,523
17.260A	5400	WDC02	Contracts	79,905
17.260A	5400	WDC07	Contracts	21,489
17.260A	5400	WDC09	526x	14,321
17.260A	5400	WDC10	Contracts	37,857
17.260A	6990	NW Workforce Development Council	111-3284	21,667
17.260A	6990	Pac Mountain	WBS09-C772-ICTSPS	142,187
17.260A	6990	Pacific Mt WF Dev Council	WBS09-C770-ICTCC	24,936
17.260A	6990	Spokane Area Workforce Dev Council	ARRA-Cohort-Aviation	31,522
17.260A	6990	Spokane Area Workforce Dev Council	ARRA-Cohort-Career	32,115
17.260A	6990	Spokane Area Workforce Dev Council	ARRA-Cohort-IBest	-311
17.260A	6990	Spokane Area Workforce Dev Council	ARRA-Cohort-LPN	33,160
17.260A	6990	Spokane Area Workforce Dev Council	ARRA-Cohort-MA	63,343
17.260A	6990	Spokane Area Workforce Dev Council	ARRA-Cohort-Mach	41,487
17.260A	6990	Spokane Area Workforce Dev Council	ARRA-Cohort-PM	1,023
17.260A	6990	Spokane Area Workforce Dev Council	ARRA-Gov10%-Chem	62,773
17.260A	6990	Spokane Area Workforce Dev Council	ARRA-Gov10%-Cust	100,212
17.260A	6990	Spokane Area Workforce Dev Council	ARRA-Gov10%-Trans	109,378
17.260A	6990	Spokane Area Workforce Dev Council	PY10-Incumbent	97,440
17.260A	6990	WDC-Seattle King County	10/201-GOV	102,992
17.260A	6990	WDC-Seattle King County	C91SVI-511-VAR	91,612
17.260A	6990	WDC-Seattle King County	C9SSC-501-VAR	-2,511
17.260A	6990	WorkForce Central-Tacoma	NAC IBEST March 2011	5,253
17.260A	6990	WorkForce Central-Tacoma	NAC IBEST Nov 2010	23,088
17.260A	6990	Workforce Dev Council of Snoco	10-EVC-X-019-AWGT	104,976

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
17.261	3540	Washingtion Workforce Association	EA-18807-09-60-A-53	83,781
17.268	3650	PACIFIC MOUNTAIN WORKFORCE CONSO	WFF09C795	1,034
17.268	6990	WDC-Seattle King County	T9SSC-476-ROW	22,402
17.274	6990	Tacoma Goodwill	YB-19042-09-60-A-53	27,037
17.274	6990	Workforce Dev Council of Snoco	10-EVC-X-021-YB	56,420
17.275	5400	WDC01	737x	15,139
17.275	6990	King County	#D40239	133,801
17.275	6990	Spokane Area Workforce Dev Council	CCS:SCC-SESP	141,126
17.275	6990	WDC-Seattle King County	10/304-COM	134,949
17.275	6990	WDC-Seattle King County	10/305-COM	44,027
17.275	6990	WDC-Seattle King County	10/502-POP	201,315
17.275	6990	WDC-Seattle King County	10/523-SEE	73,526
17.275	6990	WDC-Seattle King County	10/527-SEE	22,085
17.275	6990	Workforce Dev Council of Snoco	10-EVC-X-038-SESP	17,813
17.275	6990	Workforce Dev Council of Snohomish Cty	09-EDC-O-761-YB	62,642
17.275	6990	Workforce Dev Council of Snohomish Cty	09-EDC-O-783-SEED	383,825
17.278	3600	WORKSYSTEMS, INC.	10-67525 MOD01	25,200
17.278	6990	Kitsap County WIA	KC-382.10&10A	31,562
17.278	6990	Tacoma Pierce Cty Training & Employment Consortium	Bates NAC/OTA	35,971
17.278	6990	Tacoma Pierce Cty Training & Employment Consortium	Bates-DW Training	48,039
17.278	6990	WDC-Seattle King County	10/164-OPR	7,572
17.278A	6990	Workforce Dev Council of Snohomish Cty	10-EDC-X-015-AWGT	51,818
17.278A	6990	Workforce Dev Council of Snohomish Cty	10-EDC-X-016-AWGT	103,060
17.278A	6990	Workforce Dev Council of Snohomish Cty	10-EDC-X-017-AWGT	72,327
17.278A	6990	Workforce Dev Council of Snohomish Cty	10-EDC-X-049-AWGT	91,200
17.502	3600	CASA LATINA	SHTG-FY-10-01	14,724
19.000	3600	ACADEMY FOR EDUCATIONAL DEVELOPMENT	3879-UW-01, TO#4 MOD01	13
19.000	3600	CONRAD	MSA-06-442 AMEND#2	-60,003

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
19.000	3600	CONRAD	PPA-10-069	819,869
19.000	3600	EASTERN VIRGINIA MED SCH	CSA-99-254 AM03	-1,945
19.000	3600	GEORGETOWN UNIVERSITY	UWRX205093310EAM01	17,221
19.000	3600	INSTITUTE OF INTERNATIONAL EDUCATION	S-ECAAS-06-CA-001	-140
19.000	3600	INSTITUTE OF INTERNATIONAL EDUCATION	S-ECAAS-09-CA-012	-1
19.000	3600	JOHNS HOPKINS UNIVERSITY	PO2000635588	84,490
19.000	3600	MANAGEMENT SCIENCES FOR HEALTH	RPM-09-001 AMD01	86
19.000	3600	MANAGEMENT SCIENCES FOR HEALTH	SPS08009AM05	182,906
19.000	3600	OREGON DEPT. OF TRANSPORTATION	MCA26213 AM03	22,158
19.000	3600	PATH	AID12331307425SUBAM01	-2,983
19.000	3600	PATH	AID136507476CRTTO1AM01	331,609
19.000	3600	THE ASIA FOUNDATION	AID-497-A-11-00005	8,137
19.009	6990	Kirkwood Community	EVT94660-67007	72,162
19.010	3600	INSTITUTE OF INTERNATIONAL EDUCATION	S-ECAAS-10-CA-044	286,547
20.000	3600	APPLIED RESEARCH ASSOCIATES, INC.	L000025.00013	9,905
20.000	3600	CAHILL SWIFT, LLC	UW BUD# 639315	65,847
20.000	3600	CAMBRIDGE SYSTEMATICS, INC.	7877	8,446
20.000	3600	CH2M HILL , INC. A/P	939844 REV01	126,212
20.000	3600	KING COUNTY DEPT OF TRANSPORTATION	UW BUD# 651418	4,242
20.000	3600	KING COUNTY DEPT OF TRANSPORTATION	UW BUD# 668470	-3,928
20.000	3600	MACTEC ENGINEERING & CONSULTING. INC.	MEC26040014 WO#3 MOD1	-1,225
20.000	3600	QINETIQ NORTH AMERICA, INC.	000649	8,487
20.000	3600	THE UNIVERSITY OF IOWA	W000172109 AM01	11,698
20.000	3600	UNIVERSITY OF MARYLAND	Q222801	63,631
20.000	3650	NAT'L ACADEMIES	HR0436	154,712
20.000	3650	NAT'L ACADEMIES	HR0949A	21,405
20.000	3650	PULSAR INFORMATICS INC	WSU001	6,851
20.000	3650	SPOKANE TRANSIT AUTH	WSU000305	28,741

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
20.000	3650	UNIV OF NORTH TEXAS	GF40511	43,573
20.000	3650	VA TECH UNIV	19276425838	49,110
20.000	3650	VA TECH UNIV	19276425839	284,103
20.000	3650	VA TECH UNIV	19276725996	235,827
20.108	3600	AUBURN UNIVERSITY	06-AAPTP-208107-UW	-105
20.200	3600	BERGERABAM ENGINEER, INC.	FABLD-09-171 AM02	73,300
20.200	3600	UNIVERSITY OF IDAHO	KLK262-SB-004 AMD 1	93,588
20.200	3650	UNIV OF ID	P0020520	46,365
20.205	3600	OREGON DEPT. OF TRANSPORTATION	27146	22,413
20.235	2250	National Conference of State Legislators (NCSL)	C100009FED-HIG1	4,226
20.239	3600	VIRGINIA TECH	425942-19124 MOD02	101,724
20.513	4050	Career Path Services	GCA6144	1,600
20.513	4050	Grant Transit Authority	GCA6333	222,750
20.513	4050	Klickitat County Senior Serv	GCA6180	2,031
20.513	4050	Lower Columbia Community Action Council	GCA6183	1,334
20.513	4050	Pacific Transit System	GCA6195	119,947
20.600	3650	WA ASSOC OF SHERIFFS & POLICE CH	WSU001486	4,187
20.701	3650	UNIV OF AK FAIRBANKS	080116	311
20.701	3650	UNIV OF AK FAIRBANKS	UAF080032	45,355
20.701	3650	UNIV OF AK FAIRBANKS	UAF100095	22,139
20.701	3650	UNIV OF ID	KLK722SB001	15,705
20.701	3650	UNIV OF ID	P0019544	-25
20.761	3650	OR ST UNIV	T0013GA	378,919
20.761	3650	OR ST UNIV	T0013RB	10,477
43.000	3600	ARIZONA STATE UNIVERSITY	08-964 AM05	40,595
43.000	3600	BARRON ASSOCIATES, INC.	UW BUD# 638359	3,695
43.000	3600	BAYLOR COLLEGE OF MEDICINE	SMS00701, AMEND 9	-27
43.000	3600	BAYLOR COLLEGE OF MEDICINE	SMST01601	61,452

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
43.000	3600	BAYLOR COLLEGE OF MEDICINE	SMST01601 AMD 2	394,179
43.000	3600	CA INST OF TECH JPL	1249203, MOD 1	3,973
43.000	3600	CA INST OF TECH JPL	1318945 MOD10	145,090
43.000	3600	CA INST OF TECH JPL	1380685 MOD01	13,934
43.000	3600	CA INST OF TECH JPL	1430444	3,051
43.000	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	2-1087551MOD01	90,004
43.000	3600	CARNEGIE INSTITUTION OF WASHINGTON	4-10067-4051 AM05	143,632
43.000	3600	CORNELL UNIVERSITY	51326-9484	16,824
43.000	3600	JET PROPULSION LAB	1285662	15,014
43.000	3600	JET PROPULSION LAB	1285662 MOD10	141,298
43.000	3600	JET PROPULSION LAB	1303809 MOD09	49,945
43.000	3600	JET PROPULSION LAB	1318943MOD09NMO711006	20,183
43.000	3600	JET PROPULSION LAB	1359623MOD4	175,817
43.000	3600	JET PROPULSION LAB	1409394 MOD01	23,396
43.000	3600	JET PROPULSION LABORATORY	1285663 MOD 9	112,552
43.000	3600	JET PROPULSION LABORATORY	1317617	1,221
43.000	3600	JET PROPULSION LABORATORY	1317624 MOD01	2
43.000	3600	JET PROPULSION LABORATORY	1320389	-419
43.000	3600	JET PROPULSION LABORATORY	1369586 MOD04	26,045
43.000	3600	JET PROPULSION LABORATORY	1377557AM002	98,725
43.000	3600	JET PROPULSION LABORATORY	1397667 MOD01	49,079
43.000	3600	JET PROPULSION LABORATORY	1420479 MOD01	27,114
43.000	3600	JET PROPULSION LABORATORY	NMO710932	4,123
43.000	3600	JET PROPULSION LABORATORY	RSA NO 1368483 MOD02	7,982
43.000	3600	JOHNS HOPKINS UNIVERSITY	935532 AM06	15,125
43.000	3600	MSNW	NNC04CA99C	-12
43.000	3600	NATIONAL SPACE BIOMEDICAL RESEARCH	BLO1301	85,211
43.000	3600	NATIONAL SPACE BIOMEDICAL RESEARCH	MA01603 AM01	53,080

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
43.000	3600	NATIONAL SPACE BIOMEDICAL RESEARCH	MA01603 AM02	157,563
43.000	3600	NATIONAL SPACE BIOMEDICAL RESEARCH	MA01604	291
43.000	3600	NATIONAL SPACE BIOMEDICAL RESEARCH	MA01604 AM02	3,197
43.000	3600	OHIO STATE U RESEARCH FOUNDATION	RF00970997744679MOD03	-1,392
43.000	3600	PLANETARY SCIENCE INSTITUTE	646	2,594
43.000	3600	PRINCETON UNIVERSITY	00001601 MOD02	129,527
43.000	3600	SMITHSONIAN A. O.	AR9-0015X AM02	15,864
43.000	3600	SMITHSONIAN A. O.	GO0-11036B AM01	2,880
43.000	3600	SMITHSONIAN A. O.	GO0-111129B	-41
43.000	3600	SMITHSONIAN A. O.	GO1-12118X	24,107
43.000	3600	SMITHSONIAN A. O.	GO9-0011X AM01	9,996
43.000	3600	SMITHSONIAN A. O.	GO90126XNAS803060AM02	442
43.000	3600	SMITHSONIAN A.O.	GO0-11032B	26,372
43.000	3600	SPACE TELESCOPE SCI INST	46508	3,328
43.000	3600	SPACE TELESCOPE SCI INST	GC-07501.03A	309
43.000	3600	SPACE TELESCOPE SCI INST	HST GO 11163 01-A AM02	25,243
43.000	3600	SPACE TELESCOPE SCI INST	HST-AR-10945.01-A AM04	80,469
43.000	3600	SPACE TELESCOPE SCI INST	HST-AR-11767.03-A	322
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-10500.01-A AM05	7,964
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-10889.05-AAM02	103,684
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-10915.01-A AM05	82,938
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11122.01-A AM01	1,007
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11162.01-A AM02	19,079
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11214.05-A AM02	2
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11215.01-A AM01	3
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11221.01-A	-70
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11225-02-A AM02	5,603
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11233.01-A AM03	19,204

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11359.02-A AM01	8,373
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11580.01-A AM01	5,523
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11633.08-A	4,556
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11639.01-A	20,677
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11677.09-A	1,879
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11688.01A	493
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11718.01-A	10,547
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11719.01A AM01	42,889
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11732.02-A	5,159
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11739.07-A	6,094
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11982.01-A	69,723
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11986.01-A AM01	19,048
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-12178.01-A	13,653
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-12180.07-A	5,871
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-12311.06-A	12,941
43.000	3600	SPACE TELESCOPE SCI INST	HST-HF-51273.01-A	105,704
43.000	3600	SPACE TELESCOPE SCI INST	HSTGO1205501AAMEND1	460,209
43.000	3600	STANFORD UNIVERISTY	PY242622727DAMEND20	173,288
43.000	3600	THE JOHNS HOPKINS UNIVERSITY	970344	22,392
43.000	3600	THE RESEARCH FNDN OF SUNY	2401065588AW44148AM02	12,053
43.000	3600	THE RESEARCH FNDN OF SUNY	PROJ1065012/43876AM03	5,814
43.000	3600	UNITED NEGRO COLLEGE FUND (UNCF)	UW BUD# 801329	38,433
43.000	3600	UNIVERSITY OF ARIZONA	Y403021, AM2	-1,381
43.000	3600	UNIVERSITY OF PENNSYLVANIA	PO2023778547974MOD02	86,414
43.000	3600	XIGEN LLC	UW BUD# 638456	8,270
43.000	3650	CA INST OF TECH	361090335	30,850
43.000	3650	CA INST OF TECH JET PROP LAB	1236947	10,136
43.000	3650	RUTGERS ST UNIV OF NJ	3890	6,445

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
43.000	3650	SONOMA TECHNOLOGY INC	STI909046	100,287
43.000	3650	SPACE TELESCOPE SCI INST	HSTGO1091101A	2,261
43.000	3650	UNIV OF ALABAMA	SUB2011003	1,764
43.000	6990	N Olympic Peninsula Res Cons & Dev Council	P116Z090124	74,375
43.001	3600	DARTMOUTH COLLEGE	510 AM01	143,424
43.001	3600	DARTMOUTH COLLEGE	510 AM06	35,511
43.001	3600	STONY BROOK UNIVERSITY	1070841-2-46542, AM001	19,691
43.001	3650	INTELLIGENT FIBER OPTIC SYSTEMS	WSU001261	9,185
43.001	3800	U. of Arizona	P502180	13,316
43.002	3600	THE OHIO STATE UNIVERSITY RESEARCH FOUN	60016653RF01120294AM05	63,896
45.025	3760	NEA WESTAf	TW20100245	1,750
47.000	3600	AERA GRANTS PROGRAM	UW BUD# 637341	15,264
47.000	3600	ALPHASENSE, INC	808-10	19,041
47.000	3600	CARNEGIE MELLON UNIV	1120959-214342 AM3	7,211
47.000	3600	COMPUTING RESEARCH ASSOCIATION	0637190	240,652
47.000	3600	CORNELL UNIVERSITY	58007-9069 ADM1	38,572
47.000	3600	ENERGETIQ TECHNOLOGY	31701	7,458
47.000	3600	EX ONE CORPORATION	UW BUD# 660051	-1,313
47.000	3600	FERMI NTL ACCELERATOR LAB	P.O. 560232	-257
47.000	3600	FERMI NTL ACCELERATOR LAB	P.O.#546424 REVISION 8	142
47.000	3600	INST FOR ADVANCED STUDY	IAS9900969AM01	-111
47.000	3600	LSST CORPORATION	C44044LAM02	13,670
47.000	3600	LSST CORPORATION	C44068L, AMEND 01	105,768
47.000	3600	NORTHWEST RESEARCH ASSOCIATES, INC.	NWRA-9-S-115MOD1	-126
47.000	3600	SUNY	R5661721073996247834AM	61,608
47.000	3600	UNIV OF CA BERKELEY	SA4194, AM01	-4,743
47.000	3600	UNIVERSITY OF CALIFORNIA, DAVIS	002865-UW	-6,500
47.000	3600	UNIVERSITY OF COLORADO, COLORADO SPRINGS	PO# 367199	16,188

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
47.000	3600	WORCESTER POLYTECHNIC INSTITUTE	06-201630-02 AM06	118,068
47.000	3650	FORT VALLEY STATE UNIV	WSU002087	13,805
47.000	3650	UNIV OF CA	10MESA32421852153	3,125
47.000	3650	UNIV OF CA	10MESA32421852166	3,125
47.041	3600	CORNELL NANOSCALE SCI & TECH FACILITY	44771-7473	139,584
47.041	3600	CORNELL NANOSCALE SCI & TECH FACILITY	44771-7473 AM06	9,922
47.041	3600	CORNELL NANOSCALE SCI & TECH FACILITY	44771-7473 AM15	459,395
47.041	3600	EDENSPACE SYSTEMS CORPORATION	PRIME 1013883	38,596
47.041	3600	GEORGIA INSTITUTE OF TECHNOLOGY	E-20-L05-G3 AMD 2	47
47.041	3600	GEORGIA INSTITUTE OF TECHNOLOGY	E-20-L05-G7 AMO3	17,047
47.041	3600	JOHNS HOPKINS UNIVERSITY	2001054540	19,960
47.041	3600	MASSACHUSETTS INST TECHNOLOGY/MIT	5710002247	55,498
47.041	3600	MODUMETAL, INC.	0944751	5,989
47.041	3600	NANOFACTURE, INC.	UW BUD# 638771	100,353
47.041	3600	PURDUE UNIVERSITY	NEES-4101-31868 AM03	66,060
47.041	3600	THE PENNSYLVANIA STATE UNIVERSITY	3352-UW-NSF-4219	4,099
47.041	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	130323	334,584
47.041	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	478496-19124	39,521
47.041	3650	FILAMENT GAMES	115126 001	34,012
47.041	3650	ND ST UNIV	10915W	-2,794
47.041	3650	UNIV OF TX	UTA06818	13,586
47.049	3600	COLUMBIA UNIV, NEVIS LABS	16 ACCT 524324AM10	9,259
47.049	3600	COLUMBIA UNIVERSITY	9, AM03	-515
47.049	3600	INSTITUTE FOR ADVANCED STUDY	7443-2307, AMEND5	-3,914
47.049	3600	INSTITUTE FOR ADVANCED STUDY	7443-2307AM	79,371
47.049	3600	INSTITUTE FOR ADVANCED STUDY	IAS-EHR-0314808	1,802
47.049	3600	IOWA STATE UNIV	4206189	-160
47.049	3600	JANE DEVETTE	S0183165PRIMEPHY103917	110,595

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
47.049	3600	LSST CORPORATION	C44009L AM06	375,098
47.049	3600	LSST CORPORATION	C44036L AM03	164,976
47.049	3600	MIT	5710002494	30,950
47.049	3600	MIT	5710002494AM02	1,924
47.049	3600	OREGON STATE UNIVERSITY	S1235A-A	46,804
47.049	3600	UNIVERSITY OF CALIFORNIA, RIVERSIDE	5-00000365	9,992
47.049	3600	UNIVERSITY OF ILLINOIS	20090136601A2860085556	449,651
47.049	3600	UNIVERSITY OF NORTH CAROLINA	5-54861/ AMD1	36,833
47.049	3600	UNIVERSITY OF NOTRE DAME	201231PRIMEPHY0715396	127,847
47.049	3650	UNIV OF AR	SA0906011	36,825
47.049	3650	US CIVILIAN RSCH & DEV FNDN	RUB12942ST09	9,515
47.049	6990	Brevard Community College	DUE 0532618	5,338
47.050	3600	COLORADO STATE UNIVERSITY	G-3045-5 AM05	61,249
47.050	3600	COLORADO STATE UNIVERSITY	G-3045-5AM02	30,979
47.050	3600	COLUMBIA UNIV	OCE0223951	55,720
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	BA-85 POT334A85	1
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09	366,713
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09 MOD 2	2,068,321
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09 MOD 4	409,726
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09 MOD 5	890,481
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09 MOD 6	2,534,594
47.050	3600	DARTMOUTH COLLEGE	5-34099-570 AM003	-831
47.050	3600	IRIS	14-DMS AM07	105,175
47.050	3600	NORTH CAROLINA STATE UNIVERSITY	SUB2009186503ATM093459	26,474
47.050	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GSTCN0001A7.UW	394,107
47.050	3600	THE TRUSTEES OF COLUMBIA UNIVERSITY, NY	5-24452, AM3	29,152
47.050	3600	UNIV OF CA SAN DIEGO	PO 10314740	11,107
47.050	3600	UNIVERSITY OF CALIFORNIA RIVERSIDE	S-000375	22,233

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
47.050	3600	UNIVERSITY OF COLORADO	154-5822 MOD.01	121,219
47.050	3600	UNIVERSITY OF NEW HAMPSHIRE	03-764	-8,531
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A100582 AM03	94,586
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A100666	-34
47.050	3750	UNAVCO	EAR-0453975-04	39,952
47.050	3800	Consortium for Ocean Leadership	BA-77	3,863
47.050	3800	Consortium for Ocean Leadership	BA-77/T331B77	40,818
47.050	3800	Consortium for Ocean Leadership	T333A77	795
47.050	3800	U of Oregon	207391C	68,837
47.070	3600	BBN TECHNOLOGIES CORP	PO#9500009460 MOD06	214,698
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF-288	35,091
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF-364	133,443
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF-B-58	42,790
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF-B-64	100,511
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIFA288AM02	99,998
47.070	3600	OREGON STATE UNIVERSITY	S0790A-A AM03	-759
47.070	3600	OREGON STATE UNIVERSITY	S1065A-A	40,763
47.070	3600	THE COLLEGE BOARD	UW BUD# 637905	19,147
47.070	3600	UNIV OF CA SAN DIEGO	PO 10311160-SUB	32,143
47.070	3600	UNIVERSITY OF ILLINOIS	2007-03543-01	6,664
47.070	3600	UNIVERSITY OF MISSOURI-COLUMBIA	C00014708-1	2,410
47.070	3650	UNIV OF IL	20050451002	-15,755
47.074	3600	DUKE UNIV	04SCNSF1029MOD4	-1,902
47.074	3600	MICHIGAN STATE UNIVERSITY	61-2075UW AM01	190,592
47.074	3600	MICHIGAN STATE UNIVERSITY	61-207SUW	159,610
47.074	3600	UNIVERSITY OF ARIZONA	Y561909	37,404
47.074	3600	UNIVERSITY OF CALIFORNIA, IRVINE	2008-2054	-416
47.074	3600	UNIVERSITY OF KANSAS CENTER FOR RESEARCH	FY2008-84, MOD 02	264

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
47.074	3600	UNIVERSITY OF MASSACHUSETTS, WORCESTER	6110567RFS900119AMD2	82,156
47.074	3600	UNIVERSITY OF WISCONSIN-MADISON	252F195	124,708
47.074	3650	CORNELL UNIV	602479191	7,599
47.074	3650	IA ST UNIV	4204071F	109,178
47.074	3750	University of Kansas center for Research	FY2011-099	2,977
47.075	3600	ARIZONA STATE UNIVERSITY	11-471	1,822
47.075	3600	CORNELL UNIVERSITY	09030336	9,983
47.075	3600	PORTLAND STATE UNIVERSITY	0751362	-854
47.075	3600	STANFORD UNIVERSITY	18442820-36418-A AM04	56,975
47.076	3600	ASSOCIATION OF AMERICAN GEOGRAPHERS	NSF EDGE/REESE 7026	21,871
47.076	3600	EXPLORATORIUM	UW BUD# 637528	19,036
47.076	3600	IOWA STATE UNIV	420-28-03D	31,652
47.076	3600	IOWA STATE UNIV	4206150	-596
47.076	3600	PACIFIC RESOURCES FOR ED. AND LEARNING	10-087	12,878
47.076	3600	UNIV OF ALASKA ANCHORAGE	G-3437	47,223
47.076	3600	UNIVERSITY OF COLORADO	1546952 MOD01	27,755
47.076	3600	UNIVERSITY OF COLORADO DENVER	FY10.455.001_AMD1	273
47.076	3600	UNIVERSITY OF COLORADO DENVER	FY11.455.001_AMD02_UWA	23,263
47.076	3600	UNIVERSITY OF NORTHERN COLORADO	GKA10-0032	110,521
47.076	3600	WESTED	5060 S09-088 MOD1	103,755
47.076	3650	EDMONDS COMMUN COLLEGE	NSFATEDUE1002931	18,850
47.076	3650	IA ST UNIV	4202803E	33,110
47.076	3650	PA ST UNIV	3558WSUNSF3747	24,756
47.076	3650	TWIN CITIES PUBLIC TV	208090102847	7,634
47.076	3650	UNIV OF MI	3001416490	30,000
47.076	3650	WRIGHT STATE UNIV	667378	46,198
47.076	6990	Saddlebck College	DUE 0702912	22,625
47.076	6990	St Persburg College	DUE 0602593	7,370

State of Washington
Schedule of Expenditures of Federal Awards
Note F:
Supplemental Information for Pass-Through Funds

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
47.078	3600	UNIV OF ALASKA ANCHORAGE	PO323242 CO2	-39
47.078	3600	UNIV OF KANSAS, CENTER FOR RESEARCH INC	FY2011-025 MOD01	94,897
47.078	3600	UNIVERSITY OF ALASKA FAIRBANKS	PO#FP905073 CO04	24,939
47.078	3650	UNIV OF MN	D001872701	4,594
47.078	3750	Penn State	3778-CWU-NSF-2136	71,245
47.079	3600	OREGON STATE UNIVERSITY	S1315A-C	3,714
47.079	3650	US CIVILIAN RSCH & DEV FNDN	RUB2982ST10	1,198
47.079	3650	US CIVILIAN RSCH & DEV FNDN	UZB22878TA07	2,586
47.080	3600	UNIVERSITY OF ILLINOIS	2010-07196-04	79,170
47.082	3600	BBN TECHNOLOGIES CORP	CONTRACTNO1696MOD1	218,617
47.082	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	7H-1090663	877
47.082	3600	CALIFORNIA STATE U, FRESNO FOUNDATION	SC360025-10-07	29,628
47.082	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09	38,928,920
47.082	3600	CORNELL NANOSCALE SCI & TECH FACILITY	60419-9042	493,638
47.082	3600	STROUD WATER RESEARCH CENTER	340021543002310382	988
47.082	3600	THE GENI PROJECT OFFICE	1833G, MOD.#1	99,194
47.082	3600	THE VIRGINIA INSTITUTE OF MARINE SCIENCE	730013/712683	142,765
47.082	3600	UNIVERSITY OF DELAWARE	SUB24957PRIMENSF072497	1,433
47.082	3600	UNIVERSITY OF MARYLAND BALTIMORE COUNTY	0000007899	33,772
47.082	3650	UNITED ENVIRONMENT & ENERGY	WSU001028	-5,110
64.000	3600	FHCRC	SA0700432	-1
66.000	3600	DEPARTMENT OF ENVIRONMENTAL QUALITY	C796 AM03	207,758
66.000	3600	KING COUNTY WATER & LAND	UW BUD# 637078	6,331
66.000	3600	KING COUNTY WATER AND LAND RESOURCES DIV	D39477D AM01	20,836
66.000	3600	NEETF	UW BUD# 672248	3,882
66.000	3600	NORTHWEST COMMUNITIES EDUCATION CTR	UW BUD# 633284	-105
66.000	3600	NTNL ENVIRONMENTAL EDUCATION FNDTN	UW BUD# 673689	7,453
66.000	3600	SQUAXIN ISLAND TRIBE	UW BUD# 638165	13,592

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
66.000	3650	CADMUS GROUP INC	058UW1	45,179
66.000	3650	IPM INSTITUTE OF NORTH AMER INC	WSU002003	4,514
66.000	3650	SQUAXIN ISLAND TRIBE	WSU000847	33,194
66.000	3650	THURSTON COUNTY	WSU001173	3,622
66.034	3600	PUGET SOUND CLEAN AIR AGENCY	XA-96066801-0-SUBAWARD	13,516
66.034	3600	PUGET SOUND CLEAN AIR AGENCY	XA-96069801-0-SUBAWARD	2,596
66.034	3600	UNIV OF MONTANA	PG08-67099-02	-999
66.034	3650	ID DEPT OF HLTH & WELFARE	HC710500	11,805
66.120	3600	KING COUNTY WATER AND LAND RESOURCES DIV	UW BUD# 639923	97,966
66.120	3600	SKAGIT COUNTY BOARD OF COMMISSIONERS	C20100372 AM01	45,999
66.123	3600	NATURE CONSERVANCY	WA-S-110210-105-0	31,717
66.202	3600	CONSORTIUM FOR PLANT BIOTECHNOLOGY	EPA83438801-340 AM0A	16,567
66.439	3600	IOWA STATE UNIV	429-46-04 AM01	2,784
66.439	3600	IOWA STATE UNIV	429-46-06 AM01	18,104
66.456	3600	PUGET SOUND PARTNERSHIP	IAC 2011-14	2,937
66.509	3600	UC DAVIS	07-003825-02 AM01	38,725
66.509	3650	CA INST OF TECH	68F1088313	59,300
66.509	3650	CO ST UNIV	G58681	26,383
66.511	3600	HEALTH EFFECTS INSTITUTE	4749-RFA05-1A/06-10-3	426,742
66.605	3650	ID DEPT OF ENVIR QUAL	C794	57,737
66.814	3650	KS ST UNIV	S11209	351
81.000	3600	ALLIANCE FOR SUSTAINABLE ENERGY	AGN-0-40308-01	114,020
81.000	3600	ANASYS INSTRUMENTS CORP	UW BUD# 637951	16,699
81.000	3600	ARGONNE NATIONAL LABORATORY	OF-34961	28,082
81.000	3600	BATTELLE ENERGY ALLIANCE LLC	00102644	146,229
81.000	3600	BATTELLE MEMORIAL INST	TO 108989 MOD01	71,398
81.000	3600	BATTELLE MEMORIAL INST	TO96824MOD01(MA 75501)	289,656
81.000	3600	BATTELLE MEMORIAL INSTITUTE	129343	384

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
81.000	3600	BATTELLE MEMORIAL INSTITUTE	MASTER75501TO80477MOD0	77,182
81.000	3600	BATTELLE MEMORIAL INSTITUTE	T.O. 152224	14,144
81.000	3600	BATTELLE MEMORIAL INSTITUTE	T.O. 152883	8,932
81.000	3600	BATTELLE MEMORIAL INSTITUTE	TASK ORDER 125093	15,000
81.000	3600	BATTELLE MEMORIAL INSTITUTE	TO135319; MA75501	49,361
81.000	3600	BATTELLE PACIFIC NORTHWEST DIVISION	101126 MOD 2	40,792
81.000	3600	BATTELLE PACIFIC NORTHWEST DIVISION	39189 MOD 3	-4,098
81.000	3600	BATTELLE PACIFIC NORTHWEST DIVISION	58219 MOD 3	13,270
81.000	3600	BATTELLE PACIFIC NORTHWEST DIVISION	76089, MOD 06	42,372
81.000	3600	BATTELLE PACIFIC NW LABS	117744	44,566
81.000	3600	BATTELLE PACIFIC NW LABS	120771	16,308
81.000	3600	BATTELLE PACIFIC NW LABS	21701 MOD07	52,134
81.000	3600	BATTELLE PACIFIC NW LABS	6630,TO14622 MOD3	-480
81.000	3600	BATTELLE PACIFIC NW LABS	72419,MOD03	3,465
81.000	3600	BATTELLE PACIFIC NW LABS	75501,TO#95144,M0D05	4,073
81.000	3600	BATTELLE PACIFIC NW LABS	MASTER#75501 TO#50200	3,169
81.000	3600	BATTELLE PACIFIC NW LABS	MASTER#75501/TO#145280	11,170
81.000	3600	BATTELLE PACIFIC NW LABS	P.O.22934,AND MOD.1	-120
81.000	3600	BATTELLE PACIFIC NW LABS	PO# 134326	4,381
81.000	3600	BATTELLE PACIFIC NW LABS	T071981	123
81.000	3600	BATTELLE PACIFIC NW LABS	TASK ORDER 117174	40,697
81.000	3600	BATTELLE PACIFIC NW LABS	TASK ORDER 136564	37,528
81.000	3600	BATTELLE PACIFIC NW LABS	TASK ORDER 83883 MOD 3	72,968
81.000	3600	BATTELLE PACIFIC NW LABS	TO 135292 AM01	212,474
81.000	3600	BATTELLE PACIFIC NW LABS	TO 148455	33,903
81.000	3600	BATTELLE PACIFIC NW LABS	TO 150819	3,140
81.000	3600	BATTELLE PACIFIC NW LABS	TO#14625; MA#6630 MOD9	4,945
81.000	3600	BATTELLE PACIFIC NW LABS	TO02 110463	42,494

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
81.000	3600	BATTELLE PACIFIC NW LABS	TO147338MASTER75501	1,291
81.000	3600	BATTELLE PACIFIC NW NATIONAL LAB	MASTER75501TO141073	12,714
81.000	3600	BATTELLE PACIFIC NW NATIONAL LAB	TO# 153266	3,257
81.000	3600	BATTELLE PACIFIC NW NATIONAL LAB	TO104299MA75501MOD2	14,900
81.000	3600	BATTELLE, COLUMBUS DIVISION	TCN 10126	74,511
81.000	3600	CERAMATEC, INC.	UW BUD# 667317	-955
81.000	3600	ENERTECHNIX, INC.	UW BUD# 638340	-21,257
81.000	3600	ENERTECHNIX, INC.	UW BUD# 638443	-26,606
81.000	3600	ESTUARY PARTNERSHIP	04-2011	26,819
81.000	3600	ESTUARY PARTNERSHIP	14-2010	30,973
81.000	3600	JEFFERSON SCIENCE ASSOCIATES, LLC	10-P2431 MOD001	13,459
81.000	3600	KRELL INSTITUTE	UW BUD# 807280	73,488
81.000	3600	LATTICE GOVERNMENT SERVICES, INC.	PO-20110120	5,660
81.000	3600	LAWRENCE BERKELEY NTL LAB	6853597 MOD 1	28,733
81.000	3600	LAWRENCE BERKELEY NTL LAB	6953716	20,724
81.000	3600	MISSION SUPPORT ALLIANCE, LLC	UW BUD# 660294	47,470
81.000	3600	MODUMETAL, INC.	UW BUD# 639228	8,637
81.000	3600	NATIONAL ACADEMIES	DELS-7497-06-001 MOD07	-7,958
81.000	3600	OAK RIDGE ASSOCIATED UNIVERSITIES	19-25876 MOD01	51,517
81.000	3600	PC TRASK AND ASSOCIATES INC	A45221/AMD03	44,157
81.000	3600	PNNL	TO107772MOD01MA75501	9,723
81.000	3600	PNNL	TO119737MASTERAGMT7550	-1
81.000	3600	PNNL	TO125773UNDERMA75501	18,090
81.000	3600	RE VISION CONSULTING, LLC	UW BUD# 636092	-262
81.000	3600	SANDIA NATIONAL LABORATORIES	1038388	7,615
81.000	3600	SANDIA NATIONAL LABORATORIES	1038388 MOD 2	38,404
81.000	3600	SANDIA NATIONAL LABORATORIES	657280 MOD1	-469
81.000	3600	SAVANNAH RIVER NUCLEAR SOLUTIONS	AC71713O	85,475

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
81.000	3600	SAVANNAH RIVER NUCLEAR SOLUTIONS	AC819890O	4,788
81.000	3600	SNOHOMISH COUNTY	61661	37,352
81.000	3600	SNOHOMISH COUNTY PUB. UTILITY DIST. NO.1	57469	258,223
81.000	3600	UC - LOS ALAMOS NATIONAL LABORATORY	112830	27,889
81.000	3600	UC - LOS ALAMOS NATIONAL LABORATORY	32449-001-06 MOD04	2,780
81.000	3600	UC - LOS ALAMOS NATIONAL LABORATORY	73262-001-09	21,788
81.000	3600	UNIV OF CA IRVINE	2003-1389AM24	7,063
81.000	3600	UNIV OF CA, ERNEST ORLANDO	6700882, MOD13	489,217
81.000	3600	UNIVERSITY OF NEW MEXICO	889186-874J AM05	154,099
81.000	3600	UT BATTELLE, LLC	4000001206 AM03	702
81.000	3600	UT BATTELLE, LLC	4000093555 M0D01	282,173
81.000	3650	ALLIANCE SUSTAINABLE ENERGY	XFA11165201	793
81.000	3650	ALLIANCE SUSTAINABLE ENERGY	XFT888521010	128,747
81.000	3650	BATTELLE ENERGY ALLIANCE	00014002	631,683
81.000	3650	BATTELLE LABS	131023	67,923
81.000	3650	BATTELLE LABS	6633	1,678,931
81.000	3650	BECHTEL NATIONAL INC	24590NPPOAHXYG00121	7,103
81.000	3650	CASCADE ENERGY ENGINEERING INC	TSPESI0012	12,997
81.000	3650	CITY OF SEATTLE	OSE1018	77,588
81.000	3650	CONSOL	WSU000905	88,191
81.000	3650	ENERGY ENTERPRISE SOLUTIONS LLC	01019W01062	2,235,245
81.000	3650	ENERGY ENTERPRISE SOLUTIONS LLC	9W011WAPA0201	118,196
81.000	3650	ID DEPT OF FISH & GAME	WSU001093	74,803
81.000	3650	ID DEPT OF FISH & GAME	WSU001940	31,885
81.000	3650	INLAND NW RES ALLIANCE	M285	56,235
81.000	3650	LAWRENCE LIVERMORE NATL SCTY LAB	B573264	20,108
81.000	3650	LONGENECKER & ASSOC	DEAC0707ID60679	8,320
81.000	3650	LOS ALAMOS NAT'L SECURITY LLC	1380551	77,921

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
81.000	3650	LOS ALAMOS NAT'L SECURITY LLC	4792600109	31,875
81.000	3650	LOS ALAMOS NAT'L SECURITY LLC	5478700107	-1,248
81.000	3650	LOS ALAMOS NAT'L SECURITY LLC	7496200109	119,637
81.000	3650	NW ENERGY EFFICIENCY ALLIANCE	C10169	70,319
81.000	3650	NW ENERGY WORKS INC	WSU002053	493
81.000	3650	PROJECT PERFORMANCE CORP	1511WSU01	6,121
81.000	3650	PROJECT PERFORMANCE CORP	M262_41771708	4,091
81.000	3650	SANDIA NAT'L LAB	1037884	52,043
81.000	3650	SANDIA NAT'L LAB	1072147	7,041
81.000	3650	SANDIA NAT'L LAB	651102	26,546
81.000	3650	SANDIA NAT'L LAB	888552	19,686
81.000	3650	SAVANNAH RIVER NUCLEAR LLC	AC695370	59,607
81.000	3650	SAVANNAH RIVER NUCLEAR LLC	AC695380	37,165
81.000	3650	UNIV OF CA-BERKELEY	6962257	19,237
81.000	3650	UNIV OF WI MADISON	097K366	43,351
81.000	3650	WASHINGTON CLOSURE HANFORD LLC	WSU000684	-6,340
81.000	4770	Oregon Dept of Fish & Wildlife	020-9359-ISA-FISH	119,079
81.000	4770	Oregon Dept of Fish & Wildlife	090-1289-ISA-FISH	311,269
81.000	4770	Pacific NW National Laboratory	83537	9,996
81.000	4770	Pacific States Marine Fisheries Commission	10-31	83,587
81.000	4770	Pacific States Marine Fisheries Commission	10-37	35,755
81.000	4770	Pacific States Marine Fisheries Commission	10-39	34,651
81.000	4770	Pacific States Marine Fisheries Commission	10-43	182,999
81.000	4770	Pacific States Marine Fisheries Commission	10-50	21,291
81.000	4770	Pacific States Marine Fisheries Commission	10-57	227,426
81.000	4770	Pacific States Marine Fisheries Commission	10-65	57,051
81.000	4770	Pacific States Marine Fisheries Commission	10-66	23,335
81.000	4770	Pacific States Marine Fisheries Commission	10-75	487,981

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81.000	4770	Pacific States Marine Fisheries Commission	10-85	12,146
81.000	4770	Pacific States Marine Fisheries Commission	10-87	31,728
81.000A	3600	BATTELLE PACIFIC NW LABS	TONO95447MANO75501	68,950
81.000A	3600	ENERTECHNIX, INC.	UW BUD# 203780	19,301
81.000A	3600	ENERTECHNIX, INC.	UW BUD# 203781	26,543
81.000A	3650	ALLIANCE SUSTAINABLE ENERGY	ZFT040644012	121,228
81.000A	3650	BATTELLE LABS	6633	289,863
81.000A	3650	ENERGY ENTERPRISE SOLUTIONS LLC	01019W01062	1,195,590
81.000A	3650	THURSTON REGIONAL PLNG COUNCIL	WSU001294	22,328
81.049	3600	AERODYNE RESEARCH, INC	ARI-10667-1	29,656
81.049	3600	AWWA RSCH FNDN	4148	-1
81.049	3600	CARNEGIE MELLON UNIVERSITY	1070096-242680 AM01	132,721
81.049	3600	EAGLE HARBOR TECHNOLOGIES, INC.	UWOSPA58717DESC0004480	34,045
81.049	3600	NORTHEASTERN UNIVERSITY	503008P1001642MOD03	58,114
81.049	3600	NORTHERN ARIZONA UNIVERSITY	MPC 35VA-01	-3,722
81.049	3600	NORTHERN ARIZONA UNIVERSITY	MPC35ZU AM03	86,274
81.049	3600	PRINCETON UNIVERSITY	00001890	19,076
81.049	3600	UNIVERSITY OF OREGON	234151M AM03	6,860
81.049	3600	UNIVERSITY OF OREGON	234151M AM04	2,637
81.049	3650	DONALD DANFORTH PLANT SCI CTR	DDPSC28120WS	387,633
81.049	3650	FOREST CONCEPTS LLC	WSU001272	17,440
81.049	3650	UNIV OF NV LAS VEGAS	08X01	122,217
81.049	3700	UCLA-EFRC	Sub No. 0190 G MA4598	32,841
81.049A	3600	BATTELLE MEMORIAL INSTITUTE	124328	2,166,631
81.049A	3600	ENERTECHNIX, INC.	59262	108,615
81.049A	3600	UNIVERSITY OF ARIZONA	Y551851	120,189
81.049A	3600	UNIVERSITY OF ARIZONA	Y551851AMENDMENTNO1	82,018
81.086	3800	Puget Sound Clean Air	83301401	271,037

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
81.086A	3650	PUGET SOUND CLEAN AIR AGCY	20110140IAA	27,426
81.087	3600	CONSORTIUM FOR PLANT BIOTECHNOLOGY	GO12026-278 AM-E	11,144
81.087	3600	CONSORTIUM FOR PLANT BIOTECHNOLOGY	GO12026-300	30,984
81.087	3600	CORRIM	CORRIMSUBCONTRACT410	67,024
81.087	3600	OREGON STATE UNIVERSITY	G0107A-A	235,162
81.087	3600	RE VISION CONSULTING, LLC	UW BUD# 637028	1,337
81.087	3600	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	A60617PRIMEDEEE0002650	21,764
81.087	3650	UNIV OF CENTRAL FL	PO102756	4,863
81.087	4900	Arizona Geological Survey	DE-EE0002850	171,829
81.087A	3600	DONALD DANFORTH PLANT SCIENCE CENTER	28302-U	308,818
81.087A	3650	DONALD DANFORTH PLANT SCI CTR	28302-X	37,779
81.089	3650	MT ST UNIV	G30208W2036	12,903
81.106	2250	Western Governors Association	C080240FED-TWX9	83,658
81.121	3650	MEDICAL UNIV OF SOUTH CAROLINA	MUSC09094	58,439
81.122	3650	UNIV OF IL	20100125103	275,722
81.122A	3650	AZ ST UNIV	11453	117,302
81.122A	3650	ENTERGY SRVCS INC	10283474	118,366
81.135	3600	GINKGO BIOWORKS, INC	2001001	89,422
81.135	3600	GINKGO BIOWORKS, INC	201001	69,236
81.999	3650	UNIV OF CENTRAL FL	20126087	3,897
84.000	3600	CAROLINAS MEDICAL CENTER	H133A080035	72,561
84.000	3600	EDUCATIONAL SERVICE DISTRICT105	UW BUD# 635741	191
84.000	3600	KRELL INSTITUTE	UW BUD# 802320	75,424
84.000	3600	MARSHALL UNIVERSITY RESEARCH CORPORATION	UW BUD# 802241	234
84.000	3600	NCTAF	UW BUD# 633746	2,182
84.000	3600	REHABILITATION INSTITUTE OF CHICAGO	H 133B090024	10,843
84.000	3600	RTI INTERNATIONAL	0209234.002.016-25	3,995
84.000	3600	SYNERGY ENTERPRISES, INC. (SEI)	1008-747	121,878

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84.000	3600	THE URBAN INSTITUTE	0799800000UWA01MOD01	39,661
84.000	3600	UNIVERSITY OF PITTSBURGH	070153	-721
84.000	3650	FILAMENT GAMES	115448001	25,559
84.000	3650	WILLPINIT SCHOOL DIST #49	PCS0507	29,148
84.027	3750	Ellensburg School District	CWU/Ellensburg School	500
84.027	3750	Noth Central Edu Service District	12108000013/1210800014	42,051
84.027	3750	Noth Central Edu Service District	1211000004.000	155,882
84.031	6990	Heritage University	HS101105	29,888
84.101	6990	Tulalip Tribes	V101A010017-03A	232,794
84.116	3600	NCTAF	UW BUD# 637745	7,961
84.116	6990	Workforce Dev Council of Snoco	09-EVC-0-776-FIPSE	69,278
84.116	6990	Workforce Development Council of Snohomish Cty	09-EDC-0-775-FIPSE	71,920
84.133	3600	ALBERT EINSTEIN HEALTHCARE NETWORK	H133G070143-09	7,503
84.133	3600	ALBERT EINSTEIN HEALTHCARE NETWORK	PRIME H133G070143-09	32,818
84.133	3600	MEDSTAR RESEARCH INSTITUTE	201F3132006 AMEND #1	8,298
84.133	3600	REHABILITATION INSTITUTE OF CHICAGO	AMENDMENT 2	16,251
84.133	3600	UNIVERSITY OF MICHIGAN	H133G070020	16,291
84.213	6990	Wahluke School District	OSP11	176,023
84.214	3650	READY BY FIVE	WSU002044	31,482
84.215	3650	WASHOUGAL SCHOOL DIST	50847	17,700
84.215	3650	WASHOUGAL SCHOOL DIST	WSU000752	11,156
84.215	3700	ESD101-Roll On Yr 3 Carryover	PO 1601000001	66,108
84.215	3700	MLSD-Lifelong Wellness 09-10	N/A	6,597
84.305	3600	WASHINGTON RESEARCH INSTITUTE	UW BUD# 639787	51,087
84.324	3600	LOUISIANA STATE UNIVERSITY	51423	54,335
84.324	3600	UNIV OF KANSAS, CENTER FOR RESEARCH INC	FY2009-083 MOD02	309,342
84.324	3600	UNIVERSITY OF FLORIDA	UF07089 AM03	40,381
84.324	3600	UNIVERSITY OF KANSAS	FY2009-083 MOD01	11,897

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84.334	6990	Yakima School District	G065/G066	248,836
84.359	3600	CITY OF SEATTLE	DA08-1589 AM1	36,900
84.359	3600	CITY OF SEATTLE	DA10-1589AM01	131,916
84.366	3600	CENTER FOR INQUIRY SCIENCE	GRANT51250001PO28652	-9,217
84.366	3600	UNIVERSITY PLACE SCHOOL DISTRICT	UW BUD# 637899	10,790
84.366	3650	EDUC SVC DIST #112	7000200094	3,270
84.367	3600	EDUCATIONAL SERVICE DISTRICT105	9009000083	64,526
84.393	3600	EDUCATIONAL SERVICE DISTRICT 112	PRIME10132601700140007	85,851
84.393	3700	IDHW-MI-AIMH Endorsement	KC241000-Amend #1	222,084
84.393	3750	Noth Central Edu Service District/Puget sound ESD	1210900053R	3,570
84.393	6990	Infant Toddler Network	IEL-ARRA-IDEA-Part C	7,447
84.393	6990	Workforce Dev Council	1000LC-65	23,841
84.396	3600	BEAVERTON SCHOOL DISTRICT	BSD REF#10-0025	172,323
84.396	3600	BELLEVUE SCHOOL DISTRICT	A58405	41,493
84.405	3600	HERITAGE UNIVERSITY	U405A100020	114,433
84.928	3600	NTL WRITING PROJECT CORP	92-WA03	37,512
84.928	3600	NTL WRITING PROJECT CORP	92-WA03 AM32	42,759
84.928	3750	Nat. Writing Project U of CA	92-WA02	49,807
93.000	3600	ALBERT EINSTEIN HEALTHCARE NETWORK	5 K12 HD 001097-13	8,397
93.000	3600	AMERICAN COLLEGE OF RADIOLOGY (ACR)	UW BUD# 668266	34,888
93.000	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	#4221	19,528
93.000	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	4221	55,585
93.000	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	UW BUD# 636758	-3
93.000	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	UW BUD# 638600	67,861
93.000	3600	AMERICAN INSTITUTES FOR RESEARCH	PROJECT # 02434.003	76,295
93.000	3600	AMERICAN INSTITUTES FOR RESEARCH	SUB #486.02731 MOD #2	63,523
93.000	3600	AMERICAN PSYCHIATRIC ASSOCIATION	UW BUD# 800822	-8,642
93.000	3600	AMERICAN PSYCHOLOGICAL ASSOCIATION	UW BUD# 807095	33,805

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.000	3600	AOEC	PEHSU	105,413
93.000	3600	ARBOR VITA CORP	UW BUD# 639836	36,433
93.000	3600	ARIDIS PHARMACEUTICALS, LLC	R43AI08140001A120091	138,855
93.000	3600	ASSOC OF SCHS OF PUBLIC HLTH	S1189-19/19	1,652
93.000	3600	ASSOC OF SCHS OF PUBLIC HLTH	S3901-27/28	188,461
93.000	3600	ASSOCIATION OF SCHOOLS OF PUBLIC HEALTH	S3951	202,251
93.000	3600	AUCD	309	68,522
93.000	3600	AUCD	UW BUD# 673231	265
93.000	3600	BARLOW SCIENTIFIC, INC.	2R44HL086267	12,395
93.000	3600	BASTYR UNIVERSITY	H33B11-02 MOD01	6,209
93.000	3600	BASTYR UNIVERSITY	H33B11-03 MOD01	14,736
93.000	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY100170189103A49425	326,885
93.000	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	AMD2PRIME5R01AG0306180	21,740
93.000	3600	BOOZ ALLEN HAMILTON, INC.	94682DBS78 MOD01	286,513
93.000	3600	BROAD INSTITUTE, INC.	52158105500000119MOD02	45,633
93.000	3600	BROAD INSTITUTE, INC.	52158105500000120MOD02	29,973
93.000	3600	CARACAL, INC.	UW BUD# 635390	70,111
93.000	3600	CASE WESTERN RESERVE UNIV	UW BUD# 633385	201,675
93.000	3600	CASE WESTERN RESERVE UNIV	UW BUD# 661006	23,362
93.000	3600	CHILDREN'S HOSPITAL AND REGIONAL MEDICAL	10217SUBWESTAT8530S006	108,027
93.000	3600	CHILDREN'S MERCY HOSPITAL	UW BUD# 639736	66,584
93.000	3600	CHILDRENS HOSP LOS ANGELES	1T02MC00050-01	136
93.000	3600	COMPUTERCRAFT CORPORATION	CC FORM SUB UW#1 MOD03	535,467
93.000	3600	CONGRESSIONAL GLAUCOMA CAUCUS FOUNDATION	SSSP #50	76
93.000	3600	CORIXA CORP	PRIMEHHSN272200900036C	211,661
93.000	3600	DUKE CLINICAL RESEARCH INSTITUTE	117161	-267
93.000	3600	DUKE CLINICAL RESEARCH INSTITUTE (DCRI)	SPS #162060, SITE 070	1,506
93.000	3600	DUKE UNIV	1U01HL6901501SITE6200	-918

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.000	3600	DUKE UNIVERSITY	N01-AI-05419 AM02	14,661
93.000	3600	EDENSPACE SYSTEMS CORPORATION	UW BUD# 660713	8,484
93.000	3600	EMORY UNIVERSITY	UW BUD# 635315	3,016
93.000	3600	EVANSTON NORTHWESTERN HEALTHCARE	EH06201S9N01AG60007CMO	66,680
93.000	3600	FAMILY HLTH INTL	611-10 AM03	-3,225
93.000	3600	FHCRC	0000639363	-42
93.000	3600	FHCRC	0000677274 AM01	1,982
93.000	3600	FHCRC	0000693117 AM01	144,659
93.000	3600	FHCRC	06-102736-04-S1265	-32,976
93.000	3600	FHCRC	1 P50 CA148143-01	67,898
93.000	3600	FHCRC	93-2900-25 MOD21	21,298
93.000	3600	FHCRC	PO#0000596327AM04	3,918
93.000	3600	FHCRC	SA0600314	-795
93.000	3600	FHCRC	SA1000721 MOD01	1,452
93.000	3600	FHCRC	SA1000741	1,562
93.000	3600	FHCRC	SA1000748	3,808
93.000	3600	FHCRC	SA1100800	25,873
93.000	3600	FIRSTHAND TECHNOLOGY	UW BUD# 635605	155,470
93.000	3600	FOCALPOINT CONSULTING GROUP	HHSH230200532040C*	8,400
93.000	3600	FOX CHASE CANCER CENTER	11138-04, MOD04	215,221
93.000	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000695859	44,785
93.000	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000695859 AM01	16,918
93.000	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	SA1000698	7,752
93.000	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	SA1100823	3,808
93.000	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC	UW BUD# 661106	4,162
93.000	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC	UW BUD# 661231	8,200
93.000	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW BUD# 661109	4,162
93.000	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW BUD# 661378	13,458

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.000	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW BUD# 661593	9,258
93.000	3600	GROUP HEALTH CENTER FOR HEALTH STUDIES	UW BUD# 660640	20,768
93.000	3600	GROUP HEALTH COMMUNITY FNDN	2009119412 MOD01	5,050
93.000	3600	GROUP HEALTH COMMUNITY FNDN	2009119417 MOD01	5,050
93.000	3600	GROUP HEALTH COMMUNITY FNDN	PSA10-BIO-DOM-02/MOD01	33,320
93.000	3600	GROUP HEALTH COOPERATIVE	2008113462	4,076
93.000	3600	GROUP HEALTH COOPERATIVE	2008113462 MD1	-44,148
93.000	3600	GROUP HEALTH COOPERATIVE	2008113462 MD2	155,186
93.000	3600	GROUP HEALTH COOPERATIVE	2008113462 MD4	-6,128
93.000	3600	GROUP HEALTH COOPERATIVE	2008113462 MD5	310,428
93.000	3600	GROUP HEALTH COOPERATIVE	2008113462 MOD07	-5,328
93.000	3600	GROUP HEALTH COOPERATIVE	2008113462 MOD6	3,031
93.000	3600	GROUP HEALTH COOPERATIVE	2008124228 MOD04	5,050
93.000	3600	GROUP HEALTH COOPERATIVE	2009119415 MOD01	5,640
93.000	3600	GROUP HEALTH COOPERATIVE	2009119416 MOD02	5,050
93.000	3600	GROUP HEALTH COOPERATIVE	2010111500	108,349
93.000	3600	GROUP HEALTH COOPERATIVE	2010116112, MOD01	22,799
93.000	3600	GROUP HEALTH COOPERATIVE	2010116113	8,109
93.000	3600	GROUP HEALTH RESEARCH INSTITUTE	2010116025	4,746
93.000	3600	GROUP HEALTH RESEARCH INSTITUTE	UW BUD# 661566	1,700
93.000	3600	GRP HLTH COOP PUGET SOUND	PSA10-BIO-DIN-02	10,577
93.000	3600	HANOI SCHOOL OF PUBLIC HEALTH	UW BUD# 639535	11,489
93.000	3600	HANOI SCHOOL OF PUBLIC HEALTH	UW BUD# 661690	37
93.000	3600	HARVARD SCHOOL OF PUBLIC HEALTH	PRIME5R01OH00878102AM0	76,770
93.000	3600	HAUPTMAN WOODWARD RESEARCH INSTITUTE	6207	-7,561
93.000	3600	HEALTH ALLIANCE INTERNATIONAL	F42-SUB001	110,759
93.000	3600	IMMUNE TOLERANCE NETWORK	108151	53,737
93.000	3600	IMMUNE TOLERANCE NETWORK	ITN10212-00SC AM01	125,903

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.000	3600	IMPERIAL COLLEGE	1221	8,326
93.000	3600	IMPERIAL COLLEGE	UW BUD# 639399	72,233
93.000	3600	INSTITUTE FOR SYSTEMS BIOLOGY	2004.0009 AM06	-109
93.000	3600	INT SOCIETY FOR DISEASE SURVEILLANCE	CONTRACT #A53625	396,668
93.000	3600	KESSLER RESEARCH CENTER	UW BUD# 635786	1,587
93.000	3600	KINETA, INC.	5013	13,820
93.000	3600	KINETA, INC.	5013 AM01	9,764
93.000	3600	KING COUNTY	D41082D	15,688
93.000	3600	KITWARE, INC.	K000121-S01	19,497
93.000	3600	LOOKING GLASS ANALYTICS	UW BUD# 635219	27,980
93.000	3600	MACRO INTERNATIONAL INC.	633430-9S-1414, MOD 2	30,077
93.000	3600	MAGEE-WOMENS RESEARCH INSTITUTE AND FOUNDATION	UW BUD# 661253	43,600
93.000	3600	MASSACHUSETTS GENERAL HOSPITAL	2005A007621/205723	62
93.000	3600	MASSACHUSETTS GENERAL HOSPITAL	HHSN26120074400CMOD06	18,833
93.000	3600	MASSACHUSETTS GENERAL HOSPITAL	UW BUD# 638729	-17,443
93.000	3600	MASSACHUSETTS INST TECHNOLOGY/MIT	5710002265 MOD04	-2,078
93.000	3600	MATHMATICA POLICY RESE	6279-06-208	-14
93.000	3600	MOUNT SINAI SCHOOL OF MEDICINE	R01 HL071988	-21,638
93.000	3600	NANOFACTURE, INC.	UW BUD# 637773	88,807
93.000	3600	NANOFACTURE, INC.	UW BUD# 637823	74,785
93.000	3600	NASTAD	ITECH10#1.1AM	67,577
93.000	3600	NATIONAL CONGRESS OF AMERICAN INDIANS	U261HS300293/01	195,784
93.000	3600	NATIONAL ENVIRONMENTAL EDUCATION &	UW BUD# 673561	1,445
93.000	3600	NAVASOTA ISD	UW BUD# 637266	41,638
93.000	3600	NCLSH	NCHH 07 1065 AM04	501
93.000	3600	NCLSH	NCHH-06-C-1046	1,949
93.000	3600	NEW ENGLAND RESEARCH INSTITUTES, INC. (NERI)	#01756	2,898
93.000	3600	NEW ENGLAND RESEARCH INSTITUTES, INC. (NERI)	UW BUD# 635905	12,429

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.000	3600	NORTHROP GRUMMAN	7500031154, AM04	7,317
93.000	3600	NORTHWEST INDIAN COLLEGE	NWIC# 24213.01	5,871
93.000	3600	NORTHWEST INDIAN COLLEGE	NWIC# 24214	122,755
93.000	3600	NORTHWEST INDIAN COLLEGE	NWIC# 24217.01	34,811
93.000	3600	NORTHWESTERN UNIVERSITY	UW BUD# 639626	37,009
93.000	3600	NW PORTLAND AREA INDIAN HEALTH BOARD	PO#17217	-235
93.000	3600	OAK RIDGE ASSOC UNIV	UW BUD# 671960	-671
93.000	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AVGTI0103UOFWNKATZEAM0	226,880
93.000	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GPEDC0036A SAHN AM02	50,324
93.000	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GPEDC0036A SAHN AMD#1	32,891
93.000	3600	PATH	NIH121301708SUBAMEND5	-15,010
93.000	3600	PATH	NIH121301708SUBMOD06	89
93.000	3600	PATH	NIH131107261SUBAM06	146,222
93.000	3600	PATH	NIH131107261SUBAMEND3	-1,963
93.000	3600	PATH	NIH131107261SUBAMEND4	-1,325
93.000	3600	PATH	NIH131107261SUBAMEND5	42,705
93.000	3600	PENNINGTON BIOMEDICAL RESEARCH CENTER	1RO1AG03026601A201	-3,261
93.000	3600	PORTLAND STATE UNIVERSITY	209YAN147 AM02	39,093
93.000	3600	PUGET SOUND BLOOD CENTER (PSBC)	UW BUD# 639425	2,009
93.000	3600	RADIOLOGICAL SOCIETY OF NORTH AMERICA	HHSN268201000050C12A	654
93.000	3600	RADIOLOGICAL SOCIETY OF NORTH AMERICA	MODIFICATION 1	23,500
93.000	3600	RADIOLOGICAL SOCIETY OF NORTH AMERICA	UW BUD# 639920	50,697
93.000	3600	SAIC FREDERICK INC	24XS036 TO005 MOD07	3,979
93.000	3600	SAIC FREDERICK INC	PO#1170364S	116,493
93.000	3600	SAIC-F	10XS175	22,681
93.000	3600	SAINT LOUIS UNIVERSITY	UW BUD# 666580	34,061
93.000	3600	SAINT LOUIS UNIVERSITY	UW BUD# 666682	39,178
93.000	3600	SEATTLE BIOMEDICAL RESEARCH INSTITUTE	UW-1077N MOD05	247,600

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.000	3600	SEATTLE BIOMEDICAL RESEARCH INSTITUTE	UW-1077P MOD05	1,102,708
93.000	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	UW BUD# 661356	2,069
93.000	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	UW BUD# 661427	7,684
93.000	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	UW BUD# 661429	3,220
93.000	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	UW BUD# 661437	3,762
93.000	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	UW BUD# 661441	3,055
93.000	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	UW BUD# 661442	4,298
93.000	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	UW BUD# 661458	5,892
93.000	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	UW BUD# 661461	2,070
93.000	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	UW BUD# 661826	2,591
93.000	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	UW BUD# 635830	10,423
93.000	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	UW BUD# 639496	50,948
93.000	3600	SEATTLE INSTITUTE FOR CARDIAC RESEARCH	1RC1HL10062501UW01	-12,005
93.000	3600	SEATTLE-KING COUNTY DEPTOF PUBLIC HEALTH	D34034D AMEND #4	-38
93.000	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC	AACTG42UICTU01MOD6	-301
93.000	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC	CRB-UCLA1-S-10-00052	14,886
93.000	3600	SOCIAL SCIENTIFIC SYSTEMS INC	PHR-SIS01-S-10-00117	134,278
93.000	3600	SYM TREND, INC.	UW BUD# 637810	58,685
93.000	3600	TALARIA	2444CA106154-02A1	-2,460
93.000	3600	TALARIA	2R44CA106154-02A1	721
93.000	3600	THE EMMES CORPORATION	UW BUD# 660119	3,458
93.000	3600	THE JOHN HOPKINS UNIVERSITY	PO# 2000931327	-2,744
93.000	3600	THE UNIVERSITY OF IOWA	1 22048 00	18,019
93.000	3600	THOMPSON, JOHN R.	A1214-21/21	-1,953
93.000	3600	TUFTS MEDICAL CENTER	5005011-SERV	5,249
93.000	3600	UCSF	ITN10064-00 AMD 1	16,654
93.000	3600	UNIV OF ALABAMA	000355935007AM2N01HC95	18,747
93.000	3600	UNIV OF ALABAMA	HHSN266200400068CAMEND	5

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.000	3600	UNIV OF CA	0845-G-BD281-04	-1,205
93.000	3600	UNIV OF CA	UW BUD# 639752	71,210
93.000	3600	UNIV OF CA	UW BUD# 660356	127,832
93.000	3600	UNIV OF CA	UW BUD# 660793	58,627
93.000	3600	UNIV OF CA SAN DIEGO	PO#10221507-011	53,839
93.000	3600	UNIV OF CALIFORNIA, LOS ANGELES	PO2000GCJ110REV05	-14,345
93.000	3600	UNIV OF OKLAHOMA	RS2005119507OUHSCC1039	409,570
93.000	3600	UNIV OF TEXAS	GMO-100503 MOD 01	62,320
93.000	3600	UNIVERSITY OF ALABAMA	NEW NIH GRANT	10,761
93.000	3600	UNIVERSITY OF ALABAMA BIRGMINHAM	NO.000189671-243	18,780
93.000	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000404693-002 AM03	124,503
93.000	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	TASK ORDER 1	18,587
93.000	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	UW BUD# 660660	2,970
93.000	3600	UNIVERSITY OF ARKANSAS FOR MEDICAL SCIEN	31603 AMD 3	7,356
93.000	3600	UNIVERSITY OF CALIFORNIA	5579SC, AMD2	70,154
93.000	3600	UNIVERSITY OF CALIFORNIA	6216SC	24,963
93.000	3600	UNIVERSITY OF CALIFORNIA, IRVINE	2010-2385	68,464
93.000	3600	UNIVERSITY OF CALIFORNIA, IRVINE	2010-2385 AM 2	110,188
93.000	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO#10313800-SUB	178,918
93.000	3600	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	5798SC	-263
93.000	3600	UNIVERSITY OF KANSAS	UW BUD# 635748	9,750
93.000	3600	UNIVERSITY OF MARYLAND	PO#SR00000898	-7,868
93.000	3600	UNIVERSITY OF MICHIGAN	3001397930AMENDMENT1	11,843
93.000	3600	UNIVERSITY OF MICHIGAN	UW BUD# 630233	2,372
93.000	3600	UNIVERSITY OF MICHIGAN, ANN ARBOR	UW BUD# 635050	-4
93.000	3600	UNIVERSITY OF NAIROBI	UW BUD# 673698	195,033
93.000	3600	UNIVERSITY OF NAIROBI	UW BUD# 807248	301,644
93.000	3600	UNIVERSITY OF OKLAHOMA HEALTH SCIENCES C	HHSN261200533000CAM02	72,786

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.000	3600	UNIVERSITY OF PITTSBURGH	0011424 AMEND 3	89,421
93.000	3600	UNIVERSITY OF UTAH	10008615	-20,546
93.000	3600	UNIVERSITY OF UTAH	10008615, AMEND.#1	167,773
93.000	3600	VANDERBILT UNIVERSITY	UW BUD# 673509	-5,817
93.000	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC35637/AM02	221,552
93.000	3600	VPDIAGNOSTICS, INC	UW BUD# 633873	-11,365
93.000	3600	WAKE FOREST UNIVERSITY	NO1-HC-95178 AMEND 15	39,085
93.000	3600	WAKE FOREST UNIVERSITY	WFUHS 30225	50,509
93.000	3600	WAKE FOREST UNIVERSITY	WFUHS 33000 AM02	250,769
93.000	3600	WAKE FOREST UNIVERSITY	WFUHS GTS 35888 AM02	35,054
93.000	3600	YALE UNIVERSITY	DKP1119993	16,242
93.000	3650	AXIO RES CO LLC	WSU000335	72,944
93.000	3650	KING CNTY	D40283D	10,710
93.000	3650	NW INDIAN COLLEGE	2421310421000	55,203
93.000	3650	PIERCE CNTY	78553	4,550
93.000	3650	UNIV OF FL	UFEIS0714033WSU	64,311
93.000	3650	WASHINGTON UNIV IN ST LOUIS	WU11306	8,616
93.000	6990	WDC-Seattle King County	10/624-HHS	11,101
93.000A	3600	SRI INTERNATIONAL	LOA#03-000076	31,967
93.051	3600	STATE OF OREGON	130311	26,862
93.067	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	5U2GPS0011773BIDMCPILI	82,268
93.067	3600	COPTIC ORTHODOX CHURCH	001-2 REV01	48,818
93.067	3600	COPTIC ORTHODOX CHURCH	SUBCONTRACT0011MOD01	373,257
93.067	3600	NASTAD	ITECH11#1.1	154,628
93.067	3600	RTI INTERNATIONAL	12736-G-FY11-02	19,003
93.067	3600	UNIV OF CA SAN FRANCISCO	6607SC	1,110
93.067	3600	UNIVERSITY OF CALIFORNIA	6293SC	356,089
93.067	3600	UNIVERSITY OF CALIFORNIA	6370SC AM01	134,488

State of Washington
Schedule of Expenditures of Federal Awards
Note F:
Supplemental Information for Pass-Through Funds

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.067	3600	UNIVERSITY OF CALIFORNIA	6601SC	8,684
93.067	3600	UNIVERSITY OF CALIFORNIA	6614SC	516
93.067	3600	UNIVERSITY OF NAIROBI	UONCHSUNITIDRES8CDC11V	107,638
93.069	3600	HEALTH PREPAREDNESS PROGRAM	HC711200	3,741
93.069	3600	OREGON DEPARTMENT OF HUMAN SERVICES	134342	7,039
93.069	3600	PUBLIC HEALTH-SEATTLE & KING COUNTY	#D40033D	4,175
93.069	3600	SCIENCE APPLICATIONS INTERNATIONAL CORP.	4400157809MOD08	129,038
93.103	3600	COLUMBIA UNIVERSITY	5RO1FD000372802SUB01AM	91,300
93.104	3600	YAKIMA COUNTY	CMHI UW 10	84,555
93.104	3600	YAKIMA COUNTY	UW SOC 09 MOD02	38,639
93.110	3600	CASE WESTERN RESERVE UNIVERSITY	RES502185, AMEND 4	18,473
93.110	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	10301SUB	1,511
93.110	3600	CHILDRENS HOSPITAL AND REGIONAL MED CTR	10178SUB	17,854
93.110	3600	UCLA	1920 G EB631 A05	-1,079
93.110	3600	UCLA	1920 G KB359 AM01	263
93.110	3600	UCLA	1920 G KB359 AM04	58,082
93.110	3600	UNIVERSITY OF ALASKA ANCHORAGE	P0424035	9,689
93.113	3600	BATTELLE PACIFIC NW LABS	TO141096; MA75501	30,676
93.113	3600	BRIGHAM & WOMENS HOSP	104281	172,941
93.113	3600	BRIGHAM & WOMENS HOSP	104281 (PROJECT 1)	-1
93.113	3600	CHILDREN'S HOSPITAL	10149SUB/AM01	72,937
93.113	3600	HARVARD SCHOOL OF PUBLIC HEALTH	23570-111008 AM03	11,196
93.113	3600	HARVARD SCHOOL OF PUBLIC HEALTH	23570-114018 AM02	47,825
93.113	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GCROE0137C, AM2	29,675
93.113	3600	OREGON HEALTH AND SCIENCE UNIVERSITY (OHSU)	GCROE0137C, AM03	2,611
93.113	3600	STATE UNIVERSITY OF NEW YORK (SUNY), STONY BROOK	UW BUD# 660989	14,637
93.113	3600	SUNY	R694299	12,431
93.113	3600	SWEDISH MED CTR	WU07136PO29932PAM05	57,366

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.113	3600	THE RESEARCH FOUNDATION OF SUNY	1087317-2-54037	99,305
93.113	3600	UCLA MEDICINE-CARDIOLOGY	1553 G MC571	6,036
93.113	3600	UCLA MEDICINE-CARDIOLOGY	1553 G MC571-AM1	80,114
93.113	3600	UNIV OF CA BERKELEY	SA5306-11521 AM03	-1,962
93.113	3600	UNIVERSITY OF CALIFORNIA BERKELEY	SA574611753AMENDMENTNO	143,753
93.113	3600	UNIVERSITY OF FLORIDA	580344512-01/UFPS0029	-667
93.113	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-10-138 MOD01	37,409
93.113	3650	UNIV OF CA DAVIS	SUB07004128WSU	4,947
93.113	3650	UNIV OF TX	UTA09000505	59,234
93.115	3600	SWEDISH MEDICAL CENTER	0576-06A MOD3	12
93.115	3600	UNIVERSITY OF MARYLAND, BALTIMORE	SR00000562, AM05	-571
93.121	3600	CASE WESTERN RESERVE UNIVERSITY	RES502558 MOD 2	37,295
93.121	3600	CHILDRENS HOSPITAL AND REGIONAL MED CTR	414450020101.UW01 MOD3	10,060
93.121	3600	CHILDRENS HOSPITAL AND REGIONAL MED CTR	414730010101.UW MOD03	2,659
93.121	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	SA1100830	8,458
93.121	3600	TUFTS UNIVERSITY	R01-DE017207, AMD 2	55,755
93.121	3600	UNIV OF NORTH CAROLINA CHAPEL HILL	5-51223	-623
93.121	3600	UNIV OF NORTH CAROLINA CHAPEL HILL	5-51223, AM01	27,983
93.121	3600	UNIVERSITY OF MINNESOTA	B6146038206	-7,413
93.121	3600	USC	114038 AMENDMENT NO 05	88,316
93.136	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1001502_UW	25,918
93.136	3600	U. OF OKLAHOMA - DEPT OF PEDIATRICS	RS20081722-01	-9,094
93.136	3600	U. OF OKLAHOMA - DEPT OF PEDIATRICS	RS20092114-01	22,330
93.136	3600	U. OF OKLAHOMA - DEPT OF PEDIATRICS	RS20092114-02	23,476
93.142	3600	UCLA	2105 G HB431 AM05	28,942
93.142	3600	UCLA	2105 G HB431-AM08	10,375
93.142	3600	UCLA	2105 G NA299	284,712
93.143	3600	UNIV OF CA BERKELEY	SA5306-11522 AM04	1,962

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.143	3600	UNIV OF CA BERKELEY	SA5306-11523 AM05	15,167
93.153	3600	SEATTLE KING COUNTY DEPT OF HLTH	D39464D	2,143
93.153	3600	SEATTLE KING COUNTY DEPT OF HLTH	D40400D	14,519
93.155	3600	NATIONAL RURAL HEALTH ASSOCIATION	UW BUD# 639885	34,853
93.172	3600	ARIZONA ST UNIV	10-225	55,941
93.172	3600	ARIZONA ST UNIV	UW BUD# 634607	-160
93.172	3600	ARIZONA STATE UNIVERSITY	10-225	148,158
93.172	3600	ARIZONA STATE UNIVERSITY	10225	67,010
93.172	3600	ARIZONA STATE UNIVERSITY	11-436	448,978
93.172	3600	ARIZONA STATE UNIVERSITY	11-436 AM01	838,405
93.172	3600	BRIGHAM AND WOMEN'S HOSPITAL	105074	2,632
93.172	3600	BRIGHAM AND WOMEN'S HOSPITAL	105074, AM 1	96,271
93.172	3600	EUROPEAN MOLECULAR BIOLOGY LAB-EBI	1U01HG004695-01, SUBCR	197,396
93.172	3600	EUROPEAN MOLECULAR BIOLOGY LAB-EBI	5U01HG00469502SUBGRANT	-40,007
93.172	3600	GROUP HEALTH COOPERATIVE	2010109001	35,679
93.172	3600	GROUP HEALTH COOPERATIVE	2010121139	72,161
93.172	3600	GROUP HEALTH COOPERATIVE	2010121244	253,545
93.172	3600	GROUP HEALTH COOPERATIVE	PO#2009119754	193,571
93.172	3600	GROUP HEALTH COOPERATIVE	PO#2009119755	7,473
93.172	3600	JOHN HOPKINS UNIV.	UW BUD# 636523	16,977
93.172	3600	JOHN HOPKINS UNIVERSITY	2000752483 AM01	350,051
93.172	3600	JOHNS HOPKINS UNIVERSITY	SUBAWARD: 2000752483	-4,638
93.172	3600	STANFORD UNIVERSITY	26366880-49414-D AM02	347,799
93.172	3600	THE JOHNS HOPKINS UNIVERSITY	2000870255	11,463
93.172	3600	UNIV NC CHAPEL HILL EPIDEMIOLOGY	5-51148, AMEND# YR2 #1	-1,068
93.172	3600	UNIV NC CHAPEL HILL EPIDEMIOLOGY	SUBAWARDNO551148AMYR32	151,321
93.172	3600	UNIV OF ALASKA FAIRBANKS	UAF 11-0078	107,649
93.172	3600	UNIVERSITY OF CALIFORNIA, IRVINE	2007.1912 AM04	8,281

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.172	3600	UNIVERSITY OF NORTH CAROLINA, CHAPEL HILL	SA# 5-51148, AM#YR4	18,934
93.172	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-10-282	49,329
93.172	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU112565U54HG00307908	96,346
93.173	3600	FATHER FLANAGAN'S BOYS' HOME	PRIME #R01DC010202-01	24,739
93.173	3600	FATHER FLANAGAN'S BOYS' HOME	PRIME5R01DC01020202MOD	124,311
93.173	3600	FHCRC	0000679351	33,812
93.173	3600	FHCRC	0000696361	101,092
93.173	3600	NORTHWESTERN UNIVERSITY	610-4610000-60026244	24,442
93.173	3600	NORTHWESTERN UNIVERSITY	PROJ000311261046100006	58,827
93.173	3600	OREGON HEALTH AND SCIENCE UNIVERSITY	GOTOL0173A_UW/AMD01	43,098
93.173	3600	SAN DIEGO STATE UNIVERSITY RSCH FDN	54065EP35317801211AM01	46,777
93.173	3650	UNIV OF IA	1000783312	68,443
93.213	3600	BASTYR UNIVERSITY	H34B11-01	164,423
93.213	3600	BASTYR UNIVERSITY	H34B12-01	142,029
93.213	3600	BASTYR UNIVERSITY	H34B12-02	4,125
93.213	3600	BASTYR UNIVERSITY	H94B11 MOD 4	27,726
93.213	3600	FHCRC	0000611873	-372
93.213	3600	GROUP HEALTH COOPERATIVE	PO#2009126142	12,892
93.213	3600	GROUP HEALTH COOPERATIVE	PO#2011102817	11,454
93.213	3600	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	5576SC-AM1	8,700
93.213	3600	UNIVERSITY OF PITTSBURGH(NEUROLOGY)	0005127/116131-1	19,214
93.213	3600	UNIVERSITY OF PITTSBURGH(NEUROLOGY)	110980-1	-60
93.224	3600	HEALTH CARE FOR THE HOMELESS PROGRAM	D40926D	29,001
93.224	3600	SEATTLE KING COUNTY	D40003D	28,908
93.226	3600	DUKE UNIVERSITY	162328	5,062
93.226	3600	DUKE UNIVERSITY	303-5486AM01	60,007
93.226	3600	GROUP HEALTH COOPERATIVE	2010114143	8,901
93.226	3600	GROUP HEALTH COOPERATIVE	2010114145	4,536

State of Washington
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Note F:
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For the Year Ended
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Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.226	3600	GROUP HEALTH COOPERATIVE	2010115931	5,807
93.226	3600	KAISER FOUNDATION HEALTH PLAN OF GEORGIA	SUBCONTRACT AM01	114,473
93.226	3600	SEATTLE CHILDREN'S HOSPITAL	10031SUB	12,045
93.226	3600	SEATTLE CHILDREN'S HOSPITAL	10234SUB AM01	190,925
93.226	3600	UNIVERSITY OF ILLINOIS, CHICAGO	2007-02872-04-04 KN	16,998
93.226	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CTR	0007879A	44,314
93.231	3600	ALASKA NATIVE TRIBAL HEALTH CONSORTIUM	ANTHC-10-P-27690	7,956
93.231	3600	BLACK HILLS CTR FOR AMERICAN INDIAN HLTH	U26IHS300107/04	71,880
93.231	3600	NORTHWEST INDIAN COLLEGE	NWIC 24213 104 22000	65,323
93.238	3600	PUBLIC HEALTH-SEATTLE & KING COUNTY	T03152T	9,758
93.238	3600	PUBLIC HEALTH-SEATTLE & KING COUNTY	T03317T	5,344
93.239	3650	BOWLING GREEN STATE UNIV	NCMRSUBWSU08	3,043
93.242	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	415140010101.UW MOD02	48,379
93.242	3600	DARTMOUTH COLLEGE	5-31006.570	-617
93.242	3600	DARTMOUTH COLLEGE	UW BUD# 673022	142
93.242	3600	DUKE UNIV	UW BUD# 634089	89,692
93.242	3600	DUKE UNIVERSITY	10-NIH-1015/MOD01	30,578
93.242	3600	GROUP HEALTH COOPERATIVE	2007129862	-47
93.242	3600	HEALTHPARTNERS RESEARCH FOUNDATION	A06-102 DIAMOND, AM 03	35,713
93.242	3600	NEW YORK UNIVERSITY	07-0925, AM04	11,539
93.242	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	07-0925, AMENDMENT #1	-208,599
93.242	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	07-0925, AMENDMENT #2	265,600
93.242	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	07-0925, AMENDMENT #3	276,374
93.242	3600	PENN STATE UNIV	2364UWDHHS2988AM02	32
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	SUB#10001SUB	18,680
93.242	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	JPAPOTD13TD12SIBCR	10,119
93.242	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	JPATD13MH065558TSUANG0	18,214
93.242	3600	SIBCR	TD13MH065558MEICHLE02	35,890

State of Washington
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For the Year Ended
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(Expressed in whole dollars)

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.242	3600	THE UNIVERSITY OF IOWA	1000708939 AMEND 01	44,590
93.242	3600	TUFTS UNIVERSITY	HS1778	85,127
93.242	3600	TUFTS UNIVERSITY	PO#5002244-SERV	152
93.242	3600	UC DAVIS	0800094 AM03	40,311
93.242	3600	UC DAVIS	SUB0800037 AM03	1,264,962
93.242	3600	UC DAVIS	SUB0800044 AM3	281,653
93.242	3600	UCLA	PO #0875PJC059 04	-7,581
93.242	3600	UCLA MED-GIM & HSR	1350GNA655AM04	23,204
93.242	3600	UNIV OF COLUMBIA	1-5-27585AM07	99,951
93.242	3600	UNIVERSITY OF CALIFORNIA, LOS ANGELES (UCLA	PO #0875PJC059	-1,370
93.242	3600	UNIVERSITY OF IOWA	PRIME1117710002W000154	22,813
93.242	3600	UNIVERSITY OF SOUTH FLORIDA	5820-1112-00-A, MOD.2	9,737
93.242	3600	WASHINGTON UNIVERSITY	WU-09-19 (PO 2904889N)	-1,821
93.242	3600	YALE UNIVERSITY	M10A10818(A07872) AM01	32,073
93.243	3600	KING COUNTY DCHS	T03286T	47,899
93.243	3600	KING COUNTY DCHS	T03353T	30,828
93.243	3600	KING COUNTY DEPT OF COMM & HUMAN SERV	T03342T	151
93.243	3600	NATIONAL COUNCIL	UW BUD# 661873	16,169
93.243	3600	OREGON HEALTH SCIENCES UNIVERSITY	GPHPM0144-ADAI AM03	46,914
93.243	3600	OREGON HEALTH SCIENCES UNIVERSITY	GPHPM0144-ADAI, AM02	13,899
93.243	3650	CLARK COUNTY	2011A14	12,350
93.243	3650	JUSTICE RESOURCE INSTITUTE	WSU001170	108,090
93.243	3650	SPOKANE COUNTY	WSU001129	13,155
93.243	3650	SPOKANE COUNTY	WSU001130	52,719
93.253	3600	WASHINGTON POISON CONTROL CENTER	UW BUD# 671624	5
93.253	3600	WASHINGTON POISON CONTROL CENTER	UW BUD# 672024	18
93.253	3600	WASHINGTON POISON CONTROL CENTER	UW BUD# 672996	1
93.262	3600	UNIVERSITY OF CINCINNATI	COEUS#005180 AM02	38,040

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.262	3600	UNIVERSITY OF CINCINNATI	COEUS#005180 AM03	114,028
93.262	3650	RSCH FNDN SUNY-BUFFALO	R694044	9,558
93.262	3700	CPWR-Workplace Solutins 10-11	3002-011-02-A1	27,573
93.262	3700	CPWR-Workplace Solutions 09-10	301-11-02 DHHS U60	6,359
93.273	3600	IOWA STATE UNIVERSITY	430-78-12, AM05	-2,060
93.273	3600	PENNSYLVANIA STATE UNIVERSITY	2827-UW-DHHS-2529 AM05	63
93.273	3600	PENNSYLVANIA STATE UNIVERSITY	4332-UW-DHHS-2529	17,929
93.273	3600	RUTGERS UNIVERSITY	4046 MOD01	72,297
93.273	3600	SAN DIEGO STATE UNIVERSITY RSCH FDN	53257CP16607804211E000	-1,406
93.273	3600	SEATTLE CHILDREN'S HOSPITAL/RESEARCH INS	10181SUB	51,883
93.273	3600	SEATTLE INST. FOR BIOMEDICAL & CLIN RES	ST19FLAHERTY5R01AA0171	6,393
93.273	3600	SEATTLE INST. FOR BIOMEDICAL & CLINICAL	RD111AA018604RASMUSSEN	38,076
93.273	3600	SIBCR	ST18 GRAHAM MOD03	5,152
93.273	3600	SIBCR	ST18/605799469	1,009
93.273	3600	THE UNIVERSITY OF TEXAS HEALTH	00006876A-AMD03	-132
93.273	3600	UNIV OF MICHIGAN	3001520412 AM01	14,019
93.273	3600	UNIV OF TEXAS SAN ANTONIO	1603-56UW	14,241
93.273	3600	UNIVERSITY OF ILLINOIS AT CHICAGO	2011-00552-01-01	18,985
93.279	3000	WESTAT - NIDA	B00A00	61,324
93.279	3000	WESTAT - NIDA	B09A90	12,405
93.279	3600	BEHAVIORAL TECH RESEARCH, INC.	1R43DA027251-01	5,663
93.279	3600	FATHER FLANAGAN'S BOYS' HOME	1R01DA025651-01A2	345,070
93.279	3600	GROUP HEALTH COOPERATIVE	2009113192	3,856
93.279	3600	NATIONAL DEVELOPMENT & RESEARCH INST.	618A	51,527
93.279	3600	NATIONAL DEVELOPMENT & RESEARCH INST.	618B	9,661
93.279	3600	NORTHWEST INDIAN COLLEGE	#24215/MOD01	152,311
93.279	3600	NORTHWEST INDIAN COLLEGE	NWIC# 24216.01	105,611
93.279	3600	SUNY	R433627AM04	31,282

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.279	3600	SUNY	R446560 AM05	31,227
93.279	3600	TALARIA, INC.	AM01	87,697
93.279	3600	TALARIA, INC.	STTR2R42DA020284AM2	110,984
93.279	3600	THE REGENTS OF THE UNIV OF CALIFORNIA	5170SC	10,264
93.279	3600	UNIVERSITY OF ARKANSAS FOR MEDICAL SCIEN	37223	32,241
93.279	3600	UNIVERSITY OF CALIFORNIA - UCLA	1935 G JB131 AM03	88,832
93.279	3600	UNIVERSITY OF CALIFORNIA DAVIS	010059-07, AM04 REV	968
93.279	3600	VIRGINIA COMMONWEALTH UNIVERSITY	PT103743SC101985/AM 02	53,126
93.282	3600	DARTMOUTH COLLEGE	819	65,646
93.283	3600	CHILDREN'S HOSPITAL (SEATTLE)	414230010101. UW	-535
93.283	3600	CHILDREN'S HOSPITAL (SEATTLE)	414230010401.UW MOD 01	7,767
93.283	3600	JOHNS HOPKINS UNIVERSITY	2000110652	16,832
93.283	3600	PROGRAM FOR APPROPRIATE TECH IN HEALTH	CDC 1421-03-08889-SUB	26,065
93.283	3600	PUBLIC HEALTH-SEATTLE & KING COUNTY	D40007D	21,198
93.283	3600	SAINT LOUIS UNIVERSITY	1U84DD000512	1,890
93.283	3600	SEATTLE KING COUNTY	D34198D	-1,192
93.283	3600	UTAH DEPARTMENT OF HEALTH	101820	48,754
93.283	3600	UTAH DEPARTMENT OF HEALTH	101820 AM1	59,070
93.286	3600	AOEC	PEHSU	14,334
93.286	3600	CLEMSON UNIV	107075582092005410FA12	1,925
93.286	3600	INSON MEDICAL SYSTEMS, INC.	UW OSP #A60605	43,257
93.286	3600	INSON MEDICAL SYSTEMS, INC.	UW OSP #A60605AM01	133
93.286	3600	PATH	NIH.1374-03-08614-SUB	29
93.286	3600	PATH	NIH.1374-04-08996-SUB	357,390
93.286	3600	PATH	NIH.1374-07768-SUB	-1,411
93.286	3600	UNIVERSITY OF CALIFORNIA	6860120	37,045
93.286	3600	UNIVERSITY OF UTAH	10008615 AM04	24,357
93.286	3600	WEST VIRGINIA UNIVERSITY	06-674-UW AMEND 1	45,846

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.301	3600	FHCRC	0000699548	72,750
93.307	3600	MOUNTAIN STATES GROUP, INC	UW BUD# 638461	20,004
93.307	3600	NW PORTLAND AREA INDIAN HEALTH BOARD	C09-11 AM03; PO#20256	16,158
93.307	3600	NW PORTLAND AREA INDIAN HEALTH BOARD	CO9-11 PO#19323	28,836
93.307	3600	TALARIA, INC.	UW BUD# 635158	9,273
93.310	3600	FHCRC	0000678346	1,193
93.310	3600	FHCRC	0000678349	3,968
93.310	3600	FHCRC	0000680299	20,269
93.310	3600	FHCRC	0000680306	18,647
93.310	3600	FHCRC	0000680313	1,591
93.310	3600	FHCRC	0000680314	1,382
93.310	3600	FHCRC	680309	79,392
93.310	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000697191	74,977
93.310	3600	ROCKEFELLER UNIV	2U54RR022220-06	110,612
93.310	3600	UNIVERSITY OF CALIFORNIA DAVIS	SUB07004392-UW	-11
93.310	3600	UNIVERSITY OF NAIROBI	UW BUD# 672848	54,672
93.359	3600	UIC	E4915 491423	71,042
93.359	3600	UIC	HRSA-09-106	1,927
93.359	6990	Kitsap Community Resources	F09-3210F-314	17,261
93.361	3600	BAYLOR COLLEGE OF MEDICINE	4600412829-AM04	15,648
93.361	3600	DANA-FARBER CANCER INSTITUTE	1145306-AM2	60,298
93.361	3600	DUKE UNIVERSITY	2039925AM15R01NR011873	32,286
93.361	3600	FHCRC	0000666599	-744
93.361	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10171SUB AM01	162,948
93.361	3600	UNIV OF CA SAN FRANCISCO	2718SC AM03	-43,426
93.361	3600	UNIV OF CA SAN FRANCISCO	2718SC AM05	1,986
93.361	3600	UNIVERSITY OF CALIFORNIA	4308SC, AMEND # 3	-3,045
93.361	3600	UNIVERSITY OF CALIFORNIA	4308SC, AMEND #4	-4

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.361	3600	UNIVERSITY OF CALIFORNIA	4308SC, AMO6	100,153
93.361	3600	UNIVERSITY OF MISSOURI-COLUMBIA	C00028355-1	36,182
93.389	3600	BAYLOR COLLEGE OF MEDICINE	PO#5600503441	65,007
93.389	3600	OCEAN NANO TECH, LLC	UW BUD# 635536	103,751
93.389	3600	SEATTLE CHILDREN'S HOSPITAL	10037SUB AM01	96,107
93.389	3600	UNIV OR CINCINNATI	SRS20309SAP1004717AMD3	13,489
93.389	3600	UNIVERSITY OF CALIFORNIA, DAVIS	06-000931-1	35,992
93.389	3600	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	5798SC AM01	17,972
93.389	3600	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO (UCSF)	5798SC AM02	1,668
93.389	3600	UNIVERSITY OF VERMONT	17998 INITIAL	-64
93.389	3600	UNIVERSITY OF WISCONSIN-MADISON	P397714 AM02	64,905
93.389	3650	UNIV OF CT	004210	86,878
93.389	3650	UNIV OF CT	101711	55,861
93.393	3600	BECKMAN RESH. INST. OF THE CITY OF HOPE	21681.975007.6694	14,931
93.393	3600	EMORY UNIV	5-40255-G5 MOD1	-4,796
93.393	3600	FHCRC	0000632815	-202
93.393	3600	FHCRC	0000636676	-176
93.393	3600	FHCRC	0000638338	-1
93.393	3600	FHCRC	0000638338, AMEND NO.2	23
93.393	3600	FHCRC	0000675045	-125
93.393	3600	FHCRC	0000677073CA13424502	1,301
93.393	3600	FHCRC	0000678309	41,485
93.393	3600	FHCRC	0000680602	1,644
93.393	3600	FHCRC	0000683937	1,837
93.393	3600	FHCRC	0000685364	234,244
93.393	3600	FHCRC	0000689029	37,126
93.393	3600	FHCRC	0000693853	14,570
93.393	3600	FHCRC	0000695089	18,199

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.393	3600	FHCRC	0000695963	12,820
93.393	3600	FHCRC	0000696904	7,606
93.393	3600	FHCRC	0000698662	91,134
93.393	3600	FHCRC	0000698743	29,557
93.393	3600	FHCRC	0000704345	107,582
93.393	3600	FHCRC	0000706034	1,355
93.393	3600	FHCRC	0000713810	1,024
93.393	3600	FHCRC	651645 AM01	96
93.393	3600	FHCRC	655916	-3,983
93.393	3600	FHCRC	676911	5,076
93.393	3600	FHCRC	SA1000743 MOD02	6,275
93.393	3600	FHCRC	SA1000771 MOD01	16,688
93.393	3600	FHCRC	SA1100781	17,181
93.393	3600	FHCRC	SA1100817 MO01	43,953
93.393	3600	FHCRC	SUB0000675686	1,654
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000688004	72,779
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000691144	11,248
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000691608	76,145
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000694019 AM1	16,691
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000696160	15,119
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000701221	201,187
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000703575	28,160
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000704045	1,914
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000705442	26,375
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	SA1100826	4,670
93.393	3600	GROUP HEALTH COOPERATIVE	PSA 10-BIO-GAR-02 MOD1	4,327
93.393	3600	GROUP HEALTH COOPERATIVE	PSA10-BIO-ZHE-02	33,311
93.393	3600	GROUP HEALTH COOPERATIVE	PSA10-EPI-POC-02	19,422

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93.393	3600	GROUP HEALTH COOPERATIVE	PSA10-PHA-WIR-01 MOD02	9,726
93.393	3600	GROUP HEALTH COOPERATIVE	PSA10BIOOMI02MOD01	5,289
93.393	3600	GROUP HEALTH COOPERATIVE	PSA10EPICLI01MOD04	6,531
93.393	3600	KAISER FOUNDATION HEALTH PLAN COLORADO	08JDEAR-01WU AM03	20,963
93.393	3600	KAISER FOUNDATION HEALTH PLAN COLORADO	PRIME5P20CA13721902AM4	53,306
93.393	3600	KITWARE, INC.	2009119414.MOD02	5,050
93.393	3600	MASSACHUSETTS GENERAL HOSPITAL	217156U01CA15292601	175,136
93.393	3600	TALARIA, INC.	1R42CA141875	117,523
93.393	3650	IA ST UNIV	4304626A	61,235
93.393	3650	IN UNIV	IUPUI479159WSU	1,693
93.393	3650	UNIV OF PITTSBURGH	0010074	25,500
93.393	3650	WASHINGTON UNIV IN ST LOUIS	WU11229	5,914
93.393	3650	WASHINGTON UNIV IN ST LOUIS	WU1130	11,722
93.394	3600	DUKE UNIVERSITY	303-5419 AM01	79,949
93.394	3600	FHCRC	0000656297 AM02	55,706
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000697775	7,162
93.394	3600	THE BROAD INSTITUTE, INC	6615110-55000000133	2,389
93.394	3600	THE BROAD INSTITUTE, INC	6615110-55000000289	5,533
93.394	3600	THE BROAD INSTITUTE, INC	66151105500000125MOD1	8,212
93.394	3600	THE BROAD INSTITUTE, INC	66151105500000288MOD03	19,375
93.394	3600	WEST VIRGINIA UNIVERSITY	01-335-UW AM02	4,012
93.394	3600	WEST VIRGINIA UNIVERSITY	01-335-UW AMEND 1	11,626
93.395	3600	FHCRC	0000652795	-4,584
93.395	3600	FHCRC	0000652796	-2,003
93.395	3600	FHCRC	0000674118AMENDMENTNO3	204,057
93.395	3600	FHCRC	0000674120	19,781
93.395	3600	FHCRC	0000681415	43
93.395	3600	FHCRC	0000681879 AM01	52,174

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.395	3600	FHCRC	0000683042 AMEND.2	57,563
93.395	3600	FHCRC	0000683434	44,609
93.395	3600	FHCRC	00006911765ROLCA125636	32,130
93.395	3600	FHCRC	0000691857	7,851
93.395	3600	FHCRC	0000691860	165,997
93.395	3600	FHCRC	0000695762	6,311
93.395	3600	FHCRC	0000702931	75,434
93.395	3600	FHCRC	0000703624	54,515
93.395	3600	FHCRC	0000704668	185,351
93.395	3600	FHCRC	0000707701	39,732
93.395	3600	FHCRC	0000707716	6,693
93.395	3600	FHCRC	0000710184	10,110
93.395	3600	FHCRC	04-104125-05-S0950	-358
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000687121	79,189
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000705323 AM01	41,520
93.395	3600	INDIANA UNIVERSITY	PRIME: R21CA1300849	312
93.395	3600	JOHNS HOPKINS UNIVERSITY	2000056564 AM03	13,614
93.395	3600	JOHNS HOPKINS UNIVERSITY	2000056564 AMEND 2	-833
93.395	3600	JOHNS HOPKINS UNIVERSITY	2000056564, AM #4	152,212
93.395	3600	NATIONAL CHILDHOOD CANCER FOUNDATION	18954	-7,919
93.395	3600	NATIONAL CHILDHOOD CANCER FOUNDATION	19837	177,480
93.395	3600	NATIONAL CHILDHOOD CANCER FOUNDATION	19917,AM#1	2,409
93.395	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LS2-16-KR11SIBCR MOD02	41,401
93.395	3600	SIBCR	LS2-16-SAVARD	10,537
93.395	3600	UNIV OF CA DAVIS	II-005006-04 AMEND. 2	-1,793
93.395	3600	UNIVERSITY OF MICHIGAN	F025217	15,544
93.395	3600	UNIVERSITY OF TEXAS	24067/98016970	-2,633
93.395	3600	UNIVERSITY OF TEXAS	28894/98017734	1,564

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.395	3600	UNIVERSITY OF TEXAS	30681/98014830	40,458
93.395	3650	FRED HUTCHINSON CANCER RSCH	0000692248	129,790
93.396	3600	FHCRC	0000652276	-644
93.396	3600	FHCRC	0000690385	17,131
93.396	3600	FHCRC	0000696726	54,800
93.396	3600	FHCRC	0000704739	59,679
93.396	3600	FHCRC	0000708492	3,912
93.397	3600	FHCRC	0000606985	-672
93.397	3600	FHCRC	0000618137	-218
93.397	3600	FHCRC	0000618161	-69
93.397	3600	FHCRC	0000618489	-1,044
93.397	3600	FHCRC	0000620680	-3,481
93.397	3600	FHCRC	0000639077	-34
93.397	3600	FHCRC	0000639129	-682
93.397	3600	FHCRC	0000657837	-1,011
93.397	3600	FHCRC	0000659885	-26
93.397	3600	FHCRC	0000659888	-24,251
93.397	3600	FHCRC	0000673566	-17,595
93.397	3600	FHCRC	0000677012	27,791
93.397	3600	FHCRC	00006783505U54CA118647	73,892
93.397	3600	FHCRC	0000680858	1,738
93.397	3600	FHCRC	0000680902	90,542
93.397	3600	FHCRC	0000682880	-1,446
93.397	3600	FHCRC	0000690458	19,186
93.397	3600	FHCRC	0000690497	9,952
93.397	3600	FHCRC	0000690498 AM01	103,634
93.397	3600	FHCRC	0000690499 AM01	75,009
93.397	3600	FHCRC	0000690500	31,641

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.397	3600	FHCRC	0000690507 AM01	83,374
93.397	3600	FHCRC	0000690708	83,609
93.397	3600	FHCRC	0000690746	43,879
93.397	3600	FHCRC	0000690922	117,646
93.397	3600	FHCRC	0000691127	35
93.397	3600	FHCRC	0000691128PR530CA01570	55,992
93.397	3600	FHCRC	0000691152PRIME5P30CA0	28,896
93.397	3600	FHCRC	0000691358	42,352
93.397	3600	FHCRC	0000691909	9,954
93.397	3600	FHCRC	0000693232	13,826
93.397	3600	FHCRC	0000693670	150,095
93.397	3600	FHCRC	0000693675	353,302
93.397	3600	FHCRC	0000694442	20,987
93.397	3600	FHCRC	0000696554	1,436
93.397	3600	FHCRC	0000699787	52,174
93.397	3600	FHCRC	0000699789	53,467
93.397	3600	FHCRC	0000700867	47,517
93.397	3600	FHCRC	0000705880	4,647
93.397	3600	FHCRC	0000705888 AM01	58,451
93.397	3600	FHCRC	0000705892 AM01	33,843
93.397	3600	FHCRC	0000705897 AM01	96,693
93.397	3600	FHCRC	0000706006 AM01	9,952
93.397	3600	FHCRC	0000706008	46,633
93.397	3600	FHCRC	0000706013 AM01	86,155
93.397	3600	FHCRC	0000706029 AM01	76,459
93.397	3600	FHCRC	0000706030 AM01	74,699
93.397	3600	FHCRC	0000708666	1,496
93.397	3600	FHCRC	0000710116	4,818

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.397	3600	FHCRC	0000710143	6,333
93.397	3600	FHCRC	0000713102	15,733
93.397	3600	FHCRC	0000713301	10,928
93.397	3600	FHCRC	0000713336	17,783
93.397	3600	FHCRC	0000713339	3,572
93.397	3600	FHCRC	0000713342	28,258
93.397	3600	FHCRC	0000713347	12,171
93.397	3600	FHCRC	0000713358	170
93.397	3600	FHCRC	0000713364	13,890
93.397	3600	FHCRC	0000713373	3,100
93.397	3600	FHCRC	000713779	2,033
93.397	3600	FHCRC	05 P30 CA015704-33	11
93.397	3600	FHCRC	0520030602S1104PO57826	-2,972
93.397	3600	FHCRC	0520030802S1058MOD1	-1,504
93.397	3600	FHCRC	5 P30 CA015704-33	-11
93.397	3600	FHCRC	SUB0000691139	20,449
93.397	3600	FHCRC	SUBAWARD #0000678225	1,461
93.397	3600	FHCRC	SUBAWARD #0000691138	14,482
93.397	3600	FHCRC	SUBAWARD #0000691147	53,549
93.397	3600	FHCRC	SUBAWARD NO 0000615660	-22
93.397	3600	FHCRC	UW BUD# 637878	26,515
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000679684	-330
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000691146	19,147
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000691356 AMEND 1	41,468
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000699788	112,841
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000705882	33,526
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000705886	40,903
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	5P30CA0157043600069091	27,079

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0000	67,776
93.397	3600	RAPID CITY REGIONAL HOSPITAL	5U54CA142157-2UWASH	17,057
93.397	3600	UNIV OF CA SAN FRANCISCO	3641SC AMEND 3	-739
93.397	3600	UNIVERSITY OF CALIFORNIA, DAVIS	200912673-03 AM01	13,151
93.399	3600	FHCRC	0000571238 AM01	-11,798
93.399	3600	FHCRC	0000646098,AM01	-173
93.399	3600	FHCRC	0000646118, AMD # 1	-101
93.399	3600	FHCRC	0000659773	-2,963
93.399	3600	FHCRC	0000679095	17,124
93.399	3600	FHCRC	00006791165P50CA097186	33,410
93.399	3600	FHCRC	0000679117 AMEND. 1	84,968
93.399	3600	FHCRC	0000689954/AMD02	43,710
93.399	3600	FHCRC	0000698371	94,318
93.399	3600	FHCRC	5P50CA09718607SUB66070	-38,261
93.399	3600	FHCRC	612991	7,496
93.399	3600	FHCRC	616538	-5,776
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000679059 AM01	4,943
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000679087 AM02	49,177
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000679295	7,282
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000689949	54,041
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000695105	15,660
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000698257	43,754
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000698263	162,326
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000698659	47,271
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000700082	37,672
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	000698257	12,876
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	695279	10,116
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW BUD# 660893	7,278

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93.399	3600	NSABP FNDN	UW-YR25 AM 3	24,092
93.399	3600	NSABP FOUNDATION	UW-YR26	2,561
93.399	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GHEMA0202A UW	2,110
93.399	3600	SIBCR	PS19-SUN-09-10	6,131
93.399	3600	SIBCR	PS19-SUN-10-11	30,657
93.399	3600	SOUTHWEST ONCOLOGY GROUP OP. OFFICE	SELECT-06008 MOD 1	-673
93.399	3600	UNIVERSITY OF CALIFORNIA, DAVIS	K-013506-UW AMEND#4	7,892
93.399	3600	UNIVERSITY OF MICHIGAN, ANN ARBOR	3001290173	36,237
93.420	3600	FENWAY COMMUNITY HEALTH	UB2HA20233	101,884
93.441	3600	NW PORTLAND AREA INDIAN HEALTH BOARD	PO#18155	42,641
93.441	3600	NW PORTLAND AREA INDIAN HEALTH BOARD	PO#19799	1,102
93.556	3700	ICHWW-ICPC 2010-11	1C087200 Amend #3	103,993
93.556	3700	IDHW-ICPC Pilot Project	KC241000 Amend #4	7,290
93.575	3650	SCHOOLS OUT WA	WSU001043	59,604
93.575	3650	SCHOOLS OUT WA	WSU001044	62,200
93.575	3650	SCHOOLS OUT WA	WSU001045	66,219
93.600	3650	CHILDREN'S HOME SOC WA	WSU001053	2,725
93.600	3650	CHILDREN'S HOME SOC WA	WSU001276	10,116
93.600	6990	Olympic ESD 114	145-161-1N46	115,193
93.600	6990	Olympic ESD 114	145-161-1N48	42,082
93.600	6990	Olympic ESD 114	1501011132	91,017
93.600	6990	Olympic ESD 114	260-161-1N45	9,933
93.600	6990	Puget Sound ESD	0910 Headstart	39,155
93.600	6990	Puget Sound ESD	1011 Headstart	71,280
93.600	6990	Puget Sound ESD	LOA# 6901	210,700
93.600	6990	Puget Sound ESD Headstart	06934	81,842
93.600	6990	Puget Sound ESD Headstart	570-265-1550	179,710
93.658	3700	IDHW-Center	KC241000	12,474

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.658	3700	IDHW-Child Welfare Scholars	KC241000	21,102
93.658	3700	IDHW-In-Service Training	KC241000	561
93.658	3700	IDHW-Resource Family	KC241000 Amend #5	981,266
93.658	3700	IDHW-Scholars Program 2010-11	KC244100 Amend #1	80,026
93.670	3650	SPOKANE REGIONAL HEALTH DISTRICT	200225608	16,784
93.670	3650	SPOKANE REGIONAL HEALTH DISTRICT	C2002256081	52,355
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY (ACR)	ACRIN 6684	-24,835
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	4221	193,237
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	6687	68,362
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING NETWORK (ACRIN)	4221,RTOG2701	1,412
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING NETWORK (ACRIN)	ACRIN 6688	28,876
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING NETWORK (ACRIN)	SUBCONTRACTNO4221ACRIN	31,185
93.701	3600	ARIZONA STATE UNIVERSITY	10-217	45,440
93.701	3600	BAYLOR COLLEGE OF MEDICINE	#101098627	10,073
93.701	3600	BECKMAN RESH. INST. OF THE CITY OF HOPE	30.6692.910135	60,579
93.701	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	0189301	19,384
93.701	3600	BENAROYA RSCH INST AT VIRGINIA MASON	3 R01 AI 067750-04S1	6,815
93.701	3600	BENAROYA RSCH INST AT VIRGINIA MASON	3R01 AI067750-04S1	-1,064
93.701	3600	CALIFORNIA PACIFIC MED CTR RESEARCH INST	AGREEMT2803262S108PO11	43,058
93.701	3600	CEDARS-SINAI MEDICAL CENTER	218596	-125
93.701	3600	CEDARS-SINAI MEDICAL CENTER	5UC2 HL103010-02	31,416
93.701	3600	CHILDREN'S HOSPITAL & REGIONAL MED CTR	3R01AI05763905S1SUB100	1,727
93.701	3600	COLUMBIA UNIVERSITY	2ACCT538156PO580188AME	32,654
93.701	3600	DANA-FARBER CANCER INSTITUTE	SUBAWARD 2815108	32,095
93.701	3600	DANA-FARBER CANCER INSTITUTE, INC.	2802301	58,673
93.701	3600	DANA-FARBER CANCER INSTITUTE, INC.	2802302AMENDMENTNO1	145,727
93.701	3600	DUKE UNIVERSITY	163360	351
93.701	3600	DUKE UNIVERSITY	3034920AMENDMENTNO1	7,594

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.701	3600	EMORY UNIVERSITY	S329788	38,219
93.701	3600	FATHER FLANAGAN'S BOYS' HOME	96377	54,892
93.701	3600	FHCRC	#0000675730	7,722
93.701	3600	FHCRC	0000677074	8,715
93.701	3600	FHCRC	0000678787	75,282
93.701	3600	FHCRC	0000680206	39,453
93.701	3600	FHCRC	0000680635	82,091
93.701	3600	FHCRC	0000695520	119,227
93.701	3600	FHCRC	0000696997	255,656
93.701	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000688822	5,598
93.701	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000696739	30,218
93.701	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000696759	23,947
93.701	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000696898	48,906
93.701	3600	GEORGE WASHINGTON UNIVERSITY	09-S40	412,922
93.701	3600	GROUP HEALTH COOPERATIVE	2009119413MODIFICATION	3,609
93.701	3600	GROUP HEALTH COOPERATIVE	2009120764	19,017
93.701	3600	GROUP HEALTH COOPERATIVE	2009121754	6,117
93.701	3600	GROUP HEALTH COOPERATIVE	2009122469	14,539
93.701	3600	GROUP HEALTH COOPERATIVE	2010114789	32,778
93.701	3600	GROUP HEALTH COOPERATIVE	2010116377	76,212
93.701	3600	GROUP HEALTH COOPERATIVE	PSA10-EPI-CLI-01 MOD#3	5,175
93.701	3600	GROUP HEALTH COOPERATIVE	PSA10-EPI-POC-02	12,194
93.701	3600	GROUP HEALTH COOPERATIVE	PSA10BIOOMI02MOD2	5,289
93.701	3600	H. LEE MOFFITT CANCER CENTER & RSCH INST	14-15885-01-01-G1	39,232
93.701	3600	H. LEE MOFFITT CANCER CENTER & RSCH INST	14-15885-01-01-G2	26,189
93.701	3600	H. LEE MOFFITT CANCER CENTER & RSCH INST	14-15885-01-02-G2	172,518
93.701	3600	HONOLULU HEART PROG (HHP), AUTOPSY STUDY	SC-09-15-09-UW-ARRA-AS	9,594
93.701	3600	HONOLULU HEART PROG (HHP), AUTOPSY STUDY	SC-09-15-09-UW-ARRA-CR	7,926

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.701	3600	JOHN WAYNE CANCER INSTITUTE (JWCI)	2 PO1 CA029605	740
93.701	3600	JOHNS HOPKINS UNIVERSITY	2000784427	329,471
93.701	3600	LA BIOMED RES INST, HARBOR-UCLA MED CTR	0002032294AMENDMENTNO1	65,573
93.701	3600	LOYOLA UNIVERSITY CHICAGO	3R01CA12545502S1SUBAWA	14,256
93.701	3600	MEDICAL COLLEGE OF WISCONSIN	1RO1HD061312-01 ARRA	12,811
93.701	3600	MOREHOUSE SCHOOL OF MEDICINE	325011.300001.80180	147,333
93.701	3600	MOUNT SINAI SCHOOL OF MEDICINE	0256-8101-4609	280,105
93.701	3600	MOUNT SINAI SCHOOL OF MEDICINE	0256-8102-4609	660,745
93.701	3600	MOUNTAIN STATES GROUP, INC	8350-2	10,765
93.701	3600	MOUNTAIN STATES GROUP, INC	8350-6	27,301
93.701	3600	NATIONAL CHILDHOOD CANCER FOUNDATION	#19307	7,280
93.701	3600	NATIONAL CHILDHOOD CANCER FOUNDATION	20246	25,798
93.701	3600	OREGON HEALTH & SCIENCE UNIVERSITY	9003774_06S1_UW	4,898
93.701	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AFAMP0076ST-UW	7,497
93.701	3600	OREGON HEALTH AND SCIENCE UNIVERSITY	9003774_06S2_UW	12,245
93.701	3600	OREGON HEALTH AND SCIENCE UNIVERSITY	GVGTI0101UOFWNMAIZELS	318,806
93.701	3600	OREGON HEALTH AND SCIENCE UNIVERSITY (OHSU)	UW BUD# 203843	77
93.701	3600	OREGON STATE UNIVERSITY	P0304A-A	181,343
93.701	3600	PUBLIC HEALTH FNDN ENTERPRISES, INC	2324.001 AWARE	88,509
93.701	3600	PUBLIC HEALTH FNDN ENTERPRISES, INC	2324.002 AWARE	339,489
93.701	3600	REGENTS OF THE UNIVERSITY OF CALIFORNIA	10302992-SUB	27,148
93.701	3600	ROLLINS SCHOOL OF PUBLIC HEALTH	S363826AMENDMENTNO2	34,903
93.701	3600	SEATTLE CHILDREN'S HOSPITAL	10025SUBAMENDMENTNO3	109,351
93.701	3600	SEATTLE CHILDREN'S HOSPITAL	5R01A10712120510275SUB	43,824
93.701	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10246SUB	100,000
93.701	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10302SUB	24,524
93.701	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ18-ANAU-ARRA	3,674
93.701	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ18-BAKER-ARRA	2,894

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93.701	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	JPA/PO#J18-ANNAU2-ARRA	28,485
93.701	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	JPAPOBJ18DEVSWATSON1	13,513
93.701	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	SA 131-DONOVAN	1,646
93.701	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	SA 131-DONOVAN-YR2	8,230
93.701	3600	SEATTLE INSTITUTE FOR CARDIAC RESEARCH	1RC1HL10062501UW01	15,185
93.701	3600	SEATTLE INSTITUTE FOR CARDIAC RESEARCH	5RC1HL10062502UW02	16,291
93.701	3600	SIBCR	BJ118-CO-SFS-BAKER1	965
93.701	3600	SIBCR	BJ118-CO-SFS-GARRETT1	4,757
93.701	3600	SIBCR	BJ118-SFS-BAKER2	4,824
93.701	3600	SIBCR	BJ118COSFSCALLAGHANI	1,629
93.701	3600	SIBCR	BJ18-SFS-CALLAGHAN2	10,811
93.701	3600	SIBCR	BJ18-SFS-GARRETT2	23,137
93.701	3600	SIBCR	JPAPOBJ18BAKER2ARRA	42,451
93.701	3600	SIBCR	TG19ARRA-MEI-01	54,213
93.701	3600	SIBCR	TG19ARRA-MUNDINGER-01	61,635
93.701	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC.	BRSACUREQ0600130T004	56,499
93.701	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC.	BRSIMPCTQ0600124T002	1,768
93.701	3600	SYRACUSE UNIVERSITY	24301-02345-S01	6,947
93.701	3600	THE MIRIAM HOSPITAL	7107142005AMENDMENTNO1	17,995
93.701	3600	THE MIRIAM HOSPITAL	SUB NO.710-7142005	10,189
93.701	3600	THE UNIVERSITY OF TEXAS	0007224E	15,097
93.701	3600	THE UNIVERSITY OF TEXAS	0007224EAMENDMENTNO1	132,769
93.701	3600	UCLA	SUBAWARD# 2105 G MA308	22,362
93.701	3600	UCSF CONTROLLER'S OFFICE	6371SC	2,577
93.701	3600	UNIV OF MIAMI	ER185625	4,030
93.701	3600	UNIVERISTY OF UTAH	100162380-02	66,320
93.701	3600	UNIVERSITY OF ALABAMA	000240501-115	5,641
93.701	3600	UNIVERSITY OF ALABAMA	000259927-011	187,608

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93.701	3600	UNIVERSITY OF CALIFORNIA, LOS ANGELES	0125 G NA553	41,601
93.701	3600	UNIVERSITY OF CHICAGO	#42989-E	5,149
93.701	3600	UNIVERSITY OF CHICAGO	42932-A	19,317
93.701	3600	UNIVERSITY OF CHICAGO	42989EAMENDMENTNO2	26,769
93.701	3600	UNIVERSITY OF CINCINNATI	006467 AMEND 2	35,462
93.701	3600	UNIVERSITY OF CINCINNATI	006467/L10-4500044887	2,653
93.701	3600	UNIVERSITY OF CINCINNATI	006467/L10-4500044893	8,912
93.701	3600	UNIVERSITY OF CINCINNATI	COEUS006467AMENDMENT02	16,849
93.701	3600	UNIVERSITY OF COLORADO, DENVER	FY10.253.001 #2515348	21,819
93.701	3600	UNIVERSITY OF COLORADO, DENVER	FY11.253.002 #2515395	56,831
93.701	3600	UNIVERSITY OF FLORIDA	3 U01 GM 074492-05S1	3,706
93.701	3600	UNIVERSITY OF ILLINOIS	2006-06651-01	-167
93.701	3600	UNIVERSITY OF IOWA	W000219330	6,263
93.701	3600	UNIVERSITY OF KANSAS CENTER FOR RESEARCH	FY2011-046	50,786
93.701	3600	UNIVERSITY OF MINNESOTA	N000949304AMENDMENTNO1	92,163
93.701	3600	UNIVERSITY OF NORTH CAROLINA	5-30299	12,131
93.701	3600	UNIVERSITY OF PENNSYLVANIA	553471 PO#2327301	19,498
93.701	3600	UNIVERSITY OF PENNSYLVANIA	555449	46,607
93.701	3600	UNIVERSITY OF PITTSBURGH	9004667PROJECTNO117119	371,345
93.701	3600	UNIVERSITY OF PITTSBURGH	SUB9005955PJT1174861	386,526
93.701	3600	UNIVERSITY OF ROCHESTER	100056-N	46,409
93.701	3600	UNIVERSITY OF SOUTH FLORIDA	6119-1211-00-E	5,111
93.701	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CTR	0007006-C	69,744
93.701	3600	UNIVERSITY OF VIRGINIA	ZC10075-134968	1,882
93.701	3600	UNIVERSITY OF VIRGINIA	ZC10075-136471	109,323
93.701	3600	UNIVERSITY OF VIRGINIA	ZC10075136475AMENDMENT	38,217
93.701	3600	UNIVERSITY OF WISCONSIN-MADISON	180K541AMENDMENTNO1	71,368
93.701	3600	VANDERBILT UNIVERSITY	VUMC36046	207,769

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93.701	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 34748	-267
93.701	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC35940AMENDMENTNO1	76,709
93.701	3600	WAKE FOREST UNIVERSITY	UW BUD# 203518	-1,798
93.701	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-11-175 PO 2911561P	20,199
93.701	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU10224 PO NO.2911856A	87,917
93.701	3650	SYRACUSE UNIV	2363902231S01	6,037
93.701	3650	UNIV OF CA DAVIS	2010161741	9,801
93.703	3600	SEATTLE KING COUNTY	D40003D, AMENDMENT #1	1,365
93.708	3650	CHILDREN'S HOME SOC WA	WSU001053	9
93.709	3650	CHILDREN'S HOME SOC WA	WSU001177	1,673
93.709	3650	CHILDREN'S HOME SOC WA	WSU001275	2,838
93.709	6990	Puget Sound ESD	LOA# 6902	106,396
93.710	6990	Workforce Development Council of Snohomish Cty	CS-09-12-03-203	32,379
93.718	3600	QUALIS HEALTH	REC009A	6,086
93.724	3600	COMMUNITY PEDIATRIC FOUNDATION OF WA	UW BUD# 203744	6,652
93.724	3600	PUBLIC HEALTH - SEATTLE AND KING COUNTY	D40221D	64,733
93.724	3600	PUBLIC HEALTH - SEATTLE AND KING COUNTY	D40396D TOB1591	106,613
93.724	3600	PUBLIC HEALTH - SEATTLE AND KING COUNTY	T03288T	7,205
93.724	3600	SEATTLE-KING COUNTY	D40394D HEAL 1590	89,038
93.724	3600	SEATTLE-KING COUNTY	D40447D	72,227
93.724	3600	SEATTLE-KING COUNTY	D40457D	116,598
93.724	3600	SEATTLE-KING COUNTY	D40528D	53,991
93.724	3600	SEATTLE-KING COUNTY	D40536D	27,815
93.724	3600	SEATTLE-KING COUNTY DEPTOF PUBLIC HEALTH	T03290T	3,874
93.724	3600	TREESWING	UW BUD# 203669	58,794
93.724	3650	KING CNTY	D40527D	61,231
93.727	3030	Beacon Community of the Inland Northwest	N18609	32,064
93.727	3600	INLAND NORTHWEST HEALTH SERVICES	2997	120,998

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93.728	3600	THE UNIVERSITY OF TEXAS HEALTH	0007512G (PROJECT 1)	318,902
93.728	3600	UNIVERSITY OF ILLINOIS	2010-03958-09	61,815
93.728	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER, HOUSTON	UW BUD# 203797	74,823
93.778	3600	CITY OF SEATTLE	DA11-1527 AM01	17,072
93.789	3600	UNIVERSITY OF MARYLAND	PO# SR00001218	120,317
93.824	3600	MONTANA HEALTH RESEARCH	UW BUD# 638589	1,951
93.824	3600	MONTANA STATE UNIVERSITY - AHEC	G267-10-W2821	6,984
93.824	3600	UNIVERSITY OF ALASKA ANCHORAGE	G00002898/P0414168	12,239
93.824	3600	UNIVERSITY OF ALASKA ANCHORAGE	PO427777	19,086
93.824	3600	YUKON-KUSKOKWIM HEALTH CORPORATION	UW BUD# 630386	-531
93.837	3600	AXIO RESEARCH CORP	NHL243-01	469,430
93.837	3600	AXIO RESEARCH CORP	UW BUD# 660762	92,117
93.837	3600	AXIO RESEARCH CORPORATION	UW BUD# 630548	223,806
93.837	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	UW BUD# 635730	-555
93.837	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	UW BUD# 637189	299,781
93.837	3600	BLACK HILLS CTR FOR AMERICAN INDIAN HLTH	NHLBI CVD	-14,440
93.837	3600	BLACK HILLS CTR FOR AMERICAN INDIAN HLTH	NHLBI CVD AM05	34,661
93.837	3600	BOSTON UNIVERSITY	RA207256NGM AM01	17,862
93.837	3600	BOSTON UNIVERSITY MEDICAL CAMPUS	3376-5	-15,474
93.837	3600	BOSTON UNIVERSITY MEDICAL CAMPUS	3724-5	3,588
93.837	3600	BOSTON UNIVERSITY MEDICAL CAMPUS	422955R01HL09332803	63,079
93.837	3600	BRIGHAM AND WOMEN'S HOSPITAL	105963	47,978
93.837	3600	BRIGHAM AND WOMEN'S HOSPITAL	UW BUD# 661199	9,593
93.837	3600	CEDARS-SINAI MED CTR	PO#489044 AM06	-1
93.837	3600	CHILDREN'S HOSPITAL & RSRCH CTR OAKLAND	12.8044.I	92,092
93.837	3600	CHILDREN'S HOSPITAL & RSRCH CTR OAKLAND	128044UNIVOFWASHINGTON	142,148
93.837	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	41447011 UW	27,377
93.837	3600	CHILDRENS HOSPITAL AND REGIONAL MED CTR	10144SUB/AMD01	45,707

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93.837	3600	COLUMBIA UNIVERSITY	UW BUD# 661207	11,632
93.837	3600	DUKE UNIV	303-6869 AM02	20,248
93.837	3600	DUKE UNIVERSITY	144752	-48
93.837	3600	DUKE UNIVERSITY	203-9990	48,156
93.837	3600	DUKE UNIVERSITY	303-1586 AM02	90,344
93.837	3600	FHCRC	0000634675 AM03	139,652
93.837	3600	FHCRC	0000682535 AM01	1,017
93.837	3600	FHCRC	0000695710	189,485
93.837	3600	FHCRC	0000698174	267,926
93.837	3600	FHCRC	00007212130	56,697
93.837	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW BUD# 660523	25,299
93.837	3600	HARVARD SCHOOL OF PUBLIC HEALTH	23570-113954-UW AMD #4	173,810
93.837	3600	INSILICOS LLC	2R44HL08357803A2SUB1MO	82,508
93.837	3600	INSILICOS LLC	2R44HL08357803A2SUB2	27,876
93.837	3600	INSILICOS LLC	UW BUD# 661551	9,459
93.837	3600	JOHNS HOPKINS AT EASTERN A/P SVC CTR	2000009981 MOD 3	-285
93.837	3600	LA BIOMED INST AT HARBOR-UCLA MED CTR	PO 101389 MOD 4	-17,862
93.837	3600	MASSACHUSETTS GENERAL HOSPITAL	205514, AMEND 01	-3,688
93.837	3600	MASSACHUSETTS GENERAL HOSPITAL	205514, AMEND 02	40,260
93.837	3600	OREGON HEALTH AND SCIENCE UNIVERSITY	ABMEN0080-UWAM01	117,765
93.837	3600	SEATTLE CHILDREN'S HOSPITAL/RESEARCH INS	10281SUB	251,109
93.837	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	JPAPOSM58SMITNSIBCR3	1,635
93.837	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	SM58-SMITH02	8,173
93.837	3600	SEATTLE INSTITUTE FOR CARDIAC RESEARCH	5U01HL08970902SICR02	93,634
93.837	3600	SEATTLE INSTITUTE FOR CARDIAC RESEARCH	5U01HL08970903SICR03	25,903
93.837	3600	THE TRUSTEES OF COLUMBIA UNIVERSITY	8(ACCT.#538786)	64,366
93.837	3600	THE UNIVERSITY OF PENNSYLVANIA	553525	-1,364
93.837	3600	THE UNIVERSITY OF PENNSYLVANIA	555084	162,680

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.837	3600	THE UNIVERSITY OF PENNSYLVANIA	UW BUD# 661020	30,876
93.837	3600	UNIV OF KANSAS MEDICAL CTR RESEARCH INST	QR852020U01HL10523201	15,736
93.837	3600	UNIV OF MICHIGAN	3001598618 AM01	69,371
93.837	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO# 10283220-003	26,822
93.837	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO#10299796-022	91,415
93.837	3600	UNIVERSITY OF COLORADO	5 R01 HL073824-05EXT	13,141
93.837	3600	UNIVERSITY OF MICHIGAN	3001290982AM01	16,680
93.837	3600	UNIVERSITY OF MICHIGAN, ANN ARBOR	3001290982AM02	1,321
93.837	3600	UNIVERSITY OF MINNESOTA	P001435606	78,286
93.837	3600	UNIVERSITY OF MINNESOTA, TWIN CITIES	UW BUD# 661179	21,184
93.837	3600	UNIVERSITY OF PENNSYLVANIA	551412 MOD 1	261
93.837	3600	UNIVERSITY OF PENNSYLVANIA	551412 MOD02	2,156
93.837	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CTR	0008215A	15,771
93.837	3600	UNIVERSITY OF VERMONT	24225 50B6B	39,184
93.837	3600	VANDERBILT UNIVERSITY	VUMC 36120 AM02	3,024
93.837	3600	VANDERBILT UNIVERSITY	VUMC36120AM01R01HL0947	34,203
93.837	3600	VPDIAGNOSTICS, INC	A57620	20,083
93.837	3600	WAKE FOREST UNIVERSITY	UW155030-11140AM05	9,758
93.837	3600	WAKE FOREST UNIVERSITY	UW15503011140AMEND4REV	-26
93.837	3600	WAKE FOREST UNIVERSITY	WFUHS 13861 AM02	6,492
93.837	3600	WAKE FOREST UNIVERSITY	WFUHS 13861 AM1	33,396
93.837	3600	WAKE FOREST UNIVERSITY	WFUHS 14061 AM02	18,902
93.837	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-07-222 AM05	87,440
93.837	3600	YALE UNIVERSITY	M0700086 AM07	316,269
93.838	3600	BATTELLE PACIFIC NORTHWEST DIVISION	TASKORD140660MASTER755	350,329
93.838	3600	BAYLOR COLLEGE OF MEDICINE	AM02, PO # 4600598892	-15,388
93.838	3600	BENAROYA	FY100310199301A49438	97,776
93.838	3600	BENAROYA	FY100320199001A49439	103,675

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93.838	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY100210198901A49429	366,928
93.838	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	UW BUD# 661116	37,289
93.838	3600	CHILDREN'S HOSPITAL & REGIONAL MEDICAL	413390300501.UW MOD032	-1
93.838	3600	COLUMBIA UNIVERSITY	3 (ACCT# 5-36361) AM03	72,750
93.838	3600	COLUMBIA UNIVERSITY	4 (ACCT #5-30084)	1,483
93.838	3600	DUKE CLINICAL RESEARCH INSTITUTE (DCRI)	4566 IPF-ACE 009	37,354
93.838	3600	DUKE UNIV	UW BUD# 635327	26,171
93.838	3600	DUKE UNIVERSITY	UW BUD# 634090	85,448
93.838	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000693278	61,251
93.838	3600	INDIANA UNIVERSITY MEDICAL CENTER	IN-4685522-UW	22,532
93.838	3600	INDIANA UNIVERSITY MEDICAL CENTER	IUPUI4687918UWASHU01HL	1,095
93.838	3600	SEATTLE CHILDREN'S HOSPITAL	10216SUB	199,106
93.838	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	10216SUB	15,006
93.838	3600	SUNNYBROOK HEALTH SCIENCES CENTRE	HL67939, AMENDMENT 1	31,099
93.838	3600	UCSF CONTROLLER'S OFFICE	6020SC	4,731
93.838	3600	UCSF CONTROLLER'S OFFICE	6020SC AM02	13,744
93.838	3600	UNIV OF CA BERKELEY	SA5614-11560AM04	130,656
93.838	3600	UNIVERSITY OF PENNSYLVANIA	SUBAWARD #551976AM03	13,619
93.838	3600	UNIVERSITY OF PITTSBURGH	0016623PROJ1164384AMD0	103,186
93.838	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	SUBWU09179PONO2905559N	9,340
93.838	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-09-179; PO 2905559N	301,415
93.838	3600	WASHINGTON UNIVERSITY SCHOOL OF MEDICINE	UW BUD# 660792	43,274
93.839	3600	CHILDREN'S HOSPITAL BOSTON	5 R01 HL079582-05	-15
93.839	3600	FHCRC	0000635742	-4,539
93.839	3600	FHCRC	00006742355R01HL084345	93,403
93.839	3600	FHCRC	0000674801-AM02	13,002
93.839	3600	FHCRC	0000684710	97,002
93.839	3600	FHCRC	0000705607	95,659

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93.839	3600	FHCRC	5 R01HL084345-03	-39
93.839	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000682728 AM01	94,340
93.839	3600	PUGET SOUND BLOOD CTR	715 UW2009/10 -1 AM1	19,688
93.839	3600	PUGET SOUND BLOOD CTR	969-UW-2009-3	2,964
93.839	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10237SUB AM01	51,482
93.839	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	413110070101-UW	1,087
93.839	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000308405-001 AM2	8,368
93.839	3600	UNIVERSITY OF PENNSYLVANIA	5R01HL0661760355114	13,637
93.839	3600	UNIVERSITY OF PENNSYLVANIA	PO#2372080	-171
93.839	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC33664AM1R01HL06519	43,750
93.839	3600	WA UNIV	2905423A, AMD#04	454,904
93.839	3650	FRED HUTCHINSON CANCER RSCH	695773	4,093
93.846	3600	FHCRC	0000678603	6,993
93.846	3600	FHCRC	0000693854	38,543
93.846	3600	INDIANA UNIVERSITY	IU PROPOSAL # 100801	15,971
93.846	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AFAMP0076-UW, AMD#1	95,089
93.846	3600	OREGON HEALTH AND SCIENCE UNIVERSITY (OHSU)	UW BUD# 635914	-3,055
93.846	3600	SEATTLE CHILDREN'S HOSPITAL	10166SUB, AMENDMENT #1	22,794
93.846	3600	TALARIA	UW BUD# 635945	-341
93.846	3600	UNIV OF CA	10266442-007	8,655
93.846	3700	UC-NIH Stress Evoked	Sub No. FY11.553.002	8,716
93.847	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY100160189702A49424	17,195
93.847	3600	CASE WESTERN RESERVE UNIV	N01DK62203AMENDMENT18	-21
93.847	3600	CASE WESTERN RESERVE UNIV	RES429675,AMENDMENT 18	340,094
93.847	3600	CHILDREN'S HOSPITAL OF PITTSBURGH-UPMC	0015374PROJECT1154245	4,994
93.847	3600	CHILDREN'S HOSPITAL OF PITTSBURGH-UPMC	0015374PROJECT1178623	180,574
93.847	3600	CHILDREN'S HOSPITAL RESEARCH FOUNDATION	103075M5PRIME5U01DK072	106,969
93.847	3600	FHCRC	0000702320	20,000

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93.847	3600	FHCRC	0000706032	4,426
93.847	3600	FHCRC	0000708771	6,888
93.847	3600	GEORGE WASHINGTON UNIV	02C09PTA233012CCLS2012	-327
93.847	3600	GEORGE WASHINGTON UNIV	10-D19	543,082
93.847	3600	GEORGE WASHINGTON UNIV	11-D14	173,056
93.847	3600	GEORGE WASHINGTON UNIV	6119-1144-00-AA	-2
93.847	3600	GEORGE WASHINGTON UNIV	HR-661572	1,360
93.847	3600	GEORGE WASHINGTON UNIVERSITY	04-D16,MOD 1	6
93.847	3600	GEORGE WASHINGTON UNIVERSITY	09-D19	-6
93.847	3600	GEORGE WASHINGTON UNIVERSITY	10-D17	20,073
93.847	3600	GEORGE WASHINGTON UNIVERSITY	10D18PRIME5U01DK061230	31,287
93.847	3600	GEORGE WASHINGTON UNIVERSITY	11-D13	6,052
93.847	3600	GEORGE WASHINGTON UNIVERSITY	S-DPP1011-MR02	746,528
93.847	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	20497-22	11,274
93.847	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	20497-23	-22
93.847	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	20497-25	12,793
93.847	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	20497-27	44,247
93.847	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	20497-28	34,465
93.847	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	20497-29	54,739
93.847	3600	HEALTHPARTNERS RESEARCH FOUNDATION	X0813200 MOD01	152,640
93.847	3600	HEALTHPARTNERS RESEARCH FOUNDATION	X08132001R01DK08447501	50,605
93.847	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	1000119PROJECT67040	24,257
93.847	3600	OREGON HEALTH & SCIENCE UNIVERSITY	ACSWR0005-AMED 3	8,139
93.847	3600	SEATTLE CHILDREN'S	10265SUB	620,897
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	JAPPOLD12DKZAVA1SIBCR	25,686
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	JPAPOLD12DKBENNEJ1SIBC	8,596
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LD12DKZAVA2SIBCR MOD01	72,423
93.847	3600	SEATTLE INST. FOR BIOMED. & CLINICAL RES	KS1-21-SOCHA	4,290

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93.847	3600	SEATTLE INST. FOR BIOMEDICAL & CLIN RES	KS16-SOCHA	5,350
93.847	3600	SEATTLE INST. FOR BIOMEDICAL & CLIN RES	TG1-7-MEI	5,459
93.847	3600	SEATTLE INST. FOR BIOMEDICAL & CLINICAL	KS121-KAHN2	15,371
93.847	3600	SEATTLE INST. FOR BIOMEDICAL & CLINICAL	SM-LD12DK040963	40,802
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	DL-LD12KD040963	29,384
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	KS1-21-KNOPP	5,677
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	TG1-7-MEI-02	12,047
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	TG1-7-MUNDINGER	6,164
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	TG1-7-MUNDINGER-02	13,697
93.847	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	UW BUD# 635938	-1,410
93.847	3600	SIBCR	JB-LD12DK040963	21,490
93.847	3600	SIBCR	KS1-21-LIPKIN2	51,279
93.847	3600	SIBCR	KS1-21-LOVATO	10,669
93.847	3600	SIBCR	KS1-21-SOCHA2	62,139
93.847	3600	SIBCR	KS1-21-SPIVEY	323
93.847	3600	SIBCR	KS1-21-TRENCE2	11,034
93.847	3600	SIBCR	KS1-6-LOVATO	3,112
93.847	3600	SIBCR	KS1-6-SPIVEY	2,264
93.847	3600	SIBCR	KS121-KAHN1	11,185
93.847	3600	SIBCR	KS121-SPIVEY2	3,557
93.847	3600	SIBCR	KS16-KAHN1	16,775
93.847	3600	SIBCR	KS16KS11SIBCR	6,987
93.847	3600	SIBCR	KS16LOVATC1SIBCR	2,223
93.847	3600	SIBCR	KS16SPIVEL1SIBCR	1,617
93.847	3600	SIBCR	KS16TRENCE1SIBCR	5,079
93.847	3600	SIBCR	LW115-WANG	5,957
93.847	3600	SIBCR	UW BUD# 638278	7,091
93.847	3600	THE UNIVERSITY OF TEXAS	GMO-111131	31,475

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.847	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO# 10289887-001	2,724
93.847	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO# 10289887-002	242,284
93.847	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO#10303997-001	26,849
93.847	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO#10303997-SUB	1,916
93.847	3600	UNIVERSITY OF IOWA	PO 1000822691 AM09	102,644
93.847	3600	UNIVERSITY OF IOWA	PO#1000740355; AMEND#7	24,800
93.847	3600	UNIVERSITY OF MIAMI	66444RAM025R01DK078907	293,979
93.847	3600	UNIVERSITY OF MICHIGAN	3001343695U54DK083912A	5,697
93.847	3600	UNIVERSITY OF MICHIGAN	3001693367PRIMER01DK05	29,057
93.847	3600	UNIVERSITY OF NORTH CAROLINA	SUBAWARD550803AMEND3	19,081
93.847	3600	UNIVERSITY OF PITTSBURGH	0008705 (118203-1)	69,466
93.847	3600	UNIVERSITY OF PITTSBURGH	0012368PROJECT1179431	278,437
93.847	3600	UNIVERSITY OF PITTSBURGH	UW BUD# 661465	16,867
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	6116-1144-00-Z MOD02	49,147
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	6119-1144-00-AA MOD 3	56,158
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	6119-1144-00-AA MOD1&2	1,128
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	6119-1144-00-AA MOD5	66,461
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	6119-1144-00-AD MOD 1	5,419
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	6119-1144-00-AD MOD 2	225,286
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	6119-1144-00-Z	28
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	6119-1144-00-Z MOD02	646,552
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	UW BUD# 636038	3,764
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	UW BUD# 636040	7,639
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	UW BUD# 636041	4,409
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	UW BUD# 636042	1,149
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	UW BUD# 636047	24,556
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	UW BUD# 636049	1,942
93.847	3600	UNIVERSITY OF TEXAS AT AUSTIN	UTA08-443 AM03	69,038

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.847	3600	WA UNIV	2905423A, AMD#2	-28,939
93.847	3600	WAKE FOREST UNIVERSITY	WFUHS 14111 AM04	238,650
93.847	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-11-198 PO# 2911630P	15,051
93.847A	3650	ARCADIA BIOSCIENCES INC	WSU001086	162,678
93.848	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY08.01864-02.A40574	-3,829
93.848	3600	THE UNIVERISTY OF TEXAS SOUTHWESTERN	GMO-500801	2,539
93.848	3600	UNIV OF TEXAS	GMO 900069, MOD06	-1,092
93.848	3600	UNIVERSITY OF MINNESOTA	Q6636457103, AMD #5	9,131
93.848	3600	UNIVERSITY OF PITTSBURGH	0012368PROJECT1161641	39,132
93.848	3600	UNIVERSITY OF PITTSBURGH	SUBAWARD0005316PROJECT	-15,669
93.848	3600	WAKE FOREST UNIVERSITY	WFUHS 14130	43,557
93.849	3600	FHCRC	0000681257	7,072
93.849	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000681240	12,450
93.849	3600	INDIANA UNIVERSITY	IUPUI4682197 U WA	363,919
93.849	3600	MEDICINE FOR MALARIA VENTURES	UW BUD# 634926	-83,151
93.849	3600	RIVERSIDE RESEARCH INSTITUTE	PO# 011127 MOD02	39,438
93.853	3600	BAYLOR COLLEGE OF MEDICINE	PO #4600507997	-23
93.853	3600	CARACAL, INC.	PRIME R43NS067866-01A1	100,302
93.853	3600	EMORY UNIVERSITY	5-41845-G1 AM01	-10,636
93.853	3600	EMORY UNIVERSITY	S381854 (G-19)	1,365
93.853	3600	EMORY UNIVERSITY	S522960AM035K23NS04910	11,875
93.853	3600	FHCRC	0000690301	210,555
93.853	3600	FHCRC	0000708757	60,236
93.853	3600	HEALTH RESEARCH, INC.	2085-01 AM 03	-3,948
93.853	3600	INARIAN-NEURODIAGNOSTICS	A54454	740
93.853	3600	MASSACHUSETTS GENERAL HOSPITAL	208248AM02R01NS0597270	12,356
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AAIRC0023A AM01	62,851
93.853	3600	RESEARCH FOUNDATION OF CUNY	41507-00 06 A	-25,576

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.853	3600	SIBCR	JPAPOBW25KOVACA2SIBCR	13,687
93.853	3600	SIBCR	SIBCRJPA-KOVAC1	18,249
93.853	3600	ST. JOSEPH'S HOSPITAL AND MEDICAL CENTER	UW BUD# 639832	14,192
93.853	3600	U OF TEXAS SW MEDICAL CTR	GMO-100104	33,595
93.853	3600	U OF TEXAS SW MEDICAL CTR	MOD 01 GMO-100104	120,952
93.853	3600	UNIV OF CALIFORNIA, SAN DIEGO	10316345-SUB	14,875
93.853	3600	UNIV OF TEXAS	117006/115709	-3,864
93.853	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	077-AM1	-162
93.853	3600	UNIVERSITY OF BRITISH COLUMBIA	F09044872U01NS03852909	56,672
93.853	3600	UNIVERSITY OF CALIFORNIA	6495SC	95
93.853	3600	UNIVERSITY OF CALIFORNIA, DAVIS	SUB08-000674	73,072
93.853	3600	UNIVERSITY OF IOWA	W000075588, AMEND. 10	-24,100
93.853	3600	UNIVERSITY OF IOWA	W000117574, AMEND. 11	-6,257
93.853	3600	UNIVERSITY OF IOWA	W000152162	865
93.853	3600	UNIVERSITY OF IOWA	W000223681 AM13	4,229
93.853	3600	UNIVERSITY OF NOTRE DAME	201770-UW	26,725
93.853	3600	UNIVERSITY OF PITTSBURGH	00005174	139,425
93.853	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	142318	7,346
93.853	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	147758	83,161
93.853	3600	UNIVERSITY OF SOUTHERN CALIFORNIA (USC)	UW BUD# 661540	7,173
93.853	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-08-204 AM03	8,482
93.853	3600	YALE UNIVERSITY SCHOOL OF MED	A07917 (M11A10873)	8,301
93.855	3600	BAYLOR COLLEGE OF MEDICINE	101114198 AM02	36,953
93.855	3600	BECKMAN RESH. INST. OF THE CITY OF HOPE	20386.914123.6692AM05	56,858
93.855	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY090210186701A40598	8,580
93.855	3600	CHILDREN'S HOSPITAL	413910020101UWFANNMOD4	16,539
93.855	3600	CHILDREN'S HOSPITAL & REGIONAL MED CTR	413910020101 MOD5	-31
93.855	3600	CHILDREN'S HOSPITAL REGIONAL MEDICAL CTR	10268SUB	555

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.855	3600	COLORADO STATE UNIVERSITY	G-7851-1	34,320
93.855	3600	DANA-FARBER CANCER INSTITUTE	1015109AMENDMENTNO7	169,486
93.855	3600	DREXEL UNIVERSITY	DREXEL 232284 AM04	134,825
93.855	3600	DREXEL UNIVERSITY	DREXEL 232284 AM05	78,981
93.855	3600	FHCRC	0000	1,707
93.855	3600	FHCRC	0000660415	-13,574
93.855	3600	FHCRC	0000674594 AM01	-2
93.855	3600	FHCRC	0000675914 AMEND 2	-33,918
93.855	3600	FHCRC	0000675915 AM01	15,837
93.855	3600	FHCRC	0000677234	-2,496
93.855	3600	FHCRC	0000677260	3,920
93.855	3600	FHCRC	0000677266	-247
93.855	3600	FHCRC	0000677272	-416
93.855	3600	FHCRC	0000677276	12,974
93.855	3600	FHCRC	0000677284	13,383
93.855	3600	FHCRC	0000680856	948
93.855	3600	FHCRC	0000681995	47,872
93.855	3600	FHCRC	0000681998	-99,394
93.855	3600	FHCRC	0000683436	87
93.855	3600	FHCRC	0000683439	162,410
93.855	3600	FHCRC	0000685260AM01	16,943
93.855	3600	FHCRC	0000687695	289,299
93.855	3600	FHCRC	0000690072	9,625
93.855	3600	FHCRC	0000690913 AM01	64,471
93.855	3600	FHCRC	0000692003	117,316
93.855	3600	FHCRC	0000692322	48,171
93.855	3600	FHCRC	0000692426	68,057
93.855	3600	FHCRC	0000693559	44,174

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.855	3600	FHCRC	00006935605U01A1068614	44,173
93.855	3600	FHCRC	0000693669 AM01	100,187
93.855	3600	FHCRC	0000693923	20,475
93.855	3600	FHCRC	0000693928	76,694
93.855	3600	FHCRC	0000694051	45,002
93.855	3600	FHCRC	0000694218	591,785
93.855	3600	FHCRC	0000694225	887,831
93.855	3600	FHCRC	0000694536	2,055,993
93.855	3600	FHCRC	0000696399	264,227
93.855	3600	FHCRC	0000696500	307,485
93.855	3600	FHCRC	0000696551	117,675
93.855	3600	FHCRC	0000696555	185,001
93.855	3600	FHCRC	0000696556	263,196
93.855	3600	FHCRC	0000696560	269,533
93.855	3600	FHCRC	0000696595	116,297
93.855	3600	FHCRC	0000696875	219,612
93.855	3600	FHCRC	0000699368	146,057
93.855	3600	FHCRC	0000700038 AM01	55,034
93.855	3600	FHCRC	0000705149 AM01	10,248
93.855	3600	FHCRC	0000705215	68,852
93.855	3600	FHCRC	0000705667	990,399
93.855	3600	FHCRC	0000705765	44,496
93.855	3600	FHCRC	0000708079	16,724
93.855	3600	FHCRC	0000709819	42,215
93.855	3600	FHCRC	0000711014	13,911
93.855	3600	FHCRC	0000711391	16,165
93.855	3600	FHCRC	0000711408	32,766
93.855	3600	FHCRC	0000712462	740

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.855	3600	FHCRC	000643701 AM03	43,346
93.855	3600	FHCRC	645053	-6,600
93.855	3600	FHCRC	SUBAWARD 0000675336	5,328
93.855	3600	FHCRC	SUBAWARD 0000690492	94,665
93.855	3600	FHCRC	SUBAWARD0000675336AMD1	9,436
93.855	3600	FHCRC	SUBAWARD10144/PO690492	48,819
93.855	3600	FHCRC	UW BUD# 661222	81,533
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000677728	76
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000688821	48,679
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000695951PRIME5R37AI4	54,815
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000697197	142,518
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000703642	134,170
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000703858	525,495
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000704014	11,259
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	687311	42,953
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW BUD# 661096	57,729
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW BUD# 661389	5,505
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW BUD# 661392	19,176
93.855	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	23069-10	42,843
93.855	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	23069-14 AM01	166,694
93.855	3600	HARVARD SCHOOL OF PUBLIC HEALTH	23570-114063 AM01	6,602
93.855	3600	JOHNS HOPKINS UNIVERSITY	JHUPO2000056550MOD4	127,198
93.855	3600	JOHNS HOPKINS UNIVERSITY	JHUPO2000056550MOD5	359,061
93.855	3600	MAGEE-WOMEN'S RESEARCH INST.& FDTN	26-3301-4210	-5,032
93.855	3600	MAGEE-WOMEN'S RESEARCH INST.& FDTN	4471	246,330
93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE	26-3301-4267	-737
93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE	4320	-4,750
93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE	4349 AM1	701,605

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.855	3600	MEDICINE FOR MALARIA VENTURES	MMV06/0013	270,576
93.855	3600	MEDICINE FOR MALARIA VENTURES	UW BUD# 633143	-130,352
93.855	3600	MMV MEDICINES FOR MALARIA VENTURE	CONSORTIUM AGREEMENT	282,013
93.855	3600	NORTH SHORE LIJ HEALTH SYSTEM	500373AM01POGRT286140	33,645
93.855	3600	NORTHWESTERN UNIV	0600370F527WUAMA02	337
93.855	3600	NORTHWESTERN UNIVERSITY	610 4733000 60024693	138,551
93.855	3600	OHIO STATE U RESEARCH FOUNDATION	60022770	54,133
93.855	3600	OHIO STATE U RESEARCH FOUNDATION	PROJ 60020299	19,088
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	#AVGTI0102-UOFWN-KATZE	484,762
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AVGTI0101-UOFWN-BEVAN	-1
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AVGTI0102-UOFWN-BEVAN	212,005
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AVGTI0102-UOFWN-GALE	238,337
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AVGTI0102UOFWNANDERSON	103,863
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AVGTI0102UOFWNKRISHNAK	171,383
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AVGTI0103UOFWNBEVANAM0	60,730
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AVGTI0103UOFWNGALEAM03	89,863
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GPRC00765A1 AM04	73,332
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GVGT10103O8	23,730
93.855	3600	PUBLIC HEALTH FOUNDATION ENTERPRISES	SUB 1R01AI083060-02	53,171
93.855	3600	SEATTLE BIOMEDICAL RESEARCH INSTITUTE	UW-15015 MOD02	221,685
93.855	3600	SEATTLE BIOMEDICAL RESEARCH INSTITUTE	UW-15026 MOD01	128,854
93.855	3600	SEATTLE BIOMEDICAL RSCH INST	UW-12534	57,844
93.855	3600	SEATTLE CHILDEN'S RESEARCH INSTITUTE	10268SUB	8,025
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	10013 SUB AM03	46,095
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	10038SUB-AM1	22,067
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	10189SUB AM01	111,492
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	10289SUB	2,595
93.855	3600	SEQUELLA, INC.	UW BUD# 661891	26,275

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.855	3600	SIMON FRASER UNIVERSITY	31-864023,AM001	12,554
93.855	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC	BRSACUREQ0600130T001MO	248,011
93.855	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC	BRSACURES1100004600095	7,222
93.855	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC	BRSACURES1100004600121	20,483
93.855	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC.	BRSACUREQ0600130T006	49,697
93.855	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC.	BRSACUREQ0600130T008	1,334
93.855	3600	SOCIAL SCIENTIFIC SYSTEMS INC	BRSACUREQ0600130T002MO	322,108
93.855	3600	SOCIAL SCIENTIFIC SYSTEMS INC	BRSACUREQ0600130T005	9,151
93.855	3600	SOCIAL SCIENTIFIC SYSTEMS INC	BRSACURES1000004600079	12,001
93.855	3600	SOCIAL SCIENTIFIC SYSTEMS INC	BRSACURES1100004600121	30,647
93.855	3600	STANFORD UNIVERSITY	22941520-39760-A AM2	50,160
93.855	3600	U OF TEXAS SW MEDICAL CTR	GMO111101PRIME2R56AI53	20,598
93.855	3600	UMDNJ	191675W AM01	295,775
93.855	3600	UNIV OF COLORADO, DENVER	FY11.284.002	151,615
93.855	3600	UNIVERISTY OF UTAH	10009618-UW MOD02	24,398
93.855	3600	UNIVERSITY OF ALABAMA	000338217-002	141,304
93.855	3600	UNIVERSITY OF ALABAMA	000384588-001	22,772
93.855	3600	UNIVERSITY OF ALABAMA BIRGMINHAM	219866	-610
93.855	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000259927-001	90,501
93.855	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000259927-001 AM07	552,753
93.855	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000338217-003	8,737
93.855	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000338217-007	181,765
93.855	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000384588-002	3,240
93.855	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO# 10287084	-68,574
93.855	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO# 10289256-003	12,266
93.855	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO# 10293192-002	263,219
93.855	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO#10289256-002	32,084
93.855	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO#10293192-003	36,898

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.855	3600	UNIVERSITY OF COLORADO DENVER	FY11.112.003	36,507
93.855	3600	UNIVERSITY OF MASSACHUSETTS, WORCESTER	1P01AO082274-01	19,265
93.855	3600	UNIVERSITY OF MASSACHUSETTS, WORCESTER	6123657/RFS2011076AM01	329,344
93.855	3600	UNIVERSITY OF MASSACHUSETTS-AMHERST	07-004309 B-03 AM03	28,793
93.855	3600	UNIVERSITY OF NORTH CAROLINA	5-50817 AM04	204,851
93.855	3600	UNIVERSITY OF PITTSBURGH	0001010PROJECT1143761	3,409
93.855	3600	UNIVERSITY OF PITTSBURGH	00052631139862AM03	40,159
93.855	3600	UNIVERSITY OF PITTSBURGH	00052631139862AMEND2	148,512
93.855	3600	UNIVERSITY OF PITTSBURGH	0007748AM011169322	352,903
93.855	3600	UNIVERSITY OF PITTSBURGH	0010255 (119015-1)	5,011
93.855	3600	UNIVERSITY OF PITTSBURGH	0010255 PRO 1174871	69,792
93.855	3600	UNIVERSITY OF TEXAS	08-065	-2,633
93.855	3600	UNIVERSITY OF TEXAS	09-110	-3,473
93.855	3600	UNIVERSITY OF WISCONSIN-MADISON	171K765, AMENDMENT #1	182,153
93.856	3600	COLUMBIA UNIVERSITY	1 (ACCT. #5-39481)	12,676
93.856	3600	DANA-FARBER CANCER INSTITUTE	1015107, AMEND#4	32,976
93.856	3600	FHCRC	0000605365	-1,699
93.856	3600	FHCRC	0000610124	-1,705
93.856	3600	FHCRC	04-103223-03-S0912	-5,236
93.856	3600	FHCRC	04-106153-05-S0967	-17,028
93.856	3600	THE UNIVERISTY OF TEXAS SOUTHWESTERN	GMO-401124	-334
93.856	3600	U OF TEXAS SW MEDICAL CTR	GMO-400421 MOD5	6,095
93.856	3600	UNIV OF COLORADO, DENVER	FY102840025U19AI066328	21,608
93.856	3600	UNIVERSITY OF ARKANSAS FOR MEDICAL SCI	13880 AMEND 02	50,996
93.856	3600	VICAL INCORPORATED	REF A30732	68,554
93.856	3650	TX A&M RSCH FNDN	S050053	2,032
93.859	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	9-526-5266	93,692
93.859	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	9-526-5433	47,030

State of Washington
Schedule of Expenditures of Federal Awards
Note F:
Supplemental Information for Pass-Through Funds

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.859	3600	ARIZONA STATE UNIVERSITY	09-130, AM02	69,130
93.859	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY110290197601A55915	3,576
93.859	3600	CASE WESTERN RESERVE UNIVERSITY	RES502582 AM03	38,384
93.859	3600	COLORADO UNIV	FY10,001-003 AMEND #2	-296
93.859	3600	COLORADO UNIV	FY10.001.111 AMEND 3	416,101
93.859	3600	DUKE UNIVERSITY	165859/147497	13,442
93.859	3600	DUKE UNIVERSITY	303-4705 AM02	25,843
93.859	3600	ELI LILLY AND COMPANY	U54 GM074945-06	3,977
93.859	3600	FOX CHASE CANCER CENTER	11138-02	-75,079
93.859	3600	FOX CHASE CANCER CENTER	11138-03, MOD02	-61,939
93.859	3600	FOX CHASE CANCER CENTER	11138-04, MOD03	-9,753
93.859	3600	HARVARD SCHOOL OF PUBLIC HEALTH	23570-114041	34,586
93.859	3600	HARVARD SCHOOL OF PUBLIC HEALTH	23570114041AM01U54GM08	13,450
93.859	3600	INDIANA UNIVERSITY	PO 539704, AMEND #2	99,788
93.859	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20090020PO31626AMEND2	30,236
93.859	3600	MASSACHUSETTS GENERAL HOSPITAL	204804	64,203
93.859	3600	MASSACHUSETTS GENERAL HOSPITAL	204804 MOD05	256,207
93.859	3600	MASSACHUSETTS GENERAL HOSPITAL	U54 GM62119 MOD3	-4,022
93.859	3600	MASSACHUSETTS GENERAL HOSPITAL	UW BUD# 668828	2,241
93.859	3600	MONTANA STATE UNIVERSITY	G126-07-W1286, AM 04	49,945
93.859	3600	NEW YORK STRUCTURAL BIOLOGY CENTER	#1	114,155
93.859	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	GM058881075184045402	264,018
93.859	3600	SLOAN-KETTERING INSTITUTE	BD513577	4,468
93.859	3600	THE PENNSYLVANIA STATE UNIVERSITY	3189-UW-DHHS-2432 AM03	-3,762
93.859	3600	UMDNJ	P01-2 MOD03	47,048
93.859	3600	UNIVERSITY OF COLORADO, DENVER	FY09,001-005	-27,206
93.859	3600	UNIVERSITY OF COLORADO, DENVER	UW BUD# 661000	8,586
93.859	3600	UNIVERSITY OF COLORADO, DENVER	UW BUD# 661483	729

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.859	3600	UNIVERSITY OF COLORADO, DENVER	UW BUD# 661488	3,711
93.859	3600	UNIVERSITY OF COLORADO, DENVER	UW BUD# 661491	4,682
93.859	3600	UNIVERSITY OF COLORADO, DENVER	UW BUD# 661492	1,686
93.859	3600	UNIVERSITY OF COLORADO, DENVER	UW BUD# 661493	2,969
93.859	3600	UNIVERSITY OF COLORADO, DENVER	UW BUD# 661494	2,988
93.859	3600	UNIVERSITY OF COLORADO, DENVER	UW BUD# 661495	4,943
93.859	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5-30194	20,564
93.859	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5-30194AM01	100,807
93.859	3600	UNIVERSITY OF VIRGINIA	GC11617-134421	703
93.859	3600	VANDERBILT UNIVERSITY	18821-S1 AM05	171,781
93.859	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	2 P50 GMO15431-39	-21,884
93.859	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 32786	-271
93.859	3650	MIAMI UNIV	40123501	-7,545
93.859	3650	MT ST UNIV	G31108W1286	11,284
93.859	3650	OR ST UNIV	P0287AA	5,640
93.859	3650	UNIV OF ALABAMA	08011	32,903
93.859	3650	UNIV OF CA-BERKELEY	00006379	49,482
93.859	3700	UF-Sigma Virus	P#00080194 Sub#UF09051	37,963
93.865	3600	BOSTON COLLEGE	1521-2	21,660
93.865	3600	CEDARS-SINAI MEDICAL CENTER	693248	154,794
93.865	3600	CEDARS-SINAI MEDICAL CENTER (CSMC)	UW BUD# 661363	13,670
93.865	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	10211SUB	23,103
93.865	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	412430040101.UW	17
93.865	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	413920056101.UW	-493
93.865	3600	CHILDREN'S HOSPITAL LOS ANGELES	UW BUD# 661575	4,240
93.865	3600	CHILDREN'S MERCY HOSPITAL	10-0002	90,709
93.865	3600	CHILDRENS HOSPITAL LOS ANGELES	000223A3	41,521
93.865	3600	CINCINNATI CHILDREN'S HOSPITAL MEDICAL C	PO3100189344SA108863AM	93,563

State of Washington
Schedule of Expenditures of Federal Awards
Note F:
Supplemental Information for Pass-Through Funds

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.865	3600	CINCINNATI CHILDREN'S HOSPITAL MEDICAL CENTER	PO# /SA#	1,089
93.865	3600	COLUMBIA UNIVERSITY	SUB04, AM02	-24
93.865	3600	DREXEL UNIVERSITY	232290-3684 AM02	65,182
93.865	3600	EAST-WEST CENTER	HC12663	35,710
93.865	3600	FHCRC	0000678522	31,992
93.865	3600	FHCRC	0000694817	100,501
93.865	3600	FHCRC	0000697392	311,885
93.865	3600	FHCRC	0000697393	206,544
93.865	3600	FHCRC	684136	13,078
93.865	3600	FHCRC	SUBAWARD# 0000684142	80,213
93.865	3600	FHCRC	SUBAWARD# 0000697384	432,006
93.865	3600	KESSLER FOUNDATION, INC	AMEND2PRIME5R01HD05456	4,083
93.865	3600	OREGON HLTH SCI UNIV	GSMMI0106A UW	113,169
93.865	3600	OREGON HLTH SCI UNIV	GSMMI0106A UW AM02	-13,900
93.865	3600	RTI INTERNATIONAL	UW BUD# 661178	7,965
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	10286SUB	5,758
93.865	3600	SEATTLE CHILDREN'S HOSPITAL/RESEARCH INS	10255SUB	25,581
93.865	3600	SWEDISH HEALTH SERVICES	803033 A YR1	5,270
93.865	3600	SWEDISH HEALTH SERVICES	UW 803235 MOD 2	94,655
93.865	3600	UCLA CCPR	1215 G JB215 AM02	42,098
93.865	3600	UNIV OF KANSAS, CENTER FOR RESEARCH INC	FY2007091MOD03	143,286
93.865	3600	UNIVERSITY OF ALABAMA	000396222-001	2,166
93.865	3600	UNIVERSITY OF CONNECTICUT	7023	108,911
93.865	3600	UNIVERSITY OF MIAMI	AMENDMENT #1	5,562
93.865	3600	UNIVERSITY OF NORTH CAROLINA	5-51032 AM02	658,412
93.865	3600	UNIVERSITY OF NORTH CAROLINA	551032AMENDMENTNO1	21,289
93.865	3600	UNIVERSITY OF NORTH CAROLINA	551355AMENDMENTNO1	4,549
93.865	3600	YALE UNIVERSITY	A07571 (M10A10376)	-626

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.865	3600	YALE UNIVERSITY	A08023 (M10A10376)	14,631
93.865	3650	BAYLOR COLLEGE OF MED	101425825	17,655
93.865	3650	PRINCETON UNIV	00001542	36,608
93.865	3650	UNIV OF CA SAN DIEGO	PO10305562	-98
93.865	3650	UNIV OF CA SAN DIEGO	R24HD050837	5,400
93.865	3650	UNIV OF MI	3000610867	-1
93.865	3650	UNIV OF MN	N644607401	-1,773
93.866	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	UW BUD# 636263	-187
93.866	3600	BOSTON UNIVERSITY MEDICAL CAMPUS	3470-5 AM02	54,165
93.866	3600	BROWN UNIVERSITY	00000056 P992706 AMD04	156,487
93.866	3600	BUCK INSTITUTE FOR AGE RESEARCH	UW BUD# 660248	17,677
93.866	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	10213SUB AM01	186,202
93.866	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	41531001.UW AM01	-3,978
93.866	3600	DUKE UNIV	04-SC-NIH-1025	-57,397
93.866	3600	DUKE UNIVERSITY	04-SC-NIH-1059	49,968
93.866	3600	DUKE UNIVERSITY	05-SC-NIH-1047	-7,313
93.866	3600	FHCRC	0000677015	4,782
93.866	3600	FHCRC	0000697752	26,464
93.866	3600	GROUP HEALTH COOPERATIVE	2009119936	12,143
93.866	3600	GROUP HEALTH COOPERATIVE	20091200472U01AG006781	138,641
93.866	3600	GROUP HEALTH COOPERATIVE	2010109150PRIME1R01AG0	88,786
93.866	3600	GROUP HEALTH COOPERATIVE	2010118154	711,882
93.866	3600	GROUP HEALTH COOPERATIVE	2010118319	48,593
93.866	3600	GROUP HEALTH COOPERATIVE	PO20101111835R01AG0300	18,698
93.866	3600	HONOLULU HEART PROG (HHP), AUTOPSY STUDY	SC-08-1-08-UW MOD02	819
93.866	3600	HONOLULU HEART PROG (HHP), AUTOPSY STUDY	SC-08-1-08-UW MOD3	50,821
93.866	3600	JOHNS HOPKINS AT EASTERN A/P SVC CTR	2000073393AM04	6,616
93.866	3600	NEW ENGLAND RESEARCH INSTITUTES	R01 AG023027, MOD. #2	-49

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.866	3600	NORTHWESTERN UNIVERSITY	0600 370 F371 UW AM02	2,402
93.866	3600	SANFORD BURNHAM MRI	R01 AG 030266 AM01	119,892
93.866	3600	SEATTLE INST FOR BIOMED & CLIN RESEARCH	JPAPOPE1AG033133SHOFER	18,298
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CSI-20, MOD 1	-315
93.866	3600	SEATTLE INST. FOR BIOMEDICAL & CLIN RES	BW22-BANKS1	33,211
93.866	3600	SEATTLE INST. FOR BIOMEDICAL & CLIN RES	CS120-GREEN3	5,560
93.866	3600	SEATTLE INST. FOR BIOMEDICAL & CLIN RES	QL 114-ANDERSON05 MOD1	40,732
93.866	3600	SEATTLE INST. FOR BIOMEDICAL & CLINICAL	BT123STEINE1SIBCRMOD02	6,939
93.866	3600	SEATTLE INST. FOR BIOMEDICAL & CLINICAL	JPAPOCS120WOJTOWICZ2	29,909
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	JPAPOCS120BAKER10	15,195
93.866	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLI	JPAPOCS120BL11SIBCR	4,342
93.866	3600	SIBCR	JPA/PO#BW22BW2_2_SIBCR	16,606
93.866	3600	TRUSTEES OF COLUMBIA UNIV, CITY OF N.Y.	11ACCT535644AG02639505	664
93.866	3600	TRUSTEES OF COLUMBIA UNIV, CITY OF N.Y.	11ACCT535644AM01	87,000
93.866	3600	UMDNJ	AMENDMENT 3	6,377
93.866	3600	UNIV OF CALIFORNIA, SAN DIEGO	PO 10229917-004	-518
93.866	3600	UNIV OF DUKE	00-SC-NIH-1036 MOD05	-3,962
93.866	3600	UNIV OF MED & DENTISTRY OF NEW JERSEY	UW BUD# 635837	45,021
93.866	3600	UNIV OF MICHIGAN	3000838728 AM02	-1
93.866	3600	UNIVERSITY OF CALIFORNIA, DAVIS	SUB0900012 AMEND 2	35,189
93.866	3600	UNIVERSITY OF CALIFORNIA, DAVIS	UW BUD# 661421	3,426
93.866	3600	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	1536	83,946
93.866	3600	UNIVERSITY OF COLORADO	FY11001004AMD032574454	162,714
93.866	3600	UNIVERSITY OF COLORADO	FY1O001007AMD2UWASH	4,563
93.866	3600	UNIVERSITY OF COLORADO HEALTH SCIENCES	FY08001011UWASHYR11	-422
93.866	3600	UNIVERSITY OF COLORADO, DENVER	FY09001012AMD1UWASH	-4,007
93.866	3600	UNIVERSITY OF MICHIGAN	F09684 AM04	-1
93.866	3600	UNIVERSITY OF PENNSYLVANIA	545901 AM01 PO2332991	3,691

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.866	3600	UNIVERSITY OF PENNSYLVANIA	554369	71,069
93.866	3600	UNIVERSITY OF PENNSYLVANIA	UW BUD# 660334	15,218
93.866	3600	UNIVERSITY OF PENNSYLVANIA	UW BUD# 660790	6,965
93.866	3600	UNIVERSITY OF PITTSBURGH	1094521AM05SUBAWD00049	5,040
93.867	3600	DARTMOUTH COLLEGE	686, AMENDMENT NO. 1	138,807
93.867	3600	HEALIONICS CORPORATION	UW BUD# 638479	43,764
93.867	3600	JAEB CENTER FOR HEALTH RESEARCH, INC.	9-29-03	35,473
93.867	3600	JAEB CENTER FOR HEALTH RESEARCH, INC.	UW BUD# 636315	9,105
93.867	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	PO#10317338-SUB	101,307
93.867	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00006390 AM01	36,956
93.867	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00006390 AM02	66,278
93.867	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00007517PRIME2PN2EY018	216,042
93.867	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO#10315588-SUB	16,684
93.867	3600	UNIVERSITY OF MINNESOTA	N640615302 AM01	19,986
93.867	3650	OR HLTH SCI UNIV	GCAEI0244A	68,374
93.867	3650	OR HLTH SCI UNIV	GPHYP0181WSU	154,496
93.867	3650	UNIV OF MD/BALT CNTY	0000006880	50,165
93.879	3600	BRIGHAM & WOMENS HOSP	104318 AM03	12,357
93.879	3600	CLARK & PARSIA LLC	UW BUD# 639301	57,373
93.879	3600	SYRACUSE UNIV	17111-01247-S01	-1
93.879	3650	YALE UNIV	A08030	13,251
93.884	3600	SIBCR	CS120-CHOLERTON08	-203
93.931	3600	FHCRC	SUBAWARD #0000670018	23,719
93.936	3600	FAMILY HEALTH INTERNATIONAL	863/0080.0018-AM04	35,297
93.939	3600	SPOKANE AIDS NETWORK	HAPD0001	-51
93.944	3600	SEATTLE-KING COUNTY DEPTOF PUBLIC HEALTH	D39399D	-32
93.945	3600	CHILDREN'S HOSPITAL & REGIONAL MED. CTR	413340090301-UWLIU	-2,858
93.945	3600	CHILDREN'S HOSPITAL MEDICAL CENTER	413340090501PO10005SUB	8,995

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.945	3600	SEATTLE CHILDREN'S HOSPITAL	10283SUBPRIME1U18DP002	22,638
93.945	3600	WAKE FOREST UNIVERSITY	WFUHS11240U01DP000250A	130,786
93.958	3000	NEW FREEDOM INT.	841305	39,009
93.958	6990	Optum Health	2009-SOW-10.01-PIER	7,021
93.958	6990	Optum Health	2011-SOW-10.01-PIER	27,778
93.989	3600	UNIVERSIDAD PERUANA CAYETANO HEREDI	5 D 43 TW 008438 2	87,951
93.989	3600	UNIVERSIDAD PERUANA CAYETANO HEREDI	UW BUD# 673289	761
93.989	3600	UNIVERSITY OF NAIROBI	UW BUD# 672847	103,545
93.989	3600	VANDERBILT U MED CTR ACAD & RSCH ENT.	VUMC35544AM15R24TW0079	4,315
93.989	3600	VANDERBILT U MED CTR INST FOR GLOB HLTH	VUMC355595R24TW0079880	189,529
93.989	3600	VANDERBILT UMC GLOBAL HEALTH INST.	VUMC35543AM025R24TW007	21,590
93.989	3600	VANDERBILT UNIVERSITY	VUMC 34749, AM0	1,821
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 34749	4,658
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 34749, AM02	43,840
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 35540 AM01	9,168
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 35542 AM01	18,844
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 36924	57,614
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC35561AM015R24TW007	8,301
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC36834	52,141
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC369085R24TW0079880	16,250
93.995	3600	CHILDREN'S HOME SOCIETY OF WASHINGTON	UW BUD# 672257	-47
93.995	3600	CHILDREN'S HOME SOCIETY OF WASHINGTON	UW BUD# 673336	28,869
93.999	3600	ADJUSTMENT	UW BUD# 999903	4
94.005	3600	WASHINGTON CAMPUS COMPACT	54571-P	12,898
94.006	3600	JUMPSTART FOR YOUNG CHILDREN	480200	158,805
94.006	3600	JUMPSTART FOR YOUNG CHILDREN	ENTER BB PROJ #480100	-4,342
94.006	3600	JUMPSTART FOR YOUNG CHILDREN	UW BUD# 671223	-14,273
94.007	3800	N Carolina Campus Compact	07EDHWA002	2,500

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
97.000	3600	ENERTECHNIX, INC.	UW BUD# 637703	23,296
97.000	3600	LATTICE GOVERNMENT SERVICES, INC.	PO-20101122-UW	28,987
97.000	3600	UNIVERSITY OF MICHIGAN	3001657166 AM01	15,503
97.000	3650	EXCELLIMS CORP	WSU000938	209
97.000	3650	IMPLANT SCIENCES	HSHQDC05C0004WSU	-15,368
97.005	6990	Natl Partnership for Environmental Tech Ed	10381 FEMA	29,793
97.005	6990	Natl Partnership for Environmental Tech Ed	10425 FEMA	95,404
97.006	2250	King County	C100735GSC-DRI9	6,504
97.039	3760	FEMA	1734-DR-WA-27-R-E10-19	98,397
97.061	3600	KANSAS STATE UNIVERSITY	S11198	743
97.061	3600	UNIVERSITY OF ARIZONA	Y503225 MOD.2	82,209
97.061	3650	NORTHEASTERN UNIV	504928P0902320	398,210
97.065	3650	TN TECH UNIV	P0005219	17,747
97.067	2250	Kitsap County DEM	C110276FED-CEM1	32,551
97.075	2250	King County	C110668GSC-DRI2	12,230
97.077	2250	Battelle Memorial Institute	C090605FED-PND9	7,186
97.077	3650	FISK UNIVERSITY	WSU001066	334,312
98.001	3650	IA ST UNIV	4044087D	39,827
98.001	3650	NAT'L ACADEMIES	PGAP280179	49,697
98.001	3650	NAT'L ACADEMIES	PGAP281490	3,310
98.001	3650	TOTAL LANDCARE MALAWI	WSU001162	351,374
98.001	3650	VA TECH UNIV	42597619276	23,831
99.000	3600	BERGERABAM ENGINEER, INC.	FABLD-11-031	31,422
99.000	3600	CHICAGO BOTANIC GARDEN	PO 6832JSB01.04.10	3,564
99.000	3600	FAMILY HEALTH INTERNATIONAL (FHI)	UW BUD# 639064	414,648
99.000	3600	JOHNS HOPKINS UNIVERSITY	958318	18,651
99.000	3600	KITTELSON AND ASSOCIATES, INC	UW BUD# 635242	23,182
99.000	3600	NATIONAL ACADEMIES	HR 03-96 MOD01	132,519

State of Washington
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Note F:
Supplemental Information for Pass-Through Funds

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June 30, 2011
(Expressed in whole dollars)

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
99.000	3600	PURDUE UNIVERSITY	4112-31804, AM05	33,168
99.000	3600	TRUESTONE, LLC	SA.TRU.UOW.005	16,451
99.000	3600	UNIV OF MICHIGAN	3001316273 AM01	70,613
99.000	3650	ETHIOPIA COLL TELECOM INFO TECH	WSU000801	2,867
99.000	3700	BMI-Lake Pend Oreille-ARRA	145444	428
99.000	3700	IDHW-Region 3 ICPC	3C085100	21,870
99.000	3700	Kal Tr-Box Canyon 10-11	BPA#1997-004-00	6,242
99.000	3700	Kal Tr-Bull Trout 10-11	BPA 2007-246-00	93,227
99.000	3700	Kal Tr-Bull Trout 11-12	BPA 2007-246-00	9,056
99.000	3700	Kal Tr-Bull Trout Yr 3	BPA 2007-246-00	2,035
99.000	3700	Spo Tribe-BPA Lake Roosevelt 10-11	BPA 1994-043-00	139,214
99.000	3700	Spok Tribe-BPA Lake Roosevelt 09-10	BPA1994-043-00	14,058
99.000	3700	UCUT-Monitoring 10-11	BPA#200800700	68,057
99.000	3700	UCUT-Monitoring 11-12	BPA#200800700	16,816
99.000	4610	National Fish & Wildlife Foundation/BPA FY10	C010032	26,478
99.000	4610	National Fish & Wildlife Foundation/BPA FY11	C011011	90,183
99.999	3650	BATTELLE COLUMBUS	227868	22,065
			Total Pass-Through Funds	**210,289,418**

State of Washington
Schedule of Expenditures of Federal Awards
Note G: Supplemental Information - Outstanding Loan Balances

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Catalog No.	Federal Program Title	June 30, 2011 Outstanding Loan Balances
University of Washington (Agency 3600)		
84.038	Federal Perkins Loan Program_federal Capital Contr	47,599,637 **s**
93.264	Nurse Faculty Loan Program	912,941 **s**
93.342	Health Professions Student Loans, Including Primar	12,475,727 **s**
93.364	Nursing Student Loans	1,819,630 **s**
93.408	ARRA - Nurse Faculty Loan Program	191,184 **s**
	University of Washington Total	**62,999,119**
Washington State University (Agency 3650)		
84.038	Federal Perkins Loan Program_federal Capital Contr	18,255,629 **s**
93.264	Nurse Faculty Loan Program	259,576 **s**
93.342	Health Professions Student Loans, Including Primar	2,592,447 **s**
93.364	Nursing Student Loans	1,337,137 **s**
	Washington State University Total	**22,444,789**
Eastern Washington University (Agency 3700)		
84.038	Federal Perkins Loan Program_federal Capital Contr	5,085,193 **s**
	Eastern Washington University Total	**5,085,193**
Central Washington University (Agency 3750)		
84.038	Federal Perkins Loan Program_federal Capital Contr	7,352,378 **s**
	Central Washington University Total	**7,352,378**
the Evergreen State College (Agency 3760)		
84.038	Federal Perkins Loan Program_federal Capital Contr	4,039,518 **s**
	the Evergreen State College Total	**4,039,518**
Western Washington University (Agency 3800)		
84.038	Federal Perkins Loan Program_federal Capital Contr	8,082,966 **s**
	Western Washington University Total	**8,082,966**

State of Washington
Schedule of Expenditures of Federal Awards
Note G: Supplemental Information - Outstanding Loan Balances

For the Year Ended
June 30, 2011
(Expressed in whole dollars)

Federal Catalog No.	Federal Program Title	June 30, 2011 Outstanding Loan Balances
Community College Systems (Agency 6990)		
84.038	Federal Perkins Loan Program_federal Capital Contr	2,632,753 **s**
	Community College Systems Total	**2,632,753**
	Total Loan Balances	**112,636,716**

Footnote:

s - Amount included on schedule of expenditures of federal awards

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Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	01	Finding: The Department of Social and Health Services, Economic Services Administration did not have controls in place to comply with federal regulations regarding costs of salaries charged to federal grants. Questioned Costs: CFDA # — Amount 10.551 — $0 10.561 93.558 93.714 - ARRA 93.716 - ARRA 93.720 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Department concurs with this finding. The Department has taken and will take action to correct the deficiencies identified in the audit. In March 2012 the Department: • Reviewed and reduced the number of split coded positions which will limit the need for adjustments, and • Identified one staff in headquarters who will be responsible for ensuring time certification policies and procedures comply with federal requirements. Beginning in April 2012, the staff person responsible for time certification will review salary charges on a monthly basis to ensure costs are transferred as appropriate. Also, a quarterly review will be completed to reconcile time spent with actual expenditures. Completion Date: Estimated April 2012

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	02	Finding:	The Department of Social and Health Services, Economic Services Administration did not issue retroactive food assistance payments in accordance with federal law.
		Questioned Costs:	CFDA # / Amount 10.551 / $11,300.00 (approx.) 10.561
		Status:	Corrective action in progress
		Corrective Action:	The Department concurs with this finding. In April and May 2011 the Department trained field staff on the proper calculation of retroactive payments. The same training is required for new employees responsible for issuing benefits. By March 2012 all exceptions identified in the audit will be reviewed by Department staff to determine the correct supplement amount for which the client was eligible. For those payments determined to be unallowable the Department will establish an overpayment that will be issued to the client. By January 2013 the Department is planning to update the Automated Client Eligibility System (ACES) with an edit that will prevent retroactive benefit payments beyond the allowable 12 month period. The Department will address the issue of the questioned costs with the U.S. Department of Agriculture. **The condition noted in this finding was previously reported in finding 10-03.**
		Completion Date:	Estimated January 2013

Recreation and Conservation Funding Board (RCFB)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	03	Finding: The Recreation and Conservation Office did not support more than $220,000 in payroll costs as required by federal regulations for the Pacific Coast Salmon Recovery Pacific Salmon Treaty Program. Questioned Costs: CFDA # 11.438 — Amount $220,859.57 Status: Corrective action in progress Corrective Action: The Recreation and Conservation Funding Board (Board) concurs with this finding and will take the following corrective action: • Draw payroll costs only as they occur. This change will cover salaries and benefits. • Verify the Board's handling of the payroll costs comply with the Cost Principles for State, Local and Indian Tribal Governments, OMB Circular A-87. • Update all staff on the audit outcomes, update timesheets and train fiscal staff on the detailed changes to processes needed. • Discuss the questioned costs with U.S. Department of Commerce, National Oceanic and Atmospheric Administration. The Board's actual payroll costs over the years have exceeded the amount that was charged to the U.S. Department of Commerce, National Oceanic and Atmospheric Administration for the Pacific Coast Salmon Restoration Fund (PCSRF). Completion Date: Estimated May 2012

Recreation and Conservation Funding Board (RCFB)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	04	Finding: The Recreation and Conservation Office did not support more than $62,000 in administrative costs as required by federal regulations for the Pacific Coast Salmon Recovery Pacific Salmon Treaty Program. Questioned Costs: CFDA # 11.438 — Amount $62,643.00 Status: Corrective action in progress Corrective Action: The Recreation and Conservation Funding Board (Board) concurs with this finding and will take the following corrective action: • Base all administrative costs on the Board's federally approved indirect rate. The Board will only draw administrative costs as they occur. • Work with U.S. Department of Commerce, National Oceanic and Atmospheric Administration to amend grant agreements to include indirect costs in the grant budget. • Share with U.S. Department of Commerce, National Oceanic and Atmospheric Administration the base of the administrative costs (agency pass-through). • Update all staff on the audit outcomes and train fiscal staff on the detailed changes to processes needed. • Discuss the questioned costs with U.S. Department of Commerce, National Oceanic and Atmospheric Administration. The Board's actual administrative costs over the years have exceeded the amount that was charged to the U.S. Department of Commerce, National Oceanic and Atmospheric Administration for the Pacific Coast Salmon Restoration Fund (PCSRF). Completion Date: Estimated April 2012

Military Department (MIL)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	05	Finding:	The Military Department did not support $155,647 in payroll costs in accordance with federal regulations for its National Guard Operations and Maintenance grant.
		Questioned Costs:	CFDA # — Amount 12.401 – ARRA and non-ARRA — $155,647.00
		Status:	Corrective action in progress
		Corrective Action:	The Department concurs with this finding. By April 2012 the following steps will be taken: • The Department will change its hiring procedures to include a notation on the Personnel Action Form to include whether or not the employee is required to submit quarterly certifications. This notation will be noted by the program hiring authority. • The Payroll Section will maintain a listing of employees who are required to submit quarterly certifications. • The Payroll Section will be responsible for collecting the required certifications on each employee and maintaining appropriate records. The United States Property and Fiscal Office (federal granting agency) was forwarded a copy of the draft finding and the Department is waiting for their decision regarding the questioned costs.
		Completion Date:	Estimated April 2012

Military Department (MIL)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	06	Finding: The Military Department does not have controls to ensure it complies with Davis-Bacon (prevailing wage) requirements. Questioned Costs: CFDA # — Amount 12.401 – ARRA and non-ARRA — $0 Status: Corrective action complete Corrective Action: The Department concurs with this finding. The following actions have been taken to correct this deficiency: • The responsibility for monitoring compliance with Davis-Bacon (prevailing wage) requirements has been assigned to the Contracting Section of the Military Department. • The Contracting Section is familiar with Davis-Bacon reporting requirements and has incorporated the submission and review of weekly certified payrolls into contracts requiring such reporting. • The Contracting Section is responsible for collecting certified payrolls and will monitor compliance. Completion Date: February 2012

Washington State Housing and Finance Commission (WSHFC)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	07	Finding:	The Washington Housing Finance Commission did not ensure funding it provided to subrecipients of the Tax Credit Assistance Program was reported and audited in accordance with federal regulations.
		Questioned Costs:	CFDA # — Amount 14.258 - ARRA — $0
		Status:	Corrective action complete
		Corrective Action:	The Commission concurs with the determination of the State Auditor's Office (SAO) that the Commission did not ensure sub-recipient received federal audits as required. As noted by the SAO, the Commission subsequently corrected the error by receiving and reviewing such audits and will continue to do so for any subsequent years in which the Commission provides Tax Credit Assistance Program funds to a sub-recipient. Additionally, the Commission will increase diligence in communicating federal grant information to sub-recipients, including providing CFDA numbers and adding clarity on federal requirements for subrecipient audits.
		Completion Date:	February 2012

Employment Security Department (ESD)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	08	Finding: The Employment Security Department did not comply with U.S. Department of Labor requirements for determining the accuracy of Unemployment Insurance benefit payments. Questioned Costs: CFDA # — Amount 17.225 – ARRA and non-ARRA — $0 Status: Corrective action in progress Corrective Action: The Department has made and continues to make the necessary improvements to ensure all BAM (Benefit Accuracy Measurement) investigations are accurate, complete and compliant with U.S. Department of Labor requirements. Improvements completed or planned include the following: • Revised processes to improve claimant and employer response rates. • Increased supervisory case review and oversight. • Enhanced staff knowledge through training, sharing of best practices and peer case file reviews. • Recruitment and retention of experienced and knowledgeable investigators. • Increased communication and cooperation with others units in the Department, BAM staff in other states and external regulators. • Increased reference resources available within the Department. • Completion of updates to the BAM procedural manual and unit forms. **The condition noted in this finding was previously reported in finding 10-08.** Completion Date: Estimated June 2012

Department of Transportation (DOT)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	09	Finding:	The Department of Transportation did not support over $768,000 in payroll costs in accordance with federal regulations for the Formula Grants for Other Than Urbanized Areas.
		Questioned Costs:	CFDA # / Amount 22.509 – ARRA and non-ARRA / non-ARRA: $643,146.33 ARRA: $125,631.22
		Status:	Corrective action in progress
		Corrective Action:	The Department appreciates the State Auditor's work regarding the Formula Grants for Other Than Urbanized Areas. At this time, the Department is awaiting required authorization from the federal grantor to implement its planned correction. The Department is considered an innovative leader by the Federal Transit Administration (FTA) for its grant administration methods, which include administering a number of closely related grant programs. After receiving a similar finding in 2009, the Department's Public Transportation Division developed and submitted a formalized direct payroll cost allocation plan, known as a substitute system, to the FTA to meet the federal regulations (OMB Circular A-87). Upon receipt of the plan, the FTA requested that the Department continue to allocate payroll costs under the current FTA approved method until such time as the new plan can be reviewed and approved. The FTA staff conducted fieldwork for their review in January 2011, and provided their results in June 2011. The FTA report offered recommendations that the Department will continue to implement in order to receive grantor approval of the cost allocation plan. Once approved, the Public Transportation Division will allocate direct payroll costs using the new method and will incorporate the new method into its policies and procedures. Until FTA approval is received, allocations are being based on actual time worked, which is in compliance with federal regulations. The FTA has not requested that any funds be repaid. **The condition noted in this finding was previously reported in finding 10-13.**
		Completion Date:	Estimated June 2012

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	10	Finding: The Department of Commerce does not ensure the funding it provides to sub-recipients is reported and audited in accordance with federal regulations. Questioned Costs: CFDA # — Amount 66.468 - ARRA and non-ARRA — $0 81.042 - ARRA and non-ARRA 93.569 93.710 - ARRA Status: Corrective action in progress Corrective Action: The Department partially concurs with the finding. The Department agrees five sub-recipients did not submit audit reports as required and this oversight was not caught. The Department will contact those sub-recipients to verify compliance with A-133 and obtain copies of audit reports. Sub-recipient contract terms and conditions identify the requirement that organizations receiving in excess of $500,000 in federal funds must have a Circular A-133 audit and submit copies to Commerce. The Department intends to increase periodic review of sub-recipients with federal expenditures provided from Commerce in excess of $500,000 by refining specific audit requirements and reporting functionality in its tracking systems to better follow-up on delinquent reports. Since it is possible for sub-recipients to receive less than $500,000 from Commerce plus additional funds from other sources to exceed the threshold for requiring an A-133, the Department intends to remind sub-recipients of this requirement; however, it has no method to determine when this threshold is met. Commerce is satisfied that program funds expended during this period were appropriate and correct through the monthly invoice verification process, the required documentation review and on-site monitoring conducted for each sub-recipient.

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	10 (Cont'd)	The Department does not agree that it has the responsibility to ensure sub-recipients are reporting all federal program funds in their Schedule of Expenditures of Federal Awards. Further, the Department does not believe it is required to re-audit an A-133 audit prepared by the sub-recipient's Certified Public Accountant. Generally accepted accounting principles and federal regulations enumerate many financial statement disclosure requirements with which auditees and auditors must comply. If the State Auditor's Office has concerns about the quality of an audit report, there are procedures for notifying the State Board of Accountancy of those concerns. The Department does not have the expertise to make such judgments. The Department believes timely and appropriate corrective action was completed for the four sub-recipient audit findings. There are instances where the Department made the decision to accept the sub-recipient's original response to the audit finding and, consequently, has not required any follow-up. This course of action is within the Department's purview. The Department intends to refine specific corrective action and management decision documentation and reporting functionality in its tracking systems to better centrally document timely and appropriate corrective action for sub-recipient audit findings. Completion Date: Estimated December 2012

Office of Superintendant of Public Instruction (OSPI)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	11	Finding:	The Office of Superintendent of Public Instruction's internal controls over sub-recipient monitoring is not adequate to ensure only proper and allocable costs are charged to the Title I program.
		Questioned Costs:	CFDA # / Amount 84.010 / $0 84.389 - ARRA
		Status:	Corrective action not taken
		Corrective Action:	The Office does not concur with this finding and will work with the U.S. Department of Education through the resolution process. The Office produced ample documentation of payroll and non-payroll expenditure reviews which provided clear and convincing evidence that it monitored subrecipients in accordance with federal regulations and its monitoring plans. The Office does not believe this finding is supported nor is it consistent with federal laws and regulations. The Office will make improvements in documenting its monitoring activities, but based on all available evidence, the Office contends that it is meeting or exceeding the standards for federal sub-recipient monitoring or use of funds. The Office has no intention of placing unnecessary burdens on districts that are not efficient, effective or required. The Office takes the responsibility to be accountable for public funds it administers very seriously and has developed a risk based system of monitoring districts which is efficient and effective for identifying improper use of those funds. The Office plans to continue to utilize this approach in the future.
		Completion Date:	N/A

University of Washington (UW)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	12	Finding: The University of Washington did not comply with the eligibility requirements of federal student financial aid programs. Questioned Costs: CFDA # — Amount 84.063 – ARRA and non-ARRA — $ 10,645.00 84.268 — $102,418.00 93.658 – ARRA and non-ARRA — $ 13,562.00 Status: Corrective action in progress Corrective Action: The University's School of Social Work has strengthened its internal control structure. Duties have been segregated so that the Assistant Dean for Student Affairs, who had complete control of the independent study process, no longer approves independent study course proposals. The Directors of the Masters of Social Work (MSW) and the Bachelor of Social Work (BASW) Programs now approve all independent study course proposals. To ensure compliance with this policy, two steps are in place. First, on day 10 of each quarter, the files of all students enrolled in independent study courses are reviewed to ensure that the independent study course proposals are properly documented and approved. Second, periodic checks are conducted by the Associate Dean for Academic Affairs on a sample of students enrolled in independent study courses to ensure that proposals are properly documented and approved. The University currently provides guidance to students regarding their eligibility for Student Financial Aid via a number of communication mechanisms, including secure websites with individual student eligibility information, written, verbal and email communication from financial aid counselors and printed publications and websites relating to general financial aid information. In the future, typically at the beginning of the Fall Quarter, alerts will be sent to undergraduate and graduate academic department advisors directing them to University policies regarding financial aid eligibility. These alerts will also serve to remind them that they should direct students who have questions or concerns about financial aid to the Office of Student Financial Aid. On March 9, 2012, the University of Washington received the Final Program Review Determination Letter from the U.S. Department of Education for the questioned costs related to the Pel Grant Program, CFDA #84.063. The total amount of repayment that they are requesting is $10,668.62 (which is the amount of overpayment + interest). Payment is due within 45 days. Payment will be made to DOE per their instructions within 45 days.

University of Washington (UW)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	12 (Cont'd)		On March 9, 2012, the University of Washington received the Final Program Review Determination Letter from the U.S. Department of Education for the Federal Direct Student Loan Program, CFDA #84.268. The total amount of repayment that they are requesting is $9,530.74. This figure takes into consideration the amount of loans improperly awarded ($102,418), the expected repayment amount of the loans to be received from students after applying our institutional default rate, and additional interest incurred. Payment is due within 45 days. Payment will be made to DOE per their instructions within 45 days. The University of Washington sent a check to the Department of Social and Health Services on February 14, 2012 in the amount of $13,562 to repay the questioned costs on the Foster Care Title IV-E grant, CFDA #93.658.
		Completion Date:	Estimated October 2012

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	13	Finding:	The Department of Social and Health Services is not complying with federal requirements for suspension and debarment for its federal Vocational Rehabilitation Program.
		Questioned Costs:	CFDA # / Amount 84.126 / $0 84.390 - ARRA
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with this finding. The Department's Division of Vocational Rehabilitation (DVR) purchases client services with a STARS Authorization for Purchase (AFP). DVR added a suspension and debarment clause to the terms and conditions of the AFP. Also, language was added to the beginning of the AFP and to the terms and condition that states the AFP is a binding contract once the vendor agrees to the terms and/or begins providing the services. **The condition noted in this finding was previously reported in finding 10-23.**
		Completion Date:	February 2012

Department of Services for the Blind (DSB)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	14	Finding: The Department of Services for the Blind is not complying with federal requirements for suspension and debarment for its federal Vocational Rehabilitation Program. Questioned Costs: CFDA # — Amount 84.126 — $0 84.390 - ARRA Status: Corrective action in progress Corrective Action: The Department concurs with this finding and will take the following steps to ensure all vendors receiving more than $25,000 in vocational rehabilitation funds are not suspended or debarred: • Expand its General Terms and Conditions (GT&Cs) to include suspension and debarment certification language; • Attach the expanded GT&Cs to all service delivery outcome plans and contracts; • Review monthly if a current vendor has received more than $25,000 in grant funds in the preceding twelve months. If so, staff will verify the vendor has signed the GT&Cs providing the necessary certification; and • Ensure applicable staff implements these procedures. Completion Date: Estimated April 2012

Department of Services for the Blind (DSB)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	15	Finding: The Department of Services for the Blind did not comply with federal requirements regarding services charged to the Vocational Rehabilitation Program. Questioned Costs: CFDA # — Amount 84.126 — $20,676.00 84.390 - ARRA — $ 36.00 Status: Corrective action in progress Corrective Action: The Department acknowledges the finding and plans to take the following steps to respond to the identified concerns: • In March 2012, submit to the U.S. Department of Education Rehabilitation Services Administration (RSA) a request for determination whether the tools and methods developed by the Department for documenting estimated individual plans for employment (IPE) goods and services costs, modification of cost estimates, service date ranges, extension of general timeliness guidelines and active client involvement in decision making meet necessary requirements. • If RSA finds a need for closer alignment of IPE content and accompanying detailed case narrative, the Department will by August 15, 2012 focus staff training on updating standardized IPE responses, and making other necessary process adjustments. The Department will handle questioned costs pursuant to direction from RSA. Completion Date: Estimated August 2012

Department of Early Learning (DEL)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	16	Finding: The Department of Early Learning did not comply with time and effort requirements for its Special Education Grants for Infants and Families for the Early Support for Infants and Toddlers Program. Questioned Costs: CFDA # — Amount 84.181 — $96,711.00 84.393 - ARRA Status: Corrective action complete Corrective Action: The Department acknowledges that two payroll certifications (for one employee) out of the entire Early Support for Infants and Toddlers (ESIT) program were not obtained. The Department did contact the employee after this was discovered, who responded that 100% of his time was devoted to the work funded under the Special Education Grant. However, this retroactive certification was not allowed by the auditor. This specific employee completed a certificate for every period while the program was at the Department of Social and Health Services. However, when the program transferred to the Department of Early Learning, somehow the follow-through did not occur and his certificates were never received by the Fiscal Manager. This was a clear indication that the Department needed to tighten up its process for ensuring a certificate is completed for all the ESIT staff. Steps have already been taken to ensure this does not happen again. The ESIT Fiscal Program Manager (FPM) implemented the following procedures: • Developed a certification tracking grid containing a list of ESIT program and ESIT IT staff. • Scanned and electronically stored all certificates. • Delivered original hard copy certificates to the Fiscal Office for recording/filing. The Department will continue to use the tracking grid as a checklist to ensure that all certificates are obtained from ESIT program and ESIT IT staff. The Department plans to address the questioned costs with the U.S. Department of Education to determine actions necessary to ensure resolution. Completion Date: February 2012

Department of Health (DOH)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	17	Finding: The Department of Health does not monitor subrecipients of the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness programs. Questioned Costs: CFDA # — Amount 93.069 — $480,000.00 93.889 — $190,832.00 Status: Corrective action in progress Corrective Action: The Department partially concurs with the State Auditor's Office (SAO) finding, and will implement corrective action to: • Collect all required A-133 reports from subrecipient entities and ensure that they are reviewed. Where subrecipient entities do not comply with this requirement, the Department will initiate appropriate sanctions consistent with the A-133 compliance supplement. • Follow up on issues identified through both the A-133 audits and subrecipient monitoring in a more timely and coordinated manner and formalize this process in policy and procedure. However, the Department wishes to emphasize that these efforts are in place, and that it is collecting questioned costs relating to subrecipient monitoring activities. • Notify subrecipients of grant information as described in the A-133 compliance supplement. • Increase the scope of the documentary review performed in contracted monitoring visits, in a measured way, beginning with the calendar year 2012 fiscal monitoring visits. • Collect summary level expenditure information as part of its invoicing process for subrecipients participating in its consolidated contracting process • Consider similar summary-level documentation requirements for non profits and Native American tribes with whom the Department has subrecipient relationship.

Department of Health (DOH)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	17 (Cont'd)	The Department is also reviewing OMB guidance in light of certain regulatory interpretations by the SAO, and will formalize Department subrecipient monitoring practices, including follow up, in policy and procedure. The Department will work with its federal grantor to resolve the questioned costs identified by the SAO. **The condition noted in this finding was previously reported in finding 10-25.** Completion Date: Estimated December 2012

Department of Health (DOH)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	18	Finding:	The Department of Health did not comply with federal reporting requirements for the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness Programs.
		Questioned Costs:	CFDA # / Amount 93.069 / $0 93.889
		Status:	Corrective action in progress
		Corrective Action:	The Department is evaluating the policies and procedures that govern the completion of progress and financial reports required by the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness grants. In addition, the Department will develop a record of report content and submission dates to enable retrieval of this information when requested by external reviewers. The Department's Grants Management Office is assessing its review and documentation procedures for completing the required reports. Augmenting current practices should address those errors that have not already been identified and corrected by the Grants Management Office. These controls will be evaluated internally to confirm their sufficiency.
		Completion Date:	Estimated June 2012

Department of Health (DOH)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	19	Finding: Department of Health did not maintain the federally required documentation for $189,000 in payroll costs charged to the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness Programs. Questioned Costs: CFDA # — Amount 93.069 — $114,206.06 93.889 — $ 75,686.14 Status: Corrective action complete Corrective Action: The State Auditor's Office (SAO) first identified the time keeping record issue for the program managers in the 2010 state fiscal year single audit which was released in March of 2011. Effective January 1, 2011 when the Department became aware of the time keeping record issue, it was corrected and the Department believes this issue is resolved. The 2011 state fiscal year single audit also noted that a number of program employees began keeping time sheets during 2011 and also completed quarterly payroll certifications. SAO classified this as an exception and a questioned cost because the two documents did not agree. This error has also been corrected. The Department will work with the federal grantors to resolve the questioned costs identified by the SAO. **The condition noted in this finding was previously reported in finding 10-26.** Completion Date: January 2012

Department of Health (DOH)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	20	Finding:	The Department of Health does not have sufficient internal controls to ensure federal requirements for matching and level of effort are met for the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness programs.
		Questioned Costs:	CFDA # / Amount 93.069 / $0 93.889
		Status:	Corrective action in progress
		Corrective Action:	The Department partially concurs with the State Auditor's Office (SAO) finding. In response to the SAO recommendation, the Department has developed an additional means of tracking grant related transactions for the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness grants that are identified as meeting the requirement for matching expenditures. The Department believes that these controls will allow it to confirm the level of match and maintenance of funding (MOF), if any, at any interim point in the reporting period. The Department will confirm the adequacy of these controls through an internal review. The Department does not fully concur with the SAO interpretation of MOF reporting requirements as reported in the finding and will seek clarification from its federal grantor.
		Completion Date:	Estimated May 2012

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	21	Finding: The Department of Social and Health Services, Division of Child Support, did not comply with federal regulations on documentation for employee salaries and wages charged to the Child Support Enforcement Program. Questioned Costs: CFDA # — Amount 93.563 – ARRA and non-ARRA — $65,432.56 Status: Corrective action complete Corrective Action: The Department concurs with this finding however, the Department does not concur with the questioned costs. In October 2011 the Department implemented the following procedures to ensure only allowable salaries and benefits are charged to the Child Support Enforcement Grant: • All employees who do not work 100% on the grant are required to complete monthly time sheets, recording the actual hours worked on each program; • Employees whose job duties change, or are reassigned, during the certification period, are required to complete time sheets beginning the month the change occur and each month thereafter; • Fiscal staff began and continue working with program staff to ensure that time sheets are completed and submitted for all affected employees; • Cost coding was changed for those employees serving in developmental job assignments (DJA) outside of the child support program, removing them from the grant; and • From October 2011 forward, semi-annual certifications are allowed only for employees who work 100% on the grant. When the U.S. Department of Health and Human Services (DHHS) contacts the Department about questioned costs identified in this audit, the Department will negotiate repayment and take action as recommended by DHHS. Completion Date: October 2011

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	22	Finding: The Department of Commerce, Community Services and Housing Division, did not comply with period of availability requirements for its Community Services Block Grant program. Questioned Costs: CFDA # — Amount 93.569 — $147,422.00 93.710 - ARRA Status: Corrective action in progress Corrective Action: The Department concurs with the finding. Department program staff did not properly review the pre-coded payment documentation to ensure costs were within the proper period of availability. Subrecipients used an out-of-date pre-coded payment document template with closed 2009 award year coding. Neither program staff nor fiscal staff verified nor corrected the old coding. As a result, $57,071.69 was paid beyond the period of availability for 2009. Commerce fiscal staff did not properly review costs transferred from one grant year to another grant year to ensure costs were within the proper period of availability. Program staff inadvertently chose items outside the period of availability when requesting a transfer. Fiscal staff reviewing the work of newly trained fiscal staff did not properly verify backup documentation for the transfer. As a result, $90,350.46 transferred was not properly identified within the period of availability for the 2009 award year. In February 2012, fiscal and program staff reviewed and corrected the $147,422.15 questioned 2009 grant year costs by transfer to the correct grant year per the period of availability. Appropriate costs within the period of availability for the 2009 grant were identified and subsequently transferred, resulting in zero net impact to the Community Services Block Grant 2009 award year.

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	22 (Cont'd)	The Department concurs with the Auditors recommendations to properly review payment costs for proper period of availability and stop providing pre-coded payment documents to subrecipients. The Department has reiterated document review and approval expectations with program and fiscal staff. Payment document (invoice) templates with no pre-coding will be used in the future. Understanding a federal program may have awards with overlapping / concurrent periods of availability, the Department added award tracking to the Commerce Contract Management System (CMS) in January 2012, including award first-in-first-out (FIFO) functionality to help reduce or eliminate cost transfers at award end between award years. The Department intends to begin usage of this new functionality with the CSBG program. Additionally, the Department intends to add stop edits to the CMS invoice payment functionality to notify an award end date is past, prior to allowing any payment. **The condition noted in this finding was previously reported in finding 10-30.** Completion Date: Estimated May 2012

Department of Early Learning (DEL)/Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	23	Finding:	The Department of Early Learning and the Department of Social and Health Services do not have adequate internal controls over direct payments to child care providers.
		Questioned Costs:	CFDA # / Amount 93.575 / $0 93.596 93.713 – ARRA
		Status:	Corrective action in progress
		Corrective Action:	As reported in past audit reports, the Department of Early Learning (DEL) and the Department of Social and Health Services (DSHS) have taken steps to improve control over child care payments, such as increasing communications to the public on fraud-reporting options, and researching options for a new electronic attendance tracking system. The agencies have begun, or will implement additional measures as follows: • In January 2012, DEL added 5 new staff specifically to audit child care subsidy payments by comparing subsidy child care provider billings with attendance records. • DEL auditors expand the audit scope when they identify a child care provider that billed incorrectly. Providers are randomly selected for audit and include high billing providers from all three types: centers, family homes and license exempt providers. This is an on-going activity. • In accordance with the terms of the collective bargaining agreement with Service Employees International Union 925, DEL contracts with a third party to provide training on subsidy billing to licensed family home and license exempt providers. • DEL will contract with a third party to develop on-line training for subsidy billing for child care center billing staff. **The condition noted in this finding was previously reported in finding 10-31.**
		Completion Date:	Estimated June 2013

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	24	Finding:	The Department of Social and Health Services, Children's Administration, is not ensuring the eligibility of clients receiving Adoption Assistance payments.
		Questioned Costs:	CFDA # — Amount 93.659 – ARRA and non-ARRA — $33,624.00
		Status:	Corrective action in progress
		Corrective Action:	The Department concurs with this finding. The Department has trained staff and conducted spot checks of payments. By March 2012, the Children's Administration will send communication to all adoption support staff and managers reminding them of established procedures and controls for managing adoption support payments. Also, an in-service will be conducted with staff to review procedures and controls. The Department is also developing system controls in Famlink (the Department's child welfare and payment system) that suspend payments after a child turns 18 years. Payments can only be resumed after staff has manually confirmed the payments made for the adopted child are warranted. Additionally, staff must ask a separate fiduciary employee to continue the payments. The Department will review payments identified in the audit that contributed to questioned costs and return any federal share associated with unauthorized payments to the federal grantor. **The condition noted in this finding was previously reported in finding 10-32.**
		Completion Date:	Estimated September 2012

Department of Health (DOH)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	25	Finding: The Department of Health did not survey hospitals in accordance with state law, which could increase the risk of Medicaid clients receiving substandard care services. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Department concurs with this finding. By March of 2012 the Department will begin to create a dedicated hospital survey team that will have sufficient staff resources to complete hospital surveys within the required time frames. This process should be completed by February 2014. By March of 2012 the Department will explore funding sources and expand recruitment efforts in order to attract and pay for more resources to support this team. The Department's goal is to add two additional inspectors. This recruitment process should be completed by September of 2012. By April of 2012 the Department will begin a thorough study of its survey process to explore potential greater efficiencies in the face of ever-increasing regulatory burdens due to heightened federal standards, the hospital growth and the like. This study should be completed by April of 2013. Completion Date: Estimated February 2014

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	26	Finding: The Department of Social and Health Services paid Medicaid providers for services that were not provided to Medicaid beneficiaries. Questioned Costs: CFDA # — Amount 93.720 — non-ARRA: $45,624.90 93.775 — ARRA: $ 9,899.69 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Department concurs with this finding. The Department will continue its work to strengthen processes that may provide a timelier and more consistent way to inform field staff about deceased clients. More specifically, the Department will: • Establish overpayments for those payment exceptions identified in the audit. This has an anticipated completion date of April 2012. • By June 2012 the Department will work with the U.S. Department of Health and Human Services to determine if any costs charged to Medicaid funds must be reimbursed. • Implement a new Invalid Payment Report and Overpayment Policy. The report will enable field staff to discover and correct invalid payments more timely. This has an anticipated completion date of July 2012. Completion Date: Estimated July 2012

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	27	Finding:	The Department of Social and Health Services, Office of Financial Recovery, did not have adequate controls to ensure the federal share of overpayments made to Medicaid providers is refunded to the federal government in an accurate and timely manner.
		Questioned Costs:	CFDA # / Amount 93.720 / $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with this finding. Corrective action was implemented by the Department in October 2011. At that time all Department administrations and partners (Health Care Authority) received the first quarterly notification from the Department's Office of Financial Recovery (OFR) that all overpayments were to be submitted to the OFR for collection and reimbursement to the federal government as required by administrative policy and law. Also, the notification was sent to all parties again in January 2012. In October 2011, OFR also started a quarterly notification process that reminds Department administrations to submit all overpayments to OFR in a timely manner. The second quarterly notification was sent to all parties again in January 2012. This will allow OFR to repay the federal government in a timely manner. **The condition noted in this finding was previously reported in finding 10-49.**
		Completion Date:	October 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	28	Finding: The Department of Social and Health Services did not ensure that all individuals who received Medicaid benefits had valid Social Security numbers. Questioned Costs: CFDA # — Amount 93.720 — non-ARRA: $25,498.50 93.775 — ARRA: $ 5,696.71 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: This finding involved two administrations within the Department, the Children's Administration (CA) and the Economic Services Administration (ESA). Both concur with the finding. and have or will implement the following corrective action: By March 2012 the CA will: • Review the four exceptions identified in the audit and determine if a Social Security number (SSN) can be obtained or applied for, for each client in question. If a valid SSN cannot be obtained any federal reimbursement received will be returned. • Communicate to staff who verify SSNs the Department's procedures along with additional tools that have been developed to identify SSNs. ESA has: • In January 2012 the Automated Client Eligibility System (ACES) was updated to allow SSN verification at the time of application screening. Staff can verify an applicant's SSN through a real time cross match with the Social Security Administration database by way of the State On-line Query (SOLQ). • In February 2012 the two exceptions identified in the audit were reviewed and corrected. Completion Date: Estimated March 2012

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	29	Finding: The Department of Social and Health Services does not have adequate internal controls to ensure Medicaid payments to in-home service providers are allowable and supported. Questioned Costs: CFDA # — Amount 93.720 — non-ARRA: $9,664.64 93.775 — ARRA: $2,367.93 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Department does not concur with this finding. It is the Department's opinion there are adequate controls in place. Current controls are: • Individual providers submit a signed invoice through the mail or through the state's Interactive Voice Response System to the Department of Social and Health Services for payment. This serves as verification and documentation that they have provided the services for which they are requesting payment. The state retains these invoices/records as the record that providers have attested to the number of service hours provided to the recipient. • Case managers complete an assessment that results in an authorization of hours that cannot be exceeded by a provider invoice. • Recipients receive a copy of the service summary that tells them the number of hours of service they are eligible to receive. Recipients are advised they can choose when those hours are provided and direct the individual provider when to provide them. Case Managers also advise recipients to contact them if they are not receiving the hours (or care) for which they are eligible. • Recipients are expected to keep copies of timesheets for their individual providers. Case Managers periodically review these time sheets and verify with the recipient that authorized services have been provided. Case managers are instructed to document the review of time sheets and the discussion of service verification in a Service Episode Record.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	29 (Cont'd)	• Timesheet auditing has been added to the annual Quality Assurance monitoring cycle. o In August 2011, all individual providers delivering personal care services received a written reminder of their obligation to keep a record of the date/time that in-home services are provided to Aging and Disability Services Administration (ADSA) recipients and complete and retain copies of their timesheets. o In September 2011, ADSA audited a statistically valid sample of individual provider time sheets to ensure that services billed for were consistent with timesheet documentation submitted. In instances where the billed hours differed from timesheet records or timesheets were not provided, service receipt was verified with the recipient. Corrective actions were taken which included contract termination and processing overpayments. In spite of these controls, the Department will take the following actions to ensure Medicaid payments to in-home service providers are allowable and supported. • By October 2012 the Department will monitor a randomly selected, statistically valid sample of in-home providers. The Department will verify with selected recipients that Medicaid billed services were received. • By December 2012 the Department will audit a randomly selected sample of individual provider timesheets to determine if services billed for are consistent with timesheet documentation that was submitted. By June 2012 the Department will contact the U.S. Department of Health and Human Services to determine if questioned costs need to be reimbursed. **The condition noted in this finding was previously reported in finding 10-42.** Completion Date: Estimated December 2012

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	30	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, did not ensure the level of in-home care services is appropriate and clients are still eligible for assistance at least annually. Questioned Costs: CFDA # — Amount 93.720 — non-ARRA: $42,041.10 93.775 — ARRA: $ 8,894.94 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Department partially concurs with this finding. The Department agrees that a very small percentage of assessments (56 out of 57,472) were late. However, the Department does not concur with the questioned costs as each client for whom payments were made remained eligible for Medicaid services during the period the assessment was out of date. The Department believes it has strong internal controls to ensure that level of care assessments for clients receiving in-home care is performed at least every twelve months. By July 2012 the Department will work with the U.S. Department of Health and Human Services to determine if any questioned costs need to be reimbursed. **The condition noted in this finding was previously reported in finding 10-39.** Completion Date: Estimated July 2012

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	31	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, charged approximately $36,000 to the Medicaid program for services provided to ineligible individuals. Questioned Costs: CFDA # — Amount 93.720 — non-ARRA: $18,101.36 93.775 — ARRA: $ 4,630.08 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action complete Corrective Action: The Department concurs with this finding. The Department inadvertently did not account for the July 2010 CHIP expenditure correction. This was corrected in December 2011 by returning funds to Medicaid and charging the enhanced CHIP funding. Also, in July 2011 the Department established new payment codes for state only and CHIP enhanced clients. This ensures only eligible Medicaid expenditures are charged to the Medicaid program. Completion Date: December 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	32	Finding: The Department of Social and Health Services does not have an adequate process to identify ineligible Medicaid expenditures for nonqualified aliens at the time of payment, resulting in $52,104 in questionable costs. Questioned Costs: CFDA # — Amount 93.720 — non-ARRA: $43,039.37 93.775 — ARRA: $ 9,065.34 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Department concurs with this finding. The Department acknowledged that Medicaid funds were used to serve non-qualified alien clients. Procedures have been implemented to prevent this from occurring in the future. In November 2011the Department corrected the exceptions identified in the audit. All questioned costs have been reimbursed to Medicaid. By March 2012 the Department will develop new payment codes to be used to move alien clients to state only funded programs. Completion Date: Estimated March 2012

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	33	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, does not have adequate controls to ensure the accuracy of financial eligibility determinations for Medicaid clients receiving home and community based services. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Department concurs with this finding. The Department has taken or will take the following actions to correct the deficiencies identified in the finding: • In February 2012 the Department convened a meeting of the Home and Community Services (HCS) Director, regional financial coordinators, and the HQ financial eligibility manager. All HCS offices will use the Audit 99 program to audit the financial determinations processed by all financial services specialists (FSS). Audit 99 is used to track case audits at the local office level. Data can be rolled-up for regional and state–wide reports. • Once an FSS is deemed proficient, his/her work will be audited three times per year. • By June 2012 HCS HQ staff will measure compliance quarterly using the Audit 99 report. Completion Date: Estimated June 2012

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	34	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, did not perform background checks for some in-home care individual providers in accordance with state law. Questioned Costs: CFDA # — Amount 93.720 — non-ARRA: $368,404.41 93.775 — ARRA: $ 81,221.28 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Department concurs with this finding. The Department will work to ensure that each Area Agency on Aging (AAA) has a strong tracking system in place to ensure that all providers have current background checks and that authorizations are terminated when providers are noncompliant with background check requirements. By July 2012 the Department will take the following actions: • Terminate payments to providers that do not have current background checks. • Terminate contracts of providers who fail to comply with requests to have current background checks completed. • Develop a Management Bulletin that will be distributed to direct field staff. The Management Bulletin will provide direction on how to deal with contractors and ensure they have current background checks. By June 2012 the Department will work with the U.S. Department of Health and Human Services to determine if any costs charged to Medicaid funds must be reimbursed. Completion Date: Estimated July 2012

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	35	Finding: The Department of Social and Health Services, Aging and Disability Services Administration does not have adequate controls to ensure Medicaid recipients have received the services for which Medicaid is billed. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Department did not concur with this finding and is of the opinion there are strong controls in place currently to ensure that recipients receive services for which Medicaid is being billed. These are: • Case managers complete an assessment that results in an authorization of hours that cannot be exceeded by a provider invoice. • Recipients receive a copy of the service summary that tells them the number of hours of service they are eligible to receive. Recipients are advised they can choose when those hours are provided and direct the individual provider when to provide them. Case Managers also advise recipients to contact them if they are not receiving the hours (or care) for which they are eligible. • Recipients are expected to keep copies of timesheets for their individual providers which are periodically reviewed by case managers. • Timesheet auditing has been added to the Department's annual Quality Assurance monitoring cycle. • The Department, through its Payment Review Program, runs algorithms to detect possible fraudulent claims. Overpayments are initiated and referrals are made to the Medicaid Fraud Control Unit as appropriate. • The Social Service Payment System will not process payments in excess of hours authorized

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	35 (Cont'd)	Also, the Department has added service verification monitoring to the Quality Assurance monitoring cycle. Starting in October 2012 the Department is verifying with the selected recipients that Medicaid billed services were received. Based on the findings, correction action is being taken. Such action includes, as appropriate, processing of overpayments, procuring the needed services that were not provided, terminating contracts with the providers, and referrals to the Medicaid Fraud Control Unit for further action. By December 2012 the Department will: • Audit a randomly selected sample of Individual Provider's timesheets to determine if services billed for are consistent with timesheet documentation submitted. • Determine if an automated solution is a possibility. **The condition noted in this finding was previously reported in finding 10-36.** Completion Date: Estimated December 2012

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	36	Finding:	The Department of Social and Health Services, Aging and Disability Services Administration, does not have adequate controls in place to ensure all applicant-owned assets are counted when Medicaid eligibility is determined.
		Questioned Costs:	CFDA # / Amount 93.720 / $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Department does not concur with this finding The Department does not agree that federal rules require verification of financial statements for the previous five years, unless a transfer has been declared or there are inconsistent facts in the record or other problems with the application. The Department submitted its policies and procedures to the Centers for Medicare and Medicaid Services (CMS) and asked if they met federal guidelines. The Department believes that the response from CMS validates its position. Even though the Department does not concur with the finding, it executed a contract with LexisNexis for a trial of their software that provides records of property and vehicles owned or transferred during the last five years and beyond. The trial period will give the Department the opportunity to assess the cost benefit of using such software. **The condition noted in this finding was previously reported in finding 10-45.**
		Completion Date:	Estimated April 2012

Health Care Authority/Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	37	Finding:	The Health Care Authority and the Department of Social and Health Services do not have adequate controls to correctly report all Medicaid expenditures that are eligible for additional Children Health Insurance Program (CHIP) funds.
		Questioned Costs:	CFDA # / Amount 93.720 / $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Health Care Authority agrees with the finding and has taken or will take the following corrective action: • In November 2011, the Authority retroactively transferred all eligible Managed Care claims to CHIP. The Authority is currently working with the Department of Social and Health Services' Aging and Disability Services Administration (ADSA) to ensure all eligible Medicaid claims for clients are transferred to CHIP. • The Health Care Authority now monitors CHIP funds on a monthly basis, and an internal staff workgroup conducts an additional review using an Excel tracking spreadsheet with data from Agency Financial Reporting System (AFRS) to ensure accuracy and proper use of funds. • The Authority will develop a report using data from its Medicaid Management Information System to identify claims by Recipient Aid Category (RAC) and Federal Poverty Level (FPL) based on net income. The Department of Social and Health Services also concurs with the finding. The Department developed systems to appropriately expend CHIP funds for Section 214 and regular children. Further, once available, the Department will use the new report developed by the Health Care Authority to determine eligibility for Section 107 children. **The condition noted in this finding was previously reported in finding 10-35.**
		Completion Date:	Estimated August 2012

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	38	Finding: The Health Care Authority does not comply with state law and the federal Deficit Reduction Act of 2005, increasing the likelihood that the state is paying claims that should have been paid by liable third parties. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action not taken Corrective Action: The Authority continues to disagree with this finding. The Authority maintains that it is in compliance with the Deficit Reduction Act of 2005 (DRA) and applicable state law. The Authority meets this standard by making data available to all insurers to use for Third Party Liability (TPL) reporting and by matching data directly with those insurers most likely to provide third party coverage to Medicaid recipients. The Authority is taking the following steps to enhance its recovery effort: • Submitted a system change request to incorporate a tool that the federal Centers for Medicare and Medicaid Services (CMS) has identified for DRA data exchange requirements. This activity could not be pursued until CMS issued its guidance in June 2010. The Authority will implement the change request based on prioritization against all other system change requests in their order of importance. • The Authority's position on compliance was further corroborated by an independent review conducted by Health Management Systems (HMS) in March 2010. That review stated, "HMS's review of the DSHS confirms a strong Medicaid TPL program…" This report also noted areas of industry best practices that the Authority could explore to enhance its cost avoidance and recovery. As a result of this review, the Authority entered into a contract with HMS to strengthen and improve its efforts in the area of TPL recoveries as HMS provides for enhanced data-matching to better identify a client's medical insurance coverage. The contracted activities include: conducting electronic data exchanges with health insurers, and verifying and updating the insurance eligibility of Medicaid recipients for billing liable third parties on behalf of the Authority.

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	38 (Cont'd)	Although the Authority has been in compliance with the DRA since it was passed into law in April 2007, the above actions demonstrate how the Authority continues to improve ways to share Medicaid information with health insurers so the state is not paying for claims that should have been paid by a liable third party. **The condition noted in this finding was previously reported in finding 10-40.** Completion Date: N/A

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	39	Finding: The Health Care Authority did not investigate information on potential Medicaid fraud or abuse in accordance with federal law, risking the loss of Medicaid resources. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Authority does not agree with the finding that there is a "lack of timely follow-through on returned surveys" as there are no federal timeline requirements for Medical Services Verification surveys. The Authority prioritizes its program integrity/surveillance and utilization resources in areas that have proven to yield a higher return on investment. Data analytics have proven in the past to better identify suspicious provider patterns. Past investigations have been targeted on cases that have the highest potential to lead to a fraud or audit referral. The State Auditor's Office (SAO) asked the Authority to review 10 surveys that SAO believed merited a full investigation. Authority staff determined that several of the claims contained inaccurate information stemming from inaccurate information and conversion data linked to the implementation of ProviderOne, the Authority's new Medicaid Management Information System. Of the 10, only one was ultimately found to be worthy of a full investigation. The Authority will: • Conduct initial review on all returned surveys received between January 1, 2011, through June 30, 2011, to determine whether further review and prioritization of individual cases are warranted for detection Medicaid fraud, • The Surveillance and Utilization Review unit will triage returned Medical Services Verification surveys in the future and follow up as resources are available. Completion Date: Estimated April 2012

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	40	Finding: The Health Care Authority's internal controls are insufficient to ensure payment rates for its Healthy Options managed care program are accurate. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93/776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action not taken Corrective Action: The Authority continues to disagree with this audit finding. There are sufficient controls in place to ensure that managed care rates are set based on the verified managed care organizations (MCO) actual costs of care. Actuarially certified, proprietary cost information is submitted directly to the Authority's actuary. The actuary verifies the information submitted by comparing it to audited financial statements submitted to the Office of the Insurance Commissioner and encounter data submitted to the Authority. As part of the verification, the actuary has the MCOs complete a reconciliation of cost information with encounter data. The actuary also does analysis of prior years, compares MCOs to each other and resolves outliers that arise from its verification and analyses with the MCOs. The MCOs each have fraud and abuse controls. The controls provide reasonable assurance that the data used in rate-setting is accurate and complete. This assertion is supported by the fact that the Authority has had no findings regarding rate setting in the Centers for Medicare and Medicaid Services (CMS) reviews and has had its rates consistently approved by CMS with their full understanding of the rate setting methodology. **The condition noted in this finding was previously reported in finding 10-44.** Completion Date: N/A

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	41	Finding: The Health Care Authority does not perform a retrospective drug use review of pharmaceutical claims data to identify patterns of fraud or abuse as required by federal law. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action not taken Corrective Action: The Authority disagrees with this finding. The State Auditor's Office (SAO) asserts that the Health Care Authority does not perform a retrospective drug use review of pharmaceutical claims data to identify patterns of fraud or abuse as required by federal law. In fact, the Health Care Authority performs ongoing periodic examination of claims data and other records in order to identify patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care among physicians, pharmacists, and Medicaid recipients, or associated with specific drugs or groups of drugs, as required by 42 CFR § 456.709. The Authority agrees that federal regulation, specifically 42 CFR § 456.709, requires the Health Care Authority to have a retrospective drug use review program through which it conducts ongoing periodic examinations, at least quarterly, of claims data and other records in order to identify patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care. The Auditor's finding is in error because it fails to cite to or apply 42 CFR § 456.714 which operates to limit 42 CFR § 456.709. 42 CFR § 456.714 acknowledges that the retrospective drug use review requirements in 42 CFR § 456.709 are duplicative of the Surveillance and Utilization Review requirements provided for in 42 CFR Part 456, subpart A and 42 CFR Part 455. The regulation then expressly permits the Health Care Authority "to limit review activities to those that focus on what constitutes appropriate and medically necessary care to avoid duplication . . .." This is precisely what the Health Care Authority has done. The Authority operates a robust Surveillance and Utilization Review program. The Health Care Authority, in full compliance with federal law, focuses its retrospective drug use review activities on ensuring appropriate and medically necessary care.

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	41 (Cont'd)	The SAO states that "[t]he Authority believes its review of the medical appropriateness of prescribing and dispensing drugs is sufficient to fulfill the fraud and abuse-related requirements of federal law." This is incorrect. Again, it is the Health Care Authority's Surveillance and Utilization Review program that fulfills the fraud and abuse-related requirements of federal law. In accordance with federal law the Authority's retrospective drug use review program focuses on what constitutes appropriate and medically necessary care and does not duplicate the fraud and abuse activities under the Surveillance and Utilization Review program. Other business units within the Authority perform analysis in the remaining areas of concern to the Auditor, per 42 CFR § 456.714 allowing states to limit the review activity of Drug Utilization Review staff to avoid duplication of activities related to fraud and abuse. The SAO states that "[the Authority] has not provided us any information on how often or how it does that analysis." The Auditor also states that "the Authority is not analyzing pharmaceutical claim data and other records to identify patterns of fraud, abuse, or misuse of Medicaid funds…" Both of these statements are incorrect. The Health Care Authority has extensive detection programs that address potential fraud and abuse by clients, prescribers and pharmacies. The Office of Program Integrity's Payment Review Program, Surveillance and Utilization Review unit and Medical Audit units analyze, review, and audit pharmacy claims data to identify potential Medicaid fraud, waste or abuse. The Patient Review and Coordination Program analyzes client data to set restrictions on high risk clients and identify aberrant prescribing patterns by providers. A third party contractor compares provider data with peers and follows up with prescribers who show ongoing aberrance in their prescribing practices. And the Quality Management Team investigates complaints or information about quality of care issues or concerns, and evaluates and documents the information in a case tracking database. **The condition noted in this finding was previously reported in finding 10-53.** Completion Date: N/A

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	42	Finding: The Health Care Authority did not adequately monitor subrecipients to ensure Medicaid expenditures are allowable and supported. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Authority agrees with the finding. To improve oversight, the Medicaid Administrative Match program plans to add a fiscal component to all monitoring activities of school districts and local health jurisdictions. The improved monitoring activity will include: • Sampling time study participant transactions quarterly for each contractor. Those results will be reviewed and compared to actual salary and benefits claimed. • Reviewing direct and indirect claimed costs for the same fiscal monitoring period. Completion Date: Estimated April 2012

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	43	Finding: The Health Care Authority does not have adequate controls to ensure Medicaid is the payer of last resort. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action not taken Corrective Action: The Authority disagrees with this finding. The Office of Program Integrity currently has two full-time auditors dedicated to reviewing pharmacy third party liability claims for inappropriate use of override codes. It may be that additional system enhancements could strengthen controls over the use of overrides. The Authority will continue to communicate with and educate pharmacy providers on the proper use of third party liability override codes. In addition, the Authority has strengthened and improved efforts in the area of Third-Party Liability (TPL) recoveries by contracting with Health Management Systems (HMS) to augment recovery efforts. This is done by performing enhanced data-matching available through HMS to better identify a client's medical insurance coverage. The contracted activities include: conducting electronic data exchanges with health insurers, and verifying and updating the insurance eligibility of Medicaid recipients for billing liable third parties on behalf of the Authority. With the enhanced data matching, the Authority has mitigated the potential loss of recoveries and the inappropriate use of override codes. This is a cost effective way to enforce TPL controls. **The condition noted in this finding was previously reported in finding 10-51.** Completion Date: N/A

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	44	Finding: The Health Care Authority improperly claimed $111,108.98 in federal reimbursement for the Medicaid program. Questioned Costs: CFDA # — Amount 93.720 — non-ARRA: $91,038.03 93.775 — ARRA: $20,070.95 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Authority agrees with this finding. The Health Care Authority concurs that of the 183 clients reported by the State Auditor's Office (SAO), 152 clients apparently received some benefits in error, and the Authority will review those claims to determine the reason for the erroneous payments and the cost. While the payments cited by the SAO are a relatively small amount of the funds handled by the Authority, the Authority continues to target 100 percent accuracy in payments. • Health Care Authority will review all the payments cited by the SAO to deceased persons or other ineligible people and will identify and correct any payments made in error after the person's date of death or made to someone other than the rightful holder of the Social Security Number in question. Past findings involving Social Security Number matching have often proven to be explainable – a widow continuing to cite a spouse's Social Security Number, for example. • Health Care Authority will arrange repayment of any federal funds received in error, in the manner previous repayments have been completed, after completion of the reviews mentioned in this response. The Authority expects that review to take approximately four weeks, or until April 1, 2012.

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	44 (Cont'd)	• Health Care Authority continues to strengthen procedures to improve accuracy of all payments and claims that are paid for unallowable services. The Authority does provide some programs for nonqualified and undocumented aliens that utilize multiple funding streams to pay for services that are not allowed by federal matching dollars. A portion of the transaction errors found by the SAO was for clients in programs that have these multiple funding streams. State and Title XXI dollars are used to pay for necessary non-Medicaid allowable services for aliens in question. In this way, necessary non-Medicaid allowable services can be provided by other funds, such as state dollars or Title XXI funds that do allow those services for the aliens in question. • The Authority will review all transactions listed by the SAO to capture and correct any errors in these payments. Health Care Authority administers medical assistance for more than 1.2 million Washington state residents. As the State Auditor's Office reported, in fiscal year 2011, HCA spent more than $7.5 billion, of which more than $4.7 billion was in federal matching funds. One hundred percent accuracy remains the goal for all HCA transactions and eligibility determinations. The Authority will address the issue of questioned costs with the U.S. Department of Health and Human Services. Completion Date: Estimated April 2012

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	45	Finding: The Health Care Authority does not have adequate controls to ensure controlled substances prescribed for Medicaid clients are authorized and allowable. Questioned Costs: CFDA # — Amount 93.720 — $26,051.78 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action not taken Corrective Action: The Authority continues to disagree with this finding. There are no federal or state statutes that require a payer (e.g., the Health Care Authority) to validate the Drug Enforcement Administration (DEA) number of a prescriber. Therefore, the Authority disagrees that the lack of an edit that validates DEA for Schedule 2-5 drugs constitutes inadequate internal controls or that the lack of such validation renders the payment unallowable. The Health Care Authority believes that responsibility for compliance with controlled substance requirements lies with the prescribing provider and the dispensing pharmacies. The Controlled Substance Act (21 USC Sec. 821) and the State Uniform Controlled Substance Act (Chapter 69.50 RCW) do not regulate payment for controlled substances, and there are no provisions in either that could be interpreted as a requirement relating to payment of claims for controlled substances. Title 21 CFR Section 1306.04 clearly states that the prescribing practitioner is responsible for assuring that the prescription conforms in all essential respects to the law and regulation: *(a) A prescription for a controlled substance to be effective must be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his professional practice. The responsibility for the proper prescribing and dispensing of controlled substances is upon the prescribing practitioner, but a corresponding responsibility rests with the pharmacist who fills the prescription.*"

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	45 (Cont'd)	This finding indicates that *"the Authority has procedures to ensure a prescriber of schedule 2 drugs has a DEA number, but the procedures do not verify whether the DEA number is valid."* That statement is incorrect. The Authority's Pharmacy Point of Sale (POS) system maintains a prescriber network of known National Provider Identifier (NPI) to DEA associations, and it is updated by state staff as new associations become known. System functionality includes manual updates to a "blocked prescriber list" that identifies prescriber DEAs prevented from prescribing Schedule II drugs. Claims for Schedule 2 drugs are validated against the DEAs on the prescriber network. The problem identified by the State Auditor's Office (SAO) is not a lack of validation. Rather, the DEA regular file update is received into the POS on a monthly basis, resulting in a lag in the DEA effective dates and a discrepancy with the DEA file that SAO used to conduct the audit. As noted in previous years, there continues to be no complete external file that accurately and completely associates NPI to DEA. In addition to the POS edit that validates the DEA for Schedule II drugs, the Health Care Authority has a set of robust Program Integrity activities including pharmacy utilization review, pharmacy rules-based algorithms that identify improper payments, and data mining activities that identify patterns outside the norm. In the absence of any requirement to validate the DEA number for controlled substances, the Authority believes this set of Program Integrity activities provides adequate controls to ensure that controlled substances are authorized and allowable. The Authority will address the issue of questioned costs with the U.S. Department of Health and Human Services. **The condition noted in this finding was previously reported in finding 10-38.** Completion Date: N/A

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	46	Finding: The Health Care Authority did not have adequate controls to ensure violations of Medicaid laws and regulations by providers are identified and are referred to the Medicaid Fraud Control Unit (MFCU), risking the loss of public resources. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action not taken Corrective Action: The Authority disagrees with this finding. The Authority has adequate controls to ensure that violations of Medicaid law and regulations are identified and referred to the Medicaid Fraud Control Unit. This is supported by a review of cases in the Case Tracking System and the timeliness in which they are worked. The Case Tracking System is used to track a variety of cases; thus, the timeframes in which those cases are resolved does not necessarily lead to the conclusion of inadequate controls. Processes are in place to prioritize the work of Surveillance and Utilization Review Subsystem investigators, ensuring that the Authority is addressing those cases with the highest potential for fraud, waste and abuse. These are also the cases that yield the highest return on investment. Completion Date: N/A

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	47	Finding: The Health Care Authority's internal controls are inadequate to ensure non-emergency medical transportation expenditures are allowable and adequately supported. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action complete Corrective Action: The Authority agrees with the finding, but notes that the solution to these issues is now in place. The State Auditor's Office (SAO) report stated incorrectly that the trip information database has not improved. During state fiscal year 2011, the Authority built a trip information database that can be used to verify that all Medicaid rules are followed and that all services the transportation brokers provide are legitimate, reasonable and adequately supported. The database includes new data fields that will allow the Authority to more closely monitor transportation services, operations and expenditures. Brokers began adding information to the system in early 2011, and the Authority was able to test the new database with positive results between March 2011 and June 2011. Other monitoring activities: • Desk audits using SAO monitoring tools, • Review of financial and operating reports, • Review of fleet inventories and inspection schedules, • Monthly review of brokers invoices and reports, • Review of broker reports of incidents and accidents, and • Review of brokers annual independent audits.

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	47 (Cont'd)	From July 2011 through December 2011, the Authority conducted on-site monitoring of all six transportation brokers with the new trip information database, and found all six to be in compliance with Medicaid rules and regulations. **The condition noted in this finding was previously reported in finding 10-48.** Completion Date: February 2012

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	48	Finding: The Health Care Authority does not have adequate controls to ensure providers meet initial and ongoing eligibility requirements to participate in the Medicaid program. Questioned Costs: CFDA # — Amount 93.720 — $0 93.775 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Authority partially agrees with the finding. However, corrective action steps have already implemented many of the audit recommendations: • The Provider Enrollment Unit now ensures appropriate provider licensing eligibility upon initial enrollment and throughout the provider's enrollment. The Authority also has established a data-sharing agreement with the Department of Health that automatically updates providers' licensing information. This ensures the Provider Enrollment Unit consistently receives the most current provider licensing information daily. If a Department of Health license has expired, the Health Care Authority is notified, and the ProviderOne payment system ends the taxonomy associated with the provider's file, preventing further payments. • As of March 25, 2011, the Patient Protection and Affordable Care Act introduced new screening procedures for providers and suppliers. The Act identifies Durable Medical Equipment providers as moderate to high-risk business partners who deserve unscheduled, unannounced site visits. The Health Care Authority is finalizing written policies and procedures to comply with the Act. The Health Care Authority estimates it will meet this requirement in January 2013. The Authority also has requested computer system changes that will add mandatory data fields needed for compliance with the federal law.

Health Care Authority (HCA)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	48 (Cont'd)	• The Health Care Authority has resumed site visits with newly enrolled DME providers. The Authority is also planning revalidation site visits for Durable Medical Equipment suppliers not currently enrolled with Medicare or another state's Medicaid agency. The Centers for Medicare and Medicaid Services only requires these providers to be revalidated once every five years. Federal law (42 CFR §455.410 (C) allows the Authority to rely on screening, including site visits, conducted by Medicare or another state's Medicaid agency. **The condition noted in this finding was previously reported in finding 10-52.** Completion Date: Estimated January 2013

Department of Health (DOH)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
11	49	Finding:	The Department of Health charged the National Bioterrorism Hospital Preparedness Program for activities that occurred after the grant period had ended.
		Questioned Costs:	CFDA # 98.889 — Amount $38,574.67
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with the State Auditor's Office (SAO) finding, but wishes to indicate that the corrective action to the 2010 finding was implemented as soon as possible after the SAO had identified this issue in March of 2011. The Department has reviewed its internal controls that are intended to prevent payments from being charged to grants that have exceeded their period of availability. These controls include the closing of account coding on or before the 90th calendar day unless a written extension has been provided by the federal grantor. These controls were implemented in March of 2011 subsequent to the completion of the SAO field work for the state fiscal year 2010 Single Audit. The transactions that the auditor identified as not compliant while conducting the 2011 Single Audit occurred in the interim between the beginning of the fiscal year 2011 and when the Department was made aware of the control issue. The Department will work with the federal grantor to resolve questioned costs identified by the SAO. **The condition noted in this finding was previously reported in finding 10-56.**
		Completion Date:	March 2011

Office of Financial Management (OFM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	50	Finding: The Washington Commission for National and Community Service at the Office of Financial Management does not properly monitor subgrantees to ensure expenditures of AmeriCorps grant funding are allowable and adequately supported. Questioned Costs: CFDA # — Amount 94.006 - ARRA and non-ARRA — $0 Status: Corrective action in progress Corrective Action: Based on areas identified for improvement, the Washington Commission for National and Community Service (CNCS) will carry out a series of program monitoring enhancements and take the following steps to improve consistency and internal controls: • By July 31, 2012, the Commission will explain its Corrective Action policy for all new/continuing AmeriCorps subgrantees at its Statewide Director meeting in July. This policy states that each monitoring file contains details on any finding, including any follow up and resolution to ensure the corrective action is completed in a consistent and timely manner; • By July 31, 2012, the Commission will also explain at the Statewide Director meeting its policy regarding the percentage of AmeriCorps member files to be reviewed during all site monitoring visits. The policy includes a random selection process for selecting AmeriCorps members' files for review. (The Commission does not require a 100% member file verification as part of the monitoring process.); • By August 31, 2012, upon receipt of all AmeriCorps grant awards (not known until late July 2012), the Commission will build a monitoring timetable to ensure that subgrantees identified in all the risk categories receive the type and frequency of thorough monitoring required based on their classification of low, medium or high risk; and • By January 31, 2013, all AmeriCorps subgrantees will have submitted eligibility certification confirmation on their AmeriCorps member rosters, signed by authorized program officials, stating that the AmeriCorps members have met the eligibility requirements beginning with the 2012-13 Program Year.

Office of Financial Management (OFM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	50 (Cont'd)	The Commission expects some AmeriCorps subgrantees will not begin their first enrollment until the end of January 2013, so they cannot begin their eligibility certification confirmation process until then for the Program Year 2012-13. Completion Date: Estimated January 2013

Employment Security Department (ESD)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	51	Finding: The Employment Security Department did not ensure all background checks were performed for AmeriCorps members as required by federal regulations. Questioned Costs: CFDA # — Amount 94.006 – ARRA and non-ARRA — non-ARRA: $85,554.24 ARRA: $ 6,014.15 Status: Corrective action in progress Corrective Action: The Department has revised processes for ensuring all background check documentation for AmeriCorps members is properly retained and on file prior to enrollment in the program. Improvements include: • Creating a background check policy and procedures to ensure compliance with program documentation requirements. • Revising records retention processes by maintaining all background check documentation centrally in the program headquarters office. • Improving internal controls by ensuring independent reviews are conducted on all member files. • Increasing staff and sub-recipient awareness of documentation requirements through training, ongoing communication and increased monitoring and technical assistance. • Hiring an additional staff member to focus on compliance monitoring and assist in implementing new procedures. The Department does not agree that members served under this grant were ineligible and will work with the grantor agency on resolving the issue of questioned costs. Completion Date: Estimated June 2012

State of Washington | ***OMB Circular A-133 Audit***
Summary Schedule of Prior Audit Findings | ***For the Fiscal Year Ended***
For Years Prior to Fiscal Year 2011 | ***June 30, 2011***

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

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Office of Financial Management (OFM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	01	Finding:	The State's internal controls are inadequate to ensure the Schedule of Expenditures of Federal Awards is accurately prepared, placing the state at risk of incomplete and inaccurate reporting to the federal government. This could affect the amount of federal funding the state receives in the future.
		Questioned Costs:	None
		Status:	Corrective action in progress
		Corrective Action:	The Office of Financial Management (OFM) concurs that internal controls related to the preparation of the Schedule of Expenditures of Federal Awards (SEFA) need to be strengthened. OFM corrected the SEFA prior to submitting it to the federal government by the deadline of March 31 and releasing it to the public. To address the weaknesses noted in the finding, OFM has taken or will take the following actions. **Oversight and Reconciliation:** OFM will assign staff to independently review preparation of the Schedule of Expenditures of Federal Awards (SEFA) and its reconciliation to the Agency Financial Reporting System (AFRS), and to follow up on any questioned areas. The SEFA will be analyzed for exceptions and deviations from the prior year to enhance accuracy and completeness. System integrity and reconciliation checklists will also be reviewed. **Systems:** OFM has modified various system table change processes. These changes strengthen controls over the tables, which determine important elements of SEFA reporting. OFM has changed upload and input steps to strengthen controls over system-derived CFDA number, title, and cluster that are reported on the SEFA. **Guidance:** OFM focused on the reporting errors noted in this finding during the year-end training given to state agencies in June 2011. Additionally, OFM included an article on proper SEFA reporting in the Connection newsletter and discussed SEFA reporting issues with specific agencies during year end meetings.
		Completion Date:	Estimated November 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	02	Finding: The Department of Social and Health Services, Economic Services Administration, did not comply with federal regulations regarding support of salaries and wages paid to employees. Questioned Costs: CFDA # — Amount 10.551 ARRA and non-ARRA — $0 10.561 ARRA and non-ARRA 93.558 93.563 ARRA and non-ARRA 93.575 93.713 ARRA 93.714 93.596 Status: Corrective action in progress Corrective Action: The Department concurs with this finding. The Department's Economic Services Administration (ESA) has taken action to correct the deficiencies identified in the audit. The following describes the actions: • In January 2011, ESA's Operation Support Division (OSD) updated their Business Center Process Manual that is used by Community Services Division (CSD) Business Center staff. The updates to the manual coincide with federal requirements and quarterly reviews are now a requirement. OSD Headquarters staff held a conference call with CSD Regional Business Managers to explain this process change. • In February 2011, ESA staff notified the Department's Office of Accounting Services Office (OAS) Chief that the Department's policy regarding time certifications needs to be brought into compliance with the federal requirements. The Department's policy on time certifications has been revised by OAS and referred to the Department's Accounting Policy Management Board where further revisions were made. The policy is scheduled for Executive Review in October 2011. Completion Date: Estimated October 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	03	Finding:	The Department of Social and Health Services did not issue retroactive food assistance payments in accordance with federal law.
		Questioned Costs:	CFDA # — Amount 10.551 ARRA and non-ARRA — ARRA: $15,000.00 (approx) 10.561 ARRA and non-ARRA
		Status:	Refer to finding 11-02
		Corrective Action:	• The Department completed the Corrective Action Plan resulting from the audit finding. The Department refined the process to refer overpayments to the Office of Financial Recovery. This was completed in March 2011. • By April 2011, the Department took action on the exceptions identified during the audit. Where appropriate the department established overpayments for unallowable payments. • By May 2011, the Department retrained field staff on the proper calculation of retroactive payments. **The conditions noted in this finding were previously reported in finding 08-01.**
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-02.

Recreation and Conservation Funding Board (RCFB)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	04	Finding:	The Recreation and Conservation Office is not in compliance with federal cash management requirements.
		Questioned Costs:	CFDA# 11.438 — Amount Unknown
		Status:	Corrective action complete
		Corrective Action:	The Recreation and Conservation Funding Board (Board) finalized the process of reviewing and updating policies and processes and is now in compliance with the federal requirements for cash advances to subrecipients. These modifications were effective August 14, 2010. Currently, there are no federal cash advances that exceed the cash requirements for 30 days. With the updating of policies, the Board has started collecting a cash advance agreement which details the advance policy and consequences for noncompliance. **The conditions noted in this finding were previously reported in finding 09-03.**
		Completion Date:	August 2010

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	05	Finding: The Department of Commerce, Local Government and Infrastructure Division, does not have controls to ensure it complies with reporting requirements for the Community Development Block Grant program. Questioned Costs: CFDA# — Amount 14.228 — $0 14.255 ARRA Status: Corrective action complete Corrective Action: The Department concurs with the finding. This occurred because instructions from the federal granting agency, the Department of Housing and Urban Development, (HUD), for the Section 3 report were not clear. In June 2010, HUD provided updated instructions clarifying that only the Community Development Program (CDP) portion of funding awarded to Section 3 businesses should be reported. As one of the CDP federal grantee programs, the Community Development Block Grant (CDBG) program Section 3 reporting should have been separated as directed. The Department is taking the following actions to ensure the 2010 Section 3 report due on March 31, 2011 and all future reports are accurate. • The Department is monitoring grant recipients' Contractor/Sub Contractor semi-annual reports to ensure only the CDBG portion of funds awarded to Section 3 businesses is reported. The Contractor/Sub Contractor reports are submitted to HUD on a semi-annual basis and are compiled and reported on the Section 3 report. Contractor/Sub Contractor reports that include other funding will be corrected to include only the CDBG portion of funding before submitting to HUD and before being included in the annual Section 3 report. • The Department is providing technical assistance to current grant recipients to ensure they are reporting only the CDBG portion of awards to Section 3 businesses hiring and/or training Section 3 persons.

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	05 (Cont'd)	• The Department updated the 2011 CDBG Management Handbook to provide clear instructions for completing the Contractor/Sub Contractor reports, documenting hiring and/or training of Section 3 persons. Department staff provided training to the 2011 CDBG grant recipients at CDBG Management Handbook workshops on the reporting requirements in May and June 2011. On an ongoing basis, Department staff responsible for compiling the data will review it for completeness and accuracy and work with grant recipients to resolve any discrepancies. Department management will review and approve Section 3 reports before submittal to HUD and provide an explanation when any outcomes of hiring and/or training Section 3 persons are not documented in the annual Performance Evaluation Report. Completion Date: May 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	06	Finding: The Department of Social and Health Services, Division of Behavioral and Health Services, does not ensure Justice Assistance Grant subrecipients are registered in the Central Contractor Registration database as required by federal regulation. Questioned Costs: CFDA # — Amount 16.738 — $0 16.803 ARRA Status: Corrective action complete Corrective Action: The Department concurs with this finding. In April 2011, the Department initiated the following process to ensure that any future federal funds that include the requirement to register in the Central Contractor Registration (CCR) database will be monitored by Department staff: • The Department will confirm the requirement is included in the award instructions received from any federal agency. • The Department will use the CCR to review the status of any potential sub-recipient. If the sub-recipient is listed in the CCR the Department will proceed with a contract. If the sub-recipient is not listed the Department will require the potential sub-recipient to register at https://www.bpn.gov/CCR/default.aspx. • The Department will confirm the registration is completed before issuing a contract to the sub-recipient. Completion Date: April 2011

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	07	Finding: The Department of Social and Health Services did not provide adequate information to its Justice Assistance Grant subrecipients, nor did it monitor subrecipients' use of those funds. Questioned Costs: CFDA # — Amount 16.738 — $0 16.803 ARRA Status: Corrective action complete Corrective Action: The Department concurs with this finding. In April 2011, the Department began: • Ensuring that federal funds listed in any subrecipient contract would include the grant name, the federal award number, and the amount of federal funds associated with the contract will be listed on the contract's facesheet. Also, the Department will "highlight" the amount of federal funds noted on internal documents and the contract itself. • Reviewing the monitoring protocols used by the Division of Behavioral Health and Recovery (DBHR) staff who are responsible for contracts to ensure the protocols comply with subrecipient monitoring requirements and DSHS Administrative Policy 19.50.30. Also, according to current business practice the Department continues to: • Review and approve monthly invoices from counties. • Have the counties monitor prevention/treatment services available from their providers. • Monitor county records during the biennial review of the county community services contracts. Records reviewed include billing documents and supporting documentation of services rendered. Completion Date: April 2011

Employment Security Department (ESD)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	08	Finding:	The Employment Security Department did not comply with U.S. Department of Labor requirements for determining the accuracy of benefit payments.
		Questioned Costs:	CFDA# — Amount 17.225 ARRA and non-ARRA — $0
		Status:	Refer to finding 11-08
		Corrective Action:	During the fiscal year 2010 audit period, staff in the unit were relatively new to their positions. In addition, the unit lacked a supervisor during much of the audit period. Over the last year, staff in the unit have gained additional experience and have received additional training to ensure completeness and accuracy of the Benefit Accuracy Measurement (BAM) audits they perform. Unit management also implemented weekly peer review sessions to enhance staff knowledge and communication. In addition to the increase in the level of staff experience, the unit also hired a new supervisor with extensive BAM experience to oversee the function and perform the necessary quality assurance reviews. These reviews have been implemented to ensure audits are compliant with U.S. Department of Labor (USDOL) requirements. The Department obtained clarification from USDOL that in-person employer contacts are not required. Audit results from fiscal year 2011 show significant progress has been made; however, additional improvements are still needed. **The condition noted in this finding was previously reported in finding 09-05.**
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-08.

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Employment Security Department (ESD)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	09	Finding:	The Employment Security Department did not comply with federal cash management requirements.
		Questioned Costs:	CFDA# / Amount 17.225 ARRA and non-ARRA / $0
		Status:	Corrective action complete
		Corrective Action:	The Department requested and received approval to change the draw method used for the Unemployment Insurance program to a more appropriate method in January 2011. This change is in effect for fiscal year 2011. The Department performed an analysis of cash draws for the UI administrative grant for the audit period and found there were no interest earnings due the federal government. The Department has addressed this finding with the U.S. Department of Labor and they consider the finding resolved.
		Completion Date:	January 2011

Employment Security Department (ESD)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	10	Finding:	The Employment Security Department did not adequately review job search logs to ensure unemployment insurance claimants are eligible for benefits.
		Questioned Costs:	CFDA# — Amount 17.225 ARRA and non-ARRA — $0
		Status:	Corrective action complete
		Corrective Action:	Many of the issues identified by the auditor in this finding related to the use of the internet by claimants to look for work. Regulations for job search required information that was not available to these job seekers. As a result, the Department revised Washington Administrative Code (WAC) 192-180-015 in June 2010. This WAC provides direction to Unemployment Insurance claimants on requirements for on-line job search efforts. As noted by the auditor in the finding, compliance with the revised WAC could not be verified during the fiscal year (FY) 2010 audit cycle. Department monitoring efforts during FY2011 have determined these changes have significantly reduced job search review exceptions. In addition to the WAC change, the Department scheduled additional training for staff, supervisors and managers in how to properly conduct job search reviews, schedule follow-up reviews and handle non-compliant job search logs. These training efforts were completed by May 31, 2011. Ongoing technical assistance is available to job search review staff and all policy and training materials are available on-line for staff reference. Central office program staff continue to perform regular monitoring of the job search review activity and provide timely feedback and technical assistance to field staff as needed. **The condition noted in this finding was previously reported in finding 09-06.**
		Completion Date:	June 2011

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Washington State Department of Transportation (WSDOT)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	11	Finding:	The Department of Transportation does not have adequate controls to ensure that information the American Recovery and Reinvestment Act requires to be reported for its Highway Planning and Construction program is accurate.
		Questioned Costs:	CFDA# / Amount 20.205 ARRA and non-ARRA / $0 20.219 20.003 ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	Prior to the audit, the Department identified and corrected the error reported as part of the March, 2010 quarterly reporting cycle. Since the reporting process, at that time, only allowed for cumulative expenditures to be included in this ARRA report, correcting the next quarterly report for April through June 2010 was the only means of correcting the reported expenditures for January through March 2010. Subsequent to the actions above, the Federal 1512 ARRA reporting system now allows and facilitates correcting and updating prior quarter report filings, so the Department requested that the quarterly filing in question be corrected. In addition, the FHWA issued a Management Decision Letter indicating that "It should be emphasized that WSDOT's internal control processes identified and attempted to correct an error prior to the entrance of the audit team. No additional corrective action is necessary as WSDOT has internal controls in place to ensure proper reporting in accordance with federal requirements."
		Completion Date:	July 2010

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Washington State Department of Transportation (WSDOT)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	12	Finding:	The Department of Transportation did not ensure highway construction contractor invoices were supported and approved before payment.
		Questioned Costs:	CFDA# — Amount 20.205 ARRA and non-ARRA — ARRA: $75,147.00 20.219 20.003 ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	As soon as the Department's project office became aware of the situation they conducted a full reconciliation of the force account payments associated with the contract, which at the time had approximately six months remaining on the project and had only been paid approximately fifty percent of the bid amount. The Department then recovered the overbilled amounts by reducing subsequent payments to the contractor. Overall, the inconsistencies found on the payment in question appeared to be an isolated incident due to extenuating circumstances surrounding the particular billing request by the contractor. This was confirmed when the State Auditor's expanded their testing, both in 2010 and 2011, and found no other payments with similar issues. In addition, the FHWA also conducted a review of force account payments and "noted no other instances where the contractor was overpaid." In addition to the increased awareness at the particular project office involved, the WSDOT Headquarters Construction Office issued a memorandum to all offices and construction project engineers reminding them of the importance of strong internal controls and related documentation for contractor payments, particularly force account payments. The Construction Office also included contractor payments as a major topic in the 2011 training season and sought feedback from all project offices on any suggestions that could further improve internal controls. The FHWA responded to the finding in a Management Decision Letter, indicating the "FHWA agrees with WSDOT's corrective action" and that "no additional corrective action is necessary as WSDOT has taken appropriate measures to strengthen internal controls to ensure payments are properly supported and in compliance with federal requirements."
		Completion Date:	October 2010

Washington State Department of Transportation (WSDOT)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	13	Finding:	The Department of Transportation did not support over $759,000 in payroll costs in accordance with federal regulations for the Formula Grants for Other Than Urbanized Areas.
		Questioned Costs:	CFDA# — Amount 20.509 ARRA and non-ARRA — ARRA: $759,869.57
		Status:	Refer to finding 11-09
		Corrective Action:	The Department is considered an innovative leader by the Federal Transit Administration (FTA) for its grant administration methods, which include administering a number of closely related grant programs. In response to the initial audit finding for fiscal year 2009, the Department's Public Transportation Division developed and submitted a formalized direct payroll cost allocation plan to FTA (the Plan), known as a "substitute system," to meet federal regulations (OMB Circular A-87, 2CFR 225). Upon receipt of the Plan, FTA requested that the Department continue to allocate payroll costs under the current method, until such time as the new plan could be reviewed and approved. WSDOT complied with this request because the current allocation method had been approved by the FTA's Regional Office and to ensure continued federal grant funding. Since the Plan was not reviewed by FTA during fiscal year 2010, the auditor was compelled to repeat the audit finding for 2010. The Plan was reviewed by the FTA, via a consultant, in January 2011 and a report was issued in June 2011. In June 2011, in response to this report, the WSDOT Public Transportation Division implemented the FTA recommendation of tracking and allocating direct payroll charges based on actual time worked, for an extended analytical period (four months or longer if required by FTA). Also per the FTA recommendation, the tracked data will be analyzed to substantiate the previous year's direct payroll allocations and be used as the bases for allocations moving forward through the 2011 – 2013 biennium. **The conditions noted in this finding were previously reported in finding 09-09.**
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-09.

Department of Ecology (ECY)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	14	Finding:	The Department of Ecology does not have adequate internal controls to ensure it complies with suspension and debarment requirements.
		Questioned Costs:	CFDA# — Amount 66.458 ARRA and non-ARRA — $0
		Status:	Corrective action complete
		Corrective Action:	The Department respectfully disagrees with the finding that the Department does not have adequate internal controls to ensure it complies with suspension and debarment requirements. The Department agrees that it could update and enhance the suspension and debarment language in contract, grant, and loan documents. Department contract, grant, and loan language requires subrecipients and vendors to certify they have not been suspended, debarred, or otherwise excluded from receiving federal funds. Department contract, grant, and loan agreements also require subrecipients and vendors to ensure all their subgrantees and subcontractors comply with the terms and conditions of the agreements. The Department believes this language is sufficient in communicating requirements to subrecipients. This is supported by the fact that there have been no substantiated violations in payments to suspended or debarred vendors. That said, the Department has: • Included current federal suspension and debarment language in all new contracts, grants, and loans effective April 1, 2011, or later. • Updated all current agreements with end dates beyond June 30, 2011, to include current federal suspension and debarment language. • Updated all active agreements funded by the American Recovery Reinvestment Act to include current federal suspension and debarment language.
		Completion Date:	September 2011

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Health (DOH)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	15	Finding:	The Department of Health did not comply with time and effort requirement for the Capitalization Grants for Drinking Water State Revolving Fund program.
		Questioned Costs:	CFDA# / Amount 66.468 ARRA and non-ARRA / $0
		Status:	Corrective action complete
		Corrective Action:	New procedures have been implemented by the Department's Grants and Accounting Office to ensure that documentation is submitted timely and that documents are securely stored and available for audit. The current procedure includes a notification from the Grants and Accounting Office to the unit managers whose employees are required to submit quarterly certifications. Certifications are collected centrally and stored in a secure file where they can be made available for subsequent review. The Department believes that it is now in full compliance with OMB A-87 requirements for employee time and effort certifications.
		Completion Date:	July 2010

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	16	Finding: The Energy Office of the Department of Commerce does not have controls to ensure it complies with Davis Bacon (prevailing wage) requirements. Questioned Costs: CFDA# — Amount 81.041 ARRA and non-ARRA — $0 Status: Corrective action complete Corrective Action: The Department concurs with the finding. When the original grants and loans were awarded, the Energy Office had many discussions with US Department of Energy (DOE) about the Davis Bacon Act requirements. Preliminary guidance from DOE indicated project costs could be split and Davis Bacon would not be applied if construction funding was not included in the ARRA award. Some of the projects undertaken are quite large and the federal contribution is a small portion of total funding. DOE reviewed each grant or loan and made determinations on which tasks required Davis Bacon compliance. Later guidance from DOE indicated that Davis Bacon would apply whenever construction was part of the project, even when construction was not funded by federal dollars. The specific incident cited in the finding occurred because of a misunderstanding between the Energy Office Program Manager and the grant recipient regarding what constituted the start of construction. The Program Manager notified the grant recipient as early as November 2009 that Davis Bacon requirements applied and that certified payrolls for construction projects must be collected. Prior to approval of the invoice noted in the incident, the Program Manager asked if construction had begun. The grant recipient indicated that construction would begin after a ground-breaking event in July 2009. On September 13, 2010, the Department's Contracts Administration Unit (CAU) staff reviewed the invoices in question for Davis Bacon compliance. During the review, staff discovered the invoice for work done through June 30, 2010 included site preparation work that had been reimbursed without monitoring for Davis Bacon compliance. The Department immediately requested certified payrolls and found a $1.41 underpayment. This took place before the next reimbursement payment was made and the underpayment was resolved on January 1, 2011.

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	16 (Cont'd)	To ensure greater control over compliance with the Davis Bacon requirements, the Department has implemented changes to its invoice review and payment procedures. The function of invoice review and verification has been transferred to CAU. Commerce CAU staff have years of experience in processing requests for reimbursement that include Davis Bacon (prevailing wage) requirements. Experienced CAU staff members now review payment requests, collect and verify certified weekly payroll information, and process the payments. In addition, the Energy Office is now utilizing agency-wide expertise including consultation with the Community Services and Housing Division staff members who regularly work with Davis Bacon requirements. In this way, the Department can ensure a consistent understanding of Davis Bacon requirements throughout the agency and ensure ongoing compliance. Completion Date: January 2011

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	17	Finding:	The Energy Office at the Department of Commerce does not have controls to ensure it complies with reporting requirements for the State Energy Program.
		Questioned Costs:	CFDA# — Amount 81.041 ARRA and non-ARRA — $0
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with the finding. The Department's Energy Office submits quarterly financial reports to the US Department of Energy (DOE) electronic system with data received from Department's accounting staff. Communications between program staff and accounting staff were not sufficient at that time to ensure the accounting staff was aware of a new project number for fiscal year 2011 where expenditures were accumulated. As a result, accounting staff did not include charges accumulated against the new project number in the July to September 2009 quarterly report to DOE. In addition, the report was not adequately verified by the State Energy Office to make sure all expenditures were accurately reflected. As a result, $45,278.80 was not reported. The expenditure was included in the next October-December 2009 quarterly report. In 2009, no mechanism existed to revise a report once it had been submitted. Corrections had to be made in the subsequent report. With the Energy Office's new reporting program, future corrections, if needed, can be made to the impacted quarter with approval from DOE. The Department has assessed its internal controls and implemented measures to ensure compliance with reporting requirements through clearly defined expectations and access to the appropriate information. Department accounting staff updated the federal reporting procedures in September 2010, adding steps to ensure all quarterly federal expenditure activity is reported. These procedures have been followed since the procedure update. Additional controls implemented include 1) comparing federal expenditures by project code with federal report project listing; 2) supervisor review of all financial status reports or federal financial reports prior to review by Energy Office staff; and 3) communication and review with Energy Office staff prior to submitting reports. The Department further plans to implement periodic monitoring by personnel not performing the tasks to ensure the above activities are taking place.
		Completion Date:	September 2010

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	18	Finding:	The Energy Office at the Department of Commerce did not adequately monitor grantees and loan recipients and paid for unallowable costs under the State Energy Program.
		Questioned Costs:	CFDA# — Amount 81.041 ARRA and non-ARRA — ARRA: $13,691.00
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with the finding. The Department authorized and paid a grant recipient's invoice for undocumented expenses. This occurred due to an inexperienced program staff member's mistake in the invoice verification and approval process. To ensure greater control over invoice monitoring, the Department has increased desk top monitoring. On September 1, 2010, monitoring of invoice payments on Energy ARRA contracts was transferred to the Department's Contracts Administration Unit (CAU). CAU has experienced staff dedicated to reviewing all grant recipient requests for payments and the supporting documentation before payments are approved. On September 20, 2010, CAU staff reviewed the grant recipient's contract file and identified $13,691 in questionable costs. Department staff contacted the grant recipient and requested clarification of costs and additional supporting documentation. As a result, CAU determined $6,894.41 was supported by the documentation and therefore allowable. CAU also determined that the remaining $6,796.86 was unallowable. The grant recipient was notified that these costs were unallowable and the amount was deducted from the next invoice. The Department has received satisfactory documentation from this grant recipient for all other invoices to-date. In addition, the Department is working with US Department of Energy to satisfy any questions regarding the questioned costs.
		Completion Date:	September 2010

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	19	Finding:	The Department of Commerce, Community Services and Housing Division, does not have controls to ensure it complies with subrecipient monitoring requirements for the Weatherization Assistance for Low-Income Persons program.
		Questioned Costs:	CFDA# / Amount 81.042 ARRA and non-ARRA / $0
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with the finding and has taken immediate corrective action. Since learning of the oversight, the Department checked the national Central Contractor Registration (CCR) system for the past quarter, completing and documenting the check on January 10, 2011. The Department contacted three contractors to correct issues of non-compliance. In the future, an assigned staff member will review the CCR system (https://www.bpn.gov/CCR/default.aspx) at the end of each quarter (March, June, September, December) for each contractor, noting any comments regarding missing information and documenting the information and date in a spreadsheet. If the CCR indicates that information is missing or outdated for any contractor, the staff member assigned as liaison with the contractor will contact the contractor, requesting they go to the CCR system to review and update the entry within one week of notification. The assigned staff member will perform a follow up check on the CCR system to verify that the contractor has updated or corrected its information and note the date of contact and correction in the CCR tracking spreadsheet. This was implemented beginning March 31, 2011. The Department will include the CCR check and documentation in contracting action items or in the steps taken by Housing Improvement and Preservation unit when creating new contracts or grants, or amending existing contracts or grants.
		Completion Date:	March 2011

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	20	Finding:	The Department of Commerce, Community Services and Housing Division, does not have controls to ensure it complies with suspension and debarment requirements for the Weatherization Assistance for Low-Income Persons program.
		Questioned Costs:	CFDA# — Amount 81.042 ARRA and non-ARRA — $0
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with the finding. In order to ensure compliance, the Department designated one position, the unit contracts manager, to be responsible for ensuring that all appropriate terms are addressed in contracts, including suspension and debarment, before moving any contract forward for signatures. This is part of the contract compliance checklist. The contracts manager or other designee will check the Excluded Parties List System (EPLS) when entering into a contractual agreement with a new vendor, including documenting a print-screen of the EPLS confirmation of vendor standing and placing it in the contract file. The contracts manager will train unit members and new employees on contracting requirements and procedures. These measures were in place and operational on March 1, 2011.
		Completion Date:	March 2011

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	21	Finding: The Department of Commerce, Community Services and Housing Division, did not comply with subrecipient monitoring requirements for the Weatherization Assistance for Low-Income Persons program. Questioned Costs: CFDA# 81.042 ARRA and non-ARRA — Amount ARRA: $38,694.00 Status: Corrective action complete Corrective Action: The Department concurs with the finding and has taken immediate steps to correct and improve monitoring and inspection protocol, checklists, consistency, and training. The failure to complete comprehensive monitoring in 2009 was a reflection of a number of events, including preparing to receive a 10-fold increase in weatherization funding, delays in hiring and training new staff for technical positions due to a hiring freeze, the collapse of a community action agency, and providing direct weatherization service for the first time to meet state ARRA weatherization production goals. While these are legitimate reasons that disrupted local agency monitoring plans, the Department acknowledges that program monitoring requirements were not fully satisfied. The Department has always worked to refine and improve monitoring and inspection protocol. Historically, Washington has been among a handful of states asked to share and present monitoring and inspection policies and tools as best practices. In April 2010, the Department implemented the first PDF-based monitoring tool and database. It was revised in July 2010. After testing and reviewing the results, Department staff determined the tool was not sufficient for comprehensive program monitoring. In October 2010, the Department implemented a revised Performance Assessment Tool, as part of a completely revised Monitoring Assessment Packet, which included fiscal review questions and a new monitoring report template. The lead weatherization monitoring team met in January 2011 and outlined additional revisions to the Program Assessment Tool that consolidated fiscal and administrative monitoring into five key areas. An assigned Lead Weatherization Monitor is working closely with the Fiscal Monitor to re-design the Weatherization Program Fiscal/Admin monitoring checklist. It will be more effective, comprehensive, and coordinated with other fiscal monitoring activities. Two additional sections of the tool are being revised to evaluate the technical and program management systems of a local agency and are targeted to be complete by the end of February 2011.

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	21 (Cont'd)	For the period July-December 2010, 15 of the 25 weatherization delivery agencies received comprehensive monitoring, including completion of the fiscal tool checklist. By July 2011, the weatherization monitoring fiscal tool was completed for the remaining 10 agencies. Over the course of the audit, the Department has responded seriously and quickly to observations and concerns expressed by the auditors. The Department acted immediately in October 2010, for example, when it learned that the file checklist was not applied consistently. Questions were changed to eliminate simple "yes" or "no" responses, monitors were coached and questions rewritten to probe deeper and to ask for documentation and verification. Additional weatherization monitor training is planned during regularly scheduled lead monitor meetings throughout the first quarter of 2011. These trainings will focus on Fiscal/Admin monitoring, proper use of revised evaluation tools, and the application of Department of Energy (DOE) monitoring guidelines. The Department initiated planning for statewide refresher training in May 2011 for all inspectors, including local agencies and Department personnel. The purpose is to reaffirm inspection expectations, consistency, and accountability for immediate implementation and long-term application. The findings attributed to King County Housing Authority (KCHA) for serving clients after their income eligibility period expired are being addressed immediately. A letter was issued to KCHA to formally disallow costs totaling $38,694 and seek refund unless supporting documentation can be provided to verify eligibility. The Department issued notification on January 13, 2011 to all local agency executive directors, chief financial officers, and program managers regarding the observations and concerns received from the auditor, DOE and DOE's Inspector General. The Department encouraged all parties to compare current practices to concerns registered and make immediate corrections if warranted. The Department updated our inspection checklist to include checking income eligibility documentation, rather than limit the review to only the in-office monitoring. Training on how to review eligibility and properly document the results is planned for all lead monitors and inspectors in February 2011. The Department is determining how to manage this element for large multi-family buildings when there isn't individual income verification documented.

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	21 (Cont'd)	To summarize actions steps and completion dates: • February 2011 - Issue a finding letter to King County Housing Authority on serving households after term of eligibility. • March 2011 - Refine program monitoring tools and reinforce consistent procedures to be employed by monitors and inspectors. • May 2011 - Convene a statewide inspector refresher training. • July 2011 – Complete the weatherization monitoring fiscal tool on 10 local agencies. Completion Date: July 2011

Department of Services for the Blind (DSB)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	22	Finding: The Department of the Services for the Blind is not complying with federal requirements regarding payroll costs charged to the Vocational Rehabilitation Program. Questioned Costs: CFDA# — Amount 84.126 — ARRA: $947,414.00 84.390 ARRA Status: Corrective action complete Corrective Action: The Department of Services for the Blind agrees with the audit finding and recommendations. A corrective action plan has been completed which included: • An Effort Certification form for staff working solely on a single federal award or cost objective has been adopted into Department procedures. • Effort Certifications have been completed on all impacted staff for the latest 6-month period of time. • Department support staff who had previously been preparing effort certifications have been changed to cost allocation effective October 1, 2011. • The Effort Certification process has been added to the Department's due dates calendar in coordination with the federal fiscal year. • The Department has contacted the US Department of Education Rehabilitation Services Administration (RSA) for their review of any costs that are to be repaid as a result of the lack of certifications. The response from RSA was to distribute the questions expenditures between the respective grants as if they had been initially cost allocated. The Department complied with this in September 2011. Completion Date: September 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	23	Finding:	The Department of Social and Health Services is not complying with federal requirements for suspension and debarment for the federal Vocational Rehabilitation Program.
		Questioned Costs:	CFDA # / Amount 84.126 / $0 84.390 ARRA
		Status:	Refer to finding 11-13
		Corrective Action:	The Department concurs with this finding. The Division of Vocational Rehabilitation (DVR) was the program within the Department that received the finding. By October 2011, DVR is anticipating that work with Central Contracts Services (the Department's contracts unit) and the Attorney General's Office to review terms and conditions will be completed. A recommendation will be made on suspension language that should be added to terms and conditions. Also, DVR will begin including a review of a contractor's suspension and debarment status as part of their monitoring of contractors.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-13.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	24	Finding: The Department of Social and Health Services is not complying with federal requirements for time and effort documentation for the Vocational Rehabilitation Program. Questioned Costs: CFDA # — Amount 84.126 — ARRA: $662,958.00 84.390 ARRA Status: Corrective action complete Corrective Action: The Department partially concurs with this finding in that the time certifications from October 2009 to March 2010 did not include staff who left employment during this certification period. The Department does not concur with the questioned costs. Thirty five employees out of 350 division employees did not have certifications from October 2009 to March 2010. During the course of the audit 33 of the employees were certified as having worked one hundred percent on Vocational Rehabilitation grant activities. Since then the remaining two employees have been certified. The Department has taken the following actions to ensure payroll certifications were completed. • In January 2011, supervisors were informed they have to double check the certifications to ensure they include all staff who worked during the certification period. • In May 2011, time certifications were developed using salary and benefit expenditure information from the state's payroll system allowing certifications to be reconciled to payroll costs charged to the grant. The Department was informed by the federal grantor that the questioned costs are not required to be reimbursed. Completion Date: May 2011

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Health (DOH)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	25	Finding:	The Department of Health does not monitor subrecipient expenditures of the National Bioterrorism Hospital Preparedness and Public Health Emergency Preparedness programs.
		Questioned Costs:	CFDA# / Amount 93.069 / $0 93.889
		Status:	Refer to finding 11-17
		Corrective Action:	The Department is reevaluating its subrecipient monitoring procedures as well as the requirements currently in place on subgrantors to provide documentation in support of invoiced charges on federal grant sources. One possible approach is to implement a Department-wide subrecipient monitoring policy that standardizes invoicing formats and specifies periodic desk reconciliations of revenues provided and expenditures charged by subgrantors.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-17.

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Health (DOH)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	26	Finding:	The Department of Health did not support over $448,000 in payroll costs in accordance with federal regulations for the National Bioterrorism Hospital Preparedness and Public Health Emergency Preparedness Programs.
		Questioned Costs:	CFDA# / Amount 93.069 / $448,344.90 93.889
		Status:	Refer to finding 11-19
		Corrective Action:	All program managers involved with both the Public Health Emergency Preparedness or Hospital Preparedness grants are now maintaining detailed time sheets that are in compliance with OMB A-87 requirements. The Department is in communication with the Center for Disease Control (CDC) and Health and Human Services, Assistant Secretary for Preparedness and Response and have provided additional documentation in support of these costs. The Department is waiting for a final determination from both federal agencies.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-19.

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	27	Finding:	The Department of Commerce does not ensure the Temporary Assistance for Needy Families funding it provides to subrecipients is reported and audited in accordance with federal regulations.
		Questioned Costs:	CFDA# / Amount 93.558 / $0 93.714 ARRA
		Status:	Corrective action complete
		Corrective Action:	The Department partially concurs with the finding. The Department agrees that not all subrecipients submitted audit reports as required and it did not catch the oversight. Terms and conditions of contracts with the subrecipients identify the requirement that organizations receiving in excess of $500,000 in federal funds must have a Circular A-133 audit. The Department is satisfied that program funds expended during this period were appropriate and correct through the monthly invoice verification process, the required documentation and on-site monitoring conducted for each subrecipient. In the future, based on direction from our funding source, the Department will consider the WorkFirst contractors as vendors, thus negating the requirements for Circular A-133 audit reports.
		Completion Date:	March 2011

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	28	Finding:	The Department of Social and Health Services requested federal grant funding in excess of its immediate needs.
		Questioned Costs:	CFDA #: 93.563 ARRA and non-ARRA — Amount: $0
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with this finding. The errors occurred as a result of ARRA funds adjustments which caused inadvertent "draw downs" of federal funds over a four quarter period. The draw downs were not noticed immediately because the Department's Grants Management System (GMS) does not interface with the federal Payment Management System (PMS). Economic Services Administration (ESA) was the administration responsible for errors with ARRA funds. In October 2010, ESA contacted the Department's Office of Accounting Services (OAS). OAS is responsible for preparing and submitting the CMIA Annual Report of Interest Liability to OFM. All inappropriately received federal funds were returned in October 2010. In April 2011, the Department developed a quarterly reconciliation procedure to ensure that the GMS and the PMS data match. The Department's Office of Accounting Services (OAS) has agreed to send quarterly PMS reports to staff assigned responsibility for the quarterly reconciliation.
		Completion Date:	April 2011

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	29	Finding: The Department of Commerce, Community Services and Housing Division, did not comply with subrecipient monitoring requirements for the Community Services Block Grant program. Questioned Costs: CFDA# — Amount 93.569 — $0 93.710 ARRA Status: Corrective action complete Corrective Action: The Department concurs with the finding. When a staff member assumed program management responsibilities for the Community Service Block Grant (CSBG) in July 2009, she noted that two subrecipients had not received on-site monitoring within the required three year period. In the summer and fall of 2009, the upcoming monitoring schedule was updated, but since the schedule was already set for 2009, the two subrecipients were not added to the schedule. With only two employees monitoring approximately 10 subrecipients per year, and the addition of American Reinvestment and Recovery Act (ARRA) funding awards in the spring of 2009, it was difficult to add the two subrecipients to the monitoring schedule for 2009. The entire grant process—from application to award, from tracking expenditures to assessing risk, from additional fiscal monitoring to state and federal reporting—had to be ramped up under significantly constrained staffing conditions. Monitoring visits are typically scheduled March or April through October, to a) avoid hazardous driving conditions in the winter, and b) because the annual application and reporting processes consume most of staff's time from October through March. Both subrecipients were contacted on March 11, 2010 when the 2010 monitoring schedule was being prepared for that year. Monitor dates were arranged for May and November 2010. Monitoring visits were completed as scheduled. At present, the monitoring schedule has been adjusted so that 10 subrecipients will be monitored on-site each year, to ensure that all 30 subrecipients are monitored on-site every three years. Any additional on-site monitor visits triggered by a risk assessment, request by the subrecipient, or poor performance will be added to the normal three-year rotation schedule.

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	29 (Cont'd)	In addition to on-site monitoring, other monitoring activities are performed by Department staff that yield information about the performance of the subrecipients: • Annual application process—includes review of their annual plan, community needs assessment, strategic planning documents, and budget. • Monthly review and processing of requests for reimbursement—yields a picture of their spend-down of the grant, and adherence to expenditures based on their stated plan. • Periodic phone calls—includes technical assistance. • Desk monitoring—fiscal documents for ARRA grants mailed by grant subrecipients were reviewed by the Department. Completion Date: November 2010

Department of Commerce (COM)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	30	Finding:	The Department of Commerce, Community Services and Housing Division, did not comply with period of availability requirements for the Community Services Block Grant program.
		Questioned Costs:	CFDA# — Amount 93.569 — non-ARRA: $55,593.11 93.710 ARRA
		Status:	Refer to finding 11-22
		Corrective Action:	The Department concurs with the finding. The Department did not properly review costs transferred from one grant year to another grant year to ensure costs were within the proper period of availability. Fiscal staff did not clarify nor consult with program staff when program staff requested cost transfers between grant years. Fiscal staff reviewing the work of newly hired staff did not properly verify backup documentation for the transfer. As a result, $55,593.11 transferred was not properly identified within the period of availability. In January 2011, fiscal and program staff reviewed and corrected the original $55,593.11 costs transferred between grant years. Appropriate costs within the period of availability were identified and transferred. The Department concurs with the auditors' recommendation that fiscal staff consult with program staff when transferring costs between grant years. The Department has assessed its internal controls and implemented measures to ensure proper review of costs transfer through clearly defined expectations and responsibilities. Program and fiscal staff have updated the transfer / correction request form to include identification of specific items to transfer and provided training to fiscal and program staff. Fiscal has reiterated document review and approval expectations with supervisors and lead workers.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-22.

Department of Early Learning (DEL)/Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	31	Finding:	The Department of Early Learning and the Department of Social and Health Services do not have adequate internal controls over direct payments to child care providers.
		Questioned Costs:	CFDA# / Amount 93.575 / $0 93.596 93.713 ARRA
		Status:	Refer to finding 11-23
		Corrective Action:	The Department of Early Learning (DEL) does not concur with this audit finding. In July 2008, the DEL and the Department of Social and Health Services (DSHS) implemented a process to reconcile child care payments to attendance records to determine if the payments were supported by appropriate documentation. On a monthly basis, payment files are randomly selected from child care centers and family child care homes by DSHS. Those records are audited by DSHS to monitor for correct payments. Overpayments and underpayments are written by DSHS if found during the monitoring. This reconciliation occurred through the fiscal year 2010 audit period. **The conditions noted in this finding were previously reported in finding 09-12.**
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-23.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	32	Finding:	The Department of Social and Health Services, Children's Administration, is not ensuring the eligibility of clients receiving adoption assistance payments.
		Questioned Costs:	CFDA # / Amount: 93.659 ARRA and non-ARRA / $61,918.00
		Status:	Refer to finding 11-24
		Corrective Action:	The Department concurs with this finding. The Department believes control procedures are in place to avoid payments for adopted children over ages 18 and 21. The process works very well in most regions across the state. The Department has taken the following actions to address the deficiencies identified during the audit. • In January 2011, a memo was sent to staff that described the established procedures that are to be followed for monitoring case files and ensuring eligibility requirements are met. • In April 2011, all exceptions were processed. As part of the review process, the overpayments were processed automatically returning the federal share of the payment. **The conditions noted in this finding were previously reported in finding 09-14.**
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-24.

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	33	Finding:	The Department of Social and Health Services spent approximately $2.7 million of federal Children Health Insurance Program (CHIP) money on unallowable administrative activities.
		Questioned Costs:	CFDA # 93.767 — Amount $2,708,627.53
		Status:	Corrective action complete
		Corrective Action:	The Department's Medicaid Purchasing Administration (MPA) concurs with this finding. In February 2011, MPA established communication with program, fiscal, and budget staff to ensure the operation, maintenance, and fiscal review of the CHIP program includes all appropriate parties. The MPA developed internal financial procedures and monthly fiscal reports to monitor the Children's Health Insurance Program (CHIP) expenditures to ensure the MPA does not exceed the administrative cap. The MPA implemented a process for the full recovery of the CHIP funds from the Local Health Jurisdictions (LHJ) and coordinated with the Centers for Medicaid and Medicare Services (CMS) repayment of the federal portion. MPA recovered all the funds by July 2011.
		Completion Date:	July 2011

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	34	Finding: The Department of Social and Health Services does not have adequate procedures to ensure compliance with earmarking requirements for the Children's Health Insurance Program. Questioned Costs: CFDA # 93.767 — Amount $98,754.00 Status: Corrective action complete Corrective Action: The Medicaid Purchasing Administration (MPA) concurs with this finding. MPA has taken the following actions to correct the deficiencies identified in the audit. • In March 2011, MPA implemented processes and procedures to monitor on a monthly basis all Children's Health Insurance Program (CHIP) expenditures to ensure the Department does not exceed the CHIP Administrative cap. Monthly CHIP expenditure reports will be maintained tracking all CHIP expenditures for fiscal review. • MPA recovered the CHIP administrative funds submitted to the local health jurisdictions in July 2011. • MPA has coordinated with the Centers for Medicaid and Medicare Services to repay the federal portion. Completion Date: July 2011

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	35	Finding:	The Department of Social and Health Services did not have adequate internal controls to accurately identify and claim all eligible Children's Health Insurance Program expenditures.
		Questioned Costs:	CFDA # 93.767 — Amount $0
		Status:	Refer to finding 11-37
		Corrective Action:	The Aging and Disability Services Administration (ADSA) and the Medicaid Purchasing Administrations (MPA) both concur with this finding. MPA and ADSA will work together to establish a workgroup to communicate the availability of Children's Health Insurance Program (CHIP) funding, regulation changes, and develop a system to identify CHIP eligible costs. The specific actions ADSA and MPA have taken are: • In March 2011, a CHIP workgroup was established that is comprised of MPA, ADSA, and other Department staff as needed. The purpose of the group is to communicate availability of funding and regulation changes, and to establish a system to identify CHIP eligible costs. • In April 2011, the CHIP workgroup: o Evaluated CHIP regulation revisions and their impact on the ability to claim CHIP funds. o Developed a process/procedure for communicating the status of CHIP funding availability on a routine basis. • In May 2011: o The workgroup established a process for identifying CHIP clients and journal vouchering CHIP eligible expenditures when necessary. o MPA established a routine process to identify all Medicaid eligible costs for CHIP reimbursement.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-37.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	36	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, Home and Community Based Services Division, does not have adequate controls to ensure Medicaid recipients have received the services for which Medicaid is billed. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 ARRA and non-ARRA Status: Refer to finding 11-35 Corrective Action: The Department concurs with this finding. The Department has plans to implement the Provider Compensation System (PCS) by the end of 2012 which will allow for an automated review process. PCS will be a sub-system of ProviderOne and is designed to generate intermittent, random notices to clients informing them how many hours were paid to the provider on their behalf during the previous month. The clients will be instructed to notify the Department if they notice a discrepancy in the hours provided versus the hours billed. Until PCS is implemented, the Department will rely on the following controls that are currently in place: • Case managers complete an assessment that results in an authorization of hours that cannot be exceeded by a provider invoice. • Clients receive a copy of the service summary that tells them the number of hours of service they are eligible to receive. Clients are advised they can choose when those hours are provided and direct the individual provider when to provide them. Case Managers also advise clients to contact them if they are not receiving the hours (or care) for which they are eligible.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	36 (Cont'd)	• Clients are expected to keep copies of timesheets for their individual providers. Case managers periodically review these time sheets and verify with the client that authorized services have been provided. Case managers are instructed to document the review of time sheets and the discussion of service verification in a Service Episode Record. • The Department, through its Payment Review Program, runs algorithms to detect possible fraudulent claims. Overpayments are initiated and referrals are made to the Medicaid Fraud Control Unit as indicated by findings. • The Social Service Payment System will not process payments in excess of hours authorized. A provider is therefore unable to claim and be reimbursed for hours that exceed those authorized by the case manager. In June 2011, the Department's Aging and Disability Services Administration (ADSA) conducted a pilot review of randomly selected individual provider timesheets within the Division of Developmental Disabilities. This review will go ADSA wide within the next year. The review found most individual providers were compliant with time sheet requirements. For those that were not, action was taken ranging from issuing a warning to processing an overpayment to terminating the individual provider's contract. **The conditions noted in this finding were previously reported in finding 09-18.** Completion Date: The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-35.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	37	Finding: The Department of Social and Health Services does not have an adequate process to identify ineligible Medicaid expenditures for nonqualified aliens at the time of payment, resulting in $187,557 in questionable costs. Questioned Costs: CFDA # — Amount 93.775 — non-ARRA: $149,965.40 93.776 — ARRA: $ 37,591.93 93.777 93.778 ARRA and non-ARRA Status: Corrective action in progress Corrective Action: This finding involved the Aging and Disability Services Administration (ADSA) and Medicaid Purchasing Administration (MPA). Both administrations concur with the finding. ADSA has taken or will take the following actions to correct the deficiencies identified during the audit: • In July 2011, ADSA trained field staff on how to identify client citizenship and on assigning correct Social Service Payment System (SSPS) codes when authorizing services. • By November 2011: o SSPS codes will be established for state only clients and correct authorizations for existing clients. o Because Medicaid funding is no longer allowable for emergency services for ADSA clients, expenditures are transferred to state only funding quarterly. The expenditures will be moved to a state only SSPS code when they are established. o Staff will review clients on the exception list to determine whether or not they are eligible for Medicaid. If they are not, costs will be journal vouchered to state only funding and the correct SSPS code will be applied for future authorizations.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	37 (Cont'd)	MPA has taken the following actions: • In January 2010, a procedure was developed and implemented where the client's eligibility is federally verified at the time of application. An interface with the Social Security Administration is used to confirm SSN and citizenship status. • In June 2011: o A process was developed to move claims for Medicaid services provided to nonqualified aliens from Medicaid to state only. The process entails periodic identification of non-citizens with invalid Social Security Numbers. This list is then passed to financial staff, who identify the non-emergent Medicaid claims data from ProviderOne and perform an accounting adjustment to shift these dollars to state-only funds. o MPA has followed up on the questioned cost relating to managed care insurance premiums, dental services, and other services including physician visits, prescription drugs, family services and vision identified as being provided to nonqualifying aliens and coordinated with the Centers for Medicare and Medicaid Services (CMS) to determine if any related Medicaid funds must be returned. Completion Date: Estimated November 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	38	Finding: The Department of Social and Health Services, Medicaid Purchasing Administration[1], does not have adequate controls to ensure controlled substances prescribed for Medicaid clients are authorized and allowable. Questioned Costs: CFDA # — Amount 93.775 — non-ARRA: $119,829.99 93.776 — ARRA: $ 30,037.85 93.777 93.778 ARRA and non-ARRA Status: Refer to finding 11-45 Corrective Action: The Department's Medicaid Purchasing Administration (MPA) does not concur with the finding. There are no federal or state statutes that require a payer (e.g. state) to validate the Drug Enforcement Administration (DEA) number of a prescriber. Therefore, the MPA disagrees that the lack of an edit that validates DEA for Schedule 2-5 drugs constitutes inadequate internal controls or that the lack of such validation renders the payment unallowable. The MPA believes that responsibility for compliance with controlled substance requirements lies with the prescribing provider and the dispensing pharmacies. The Controlled Substance Act (21 USC Sec. 821) and the State Uniform Controlled Substance Act (RCW 69.50) do not regulate payment for controlled substances and there are no provisions in either that could be interpreted as a requirement relating to payment of claims for controlled substances. Title 21 CFR Section 1306.04 clearly states that the prescribing practitioner is responsible for assuring that the prescription conforms in all essential respects to the law and regulation:

[1] Formerly Health and Recovery Services Administration (HRSA)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	38 (Cont'd)	(a) A prescription for a controlled substance to be effective must be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his professional practice. *The responsibility for the proper prescribing and dispensing of controlled substances is upon the prescribing practitioner, but a corresponding responsibility rests with the pharmacist who fills the prescription.* This finding indicates that since the previous 2009 finding, the MPA has developed procedures to verify DEA for Schedule 2 drugs. That statement is incorrect. The automated edit procedure has been in place since 2002 when the MPA implemented a pharmacy Point of Sale (POS) edit for the purpose of validating the DEA of the prescribing physician for Schedule II drugs. The MPA considered this to be an essential POS validation because Schedule II drugs are subject to the highest risk of abuse. The MPA considered it prudent to provide this additional validation to guard against the potential for fraud and abuse. The MPA implemented a new pharmacy Point of Sale (POS) in October 2008. The POS design allowed us to require and utilize the National Provider Identifier (NPI) as the prescriber identifier. The POS was designed to utilize a national file that associated the NPI to the DEA number, theoretically allowing a match of the NPI to DEA that enforces the Schedule II edit. However, at implementation it was discovered that the national file that associated NPI to DEA was not complete and did not meet the business needs of matching NPI to DEA. As a result, the Schedule II edit in POS is based on a work-around. The POS maintains a "prescriber network" of known NPI/DEA associations, and it is updated by state staff as new associations become known. The work-around includes manual updates to a "blocked prescriber list" that identifies prescriber DEAs prevented from prescribing Schedule II drugs. There continues to be no complete external source of data that provides the NPI to DEA crosswalk. As a result, the work-around within the POS does not provide any external data file that can be utilized for analysis or that allows us to query the data and match DEA with NPI. So while the POS automatically

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	38 (Cont'd)	associates the NPI with DEA for adjudication, external review of the NPI/DEA associations requires manual lookup to document the association. The MPA performed the following detailed claims analysis and responded to SAO as follows: • Transactions with an invalid DEA number (4,071 records): The MPA reviewed the first 100 records in POS and found 100% were active in the POS prescriber file with valid DEA. The prescriber file does not currently include DEA end dates. • Transactions with an NPI number (9,946 records): A manual review of 50 records found 47 associations of NPI to valid DEA. In three instances, only the NPI was in the Prescriber Network file. These three claims paid because the NPI was not on the blocked Schedule II list. • SAO reviewers were provided with access to the POS as well as instruction on the screens showing how the NPI/DEA associations could be located. In addition to the POS edit that validates the DEA for Schedule II drugs, the MPA has a set of robust Program Integrity activities including pharmacy utilization review, pharmacy rules-based algorithms that identify improper payments, and data mining activities that identify patterns outside the norm. In the absence of any requirement to validate DEA for controlled substances, the MPA believes this set of Program Integrity activities provide adequate controls to ensure that controlled substances are authorized and allowable. The MPA continues to research the availability of a complete external file that accurately and completely associates NPI to DEA. Other states are faced with similar difficulties in utilizing the NPI for prescriber identifier. The MPA will work with the Department of Health and Human Services to determine if any questioned costs need to be reimbursed. **The conditions noted in this finding were previously reported in finding 09-32. The auditors noted certain progress.** Completion Date: The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-45.

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	39	Finding: The Department of Health and Human Services, Aging and Disability Services Administration, did not ensure the level of in-home care services for some clients was evaluated at least annually. Questioned Costs: CFDA # — Amount: 93.775 — non-ARRA: $36,372.24 93.776 — ARRA: $ 9,117.45 93.777 93.778 ARRA and non-ARRA Status: Refer to finding 11-30 Corrective Action: The Department of Social and Health Services partially concurs with this finding. The Department reviewed the 10 exceptions identified by the auditors. The Department determined two of the 10 clients had annual assessments completed within the required time frames however, due to computer anomalies, they were coded as late. There was documentation in each client's Service Episode Record that documented the situation. The other eight clients remained eligible for services during the time their assessments were out of date. There are routine reasons an assessment may not be included within the required timeframe. Some examples are the client's inability to meet with the case manager, delays in locating a provider of personal care, and delays caused in obtaining specialized medical equipment or making environmental modifications. Also, a client may have been admitted to a nursing facility or hospital or had a break in service that nullified the annual assessment due date.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	39 (Cont'd)		During this audit cycle, the Department completed 59,570 assessments. If the 662 assessments identified by the auditors were actually late, this amounts to a compliance rate of 98.9% which is well within an acceptable threshold given the routine reasons why an assessment could be late. The Department has set a benchmark of 100% for compliance with assessment timeliness. The Department has taken the following actions to address the recommendations of the auditors: • In February 2011, the Department reviewed the Quality Assurance Monitoring Tool used in the quality assurance cycle. The tool ensures the level of care assessment for clients receiving in-home care is performed at least once every twelve months. • In June 2011, the Department contacted the Department of Health and Human Services (HHS). The HHS analyst informed the Department questioned costs will be reviewed when the audit results are received through the federal clearinghouse.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-30.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	40	Finding:	The Department of Social and Health Services, Medicaid Purchasing Administration[2], does not comply with state law and the federal Deficit Reduction Act of 2005, thereby increasing the likelihood that the state is paying claims that should have been paid by liable third parties.
		Questioned Costs:	CFDA # / Amount 93.775 / $0 93.776 93.777 93.778 ARRA and non-ARRA
		Status:	Refer to finding 11-38
		Corrective Action:	The Department's Medicaid Purchasing Administration (MPA) does not concur with this finding. The MPA continues to believe that it is in compliance with the Deficit Reduction Act (DRA) of 2005. The MPA meets this standard by making data available to all insurers to use for Third Party Liability (TPL) reporting and by matching data directly with those insurers most likely to provide third party coverage to Medicaid recipients. In January 2011, MPA signed a contract with Health Management Systems to perform automated data matches of MPA enrollment data against health insurance carrier files. This is intended to enhance TPL information in ProviderOne, the Department's primary provider payment processing system. By January 2012, the MPA will implement in ProviderOne the data exchange format published by CMS in June 2010. This new format serves as a tool to enable all states and all payers to use and comply with the DRA data exchange requirements. The MPA is moving forward to incorporate this tool into ProviderOne to enhance cost avoidance and recovery activities. **The conditions noted in this finding were previously reported in finding 09-19. The auditors noted certain progress.**
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-38.

[2] Formerly Health and Recovery Services Administration (HRSA)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	41	Finding: The Department of Social and Health Services did not ensure all Medicaid providers were eligible to participate in the program. Questioned Costs: CFDA # — Amount 93.775 — non-ARRA: $8,379.59 93.776 — ARRA: $2,100.52 93.777 93.778 ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Department concurs with this finding. Medicaid dollars were used to reimburse an excluded party who happened to be a parent provider. The excluded party (parent provider) provided the client services as authorized, and was paid for those services. During the audit period, parent providers were exempt by rule (RCW 74.15.030 (3)) from background checks. This exemption will change in 2012, when all providers, including parent providers will be required to be fingerprinted as part of the background check process. The Department has taken or will take the following actions in response to the audit finding: • In June 2011, the Department contacted the federal grantor. A journal voucher was processed that moved expenditures to state only. The funding should be returned on the third quarter 2011 CMS 64. • In September 2011, the Department's Central Contracts Office will be contacted to review the current processes used to identify excluded and debarred providers and identify potential steps that could improve the methods currently in place. Completion Date: Estimated September 2011

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan

10	42	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, Home and Community Based Services Division, does not have adequate internal controls to ensure Medicaid payments to in-home service providers are allowable and supported.
		
		Questioned Costs:
		CFDA # — Amount
		93.775 — non-ARRA: $460,823.00
		93.776 — ARRA: $115,515.00
		93.777
		93.778 ARRA and non-ARRA
		
		Status: Refer to finding 11-29
		
		Corrective Action: The Department concurs that there are not adequate controls in place to ensure Medicaid payments to in-home service providers were allowable and supported. The Department is anticipating the Provider Compensation System (PCS) will be implemented by the end of 2012. PCS is a sub-system of ProviderOne that will generate intermittent notices to clients informing them of the number of hours providers were paid in the previous month. This will assist clients in determining if the hours an Individual Provider worked is the same as the hours they were paid.
		
		Until the PCS is implemented, the Department has the following controls in place:
		• As part of their client assessment, case managers authorize a certain amount of hours a provider can provide care. These hours cannot be exceeded by a provider invoice because the Social Service Payment System will not process payments in excess of the authorized hours.
		• Clients are informed they need to retain copies of their provider's timesheets. This will allow case managers to periodically review a sample of client's timesheets and verify services were provided.
		• During 2010, the Department:
		  o Reviewed with clients their responsibilities as the employer of their individual providers. This will continue with new clients.
		  o Sent individual providers a written notice of their obligation to keep a record of in-home services provided to Department clients.
		  o Began auditing randomly selected samples of individual providers' timesheets to determine that services billed for are consistent with timesheet documentation submitted.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan

10	42 (Cont'd)	The Department has taken the following corrective actions as a result of this finding:
		• In April 2011, the Department developed and provided a training module to the case management staff of the 13 Area Agencies on Aging. The training focused on the requirement that case managers review client's timesheets and verify authorized hours have been provided.
		• Also in April, the Department revised the Case Management Program Training curriculum to include an emphasis on review of timesheets.
		• In June 2011, the Department:
		  o Audited a random sample of individual providers timesheets to determine if services billed are consistent with timesheet.
		  o Contacted the Department of Health and Human Services (HHS) and was told by the HHS analyst that questioned costs would not be reviewed until the audit results were received through the clearinghouse.
		• In August 2011, the Department sent written notification to individual providers regarding their obligation to keep a record of in-home services they provide to ADSA clients.
		
		The conditions noted in this finding were previously reported in finding 09-21. The auditors noted certain progress.
		
		Completion Date: The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-29.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	43	Finding: The Department of Social and Health Services did not ensure that all individuals who received Medicaid benefits had valid Social Security numbers. Questioned Costs: CFDA # — Amount 93.775 — non-ARRA: $143,270.78 93.776 — ARRA: $ 35,913.78 93.777 93.778 ARRA and non-ARRA Status: Corrective action in progress Corrective Action: This finding involved the Children's, Economic Services, and Medicaid Purchasing Administrations. Each administration provided individual responses. Children's Administration (CA) CA concurs with this finding. Only two of the exceptions identified during the audit were related to CA. In February 2011, CA initiated the process to obtain the correct social security number for the two clients. Economic Services Administration (ESA) ESA concurs with this finding. By March 2011, ESA took actions to address the exceptions identified during the audit. Additionally, ESA, in conjunction with the Medicaid Purchasing Administration, has requested enhancements to their automated systems. The enhancements, which are expected by October 2011, will include: • Automation of the State On-line Query (SOLQ) SSN verification process at the time of application. • System generated edits and assignments to ensure accurate processing and follow-up of cases with missing or invalid SSNs.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	43 (Cont'd)	Medicaid Purchasing Administration (MPA) MPA partially concurs with this finding. MPA is of the opinion that the audit sample of the total caseload of 1.1 million clients was not valid. This sample consisted only of cases that might be in error -- in effect, inflating the number of potential errors that might exist within the total Title XIX and Title XXI caseload. By comparing to the total 1.1 million cases, the audit team initially found 8,727 potential errors, a 7.9% potential error rate. But of that number of potential errors, the audit team found only 410 actual errors, or a 0.047% error rate. In addition, only 84 of the cited errors were under Medicaid's control, resulting in a Medicaid error rate of only 0.009%. During July 2010, MPA took action on the 84 exceptions identified as belonging to MPA. The cases were either corrected or closed. Of the cases, 72 (86%) were Take Charge family-planning-only. In the past, these clients have received one medical ID card covering a 12-month certification period. Beginning in May 2010, however, the Medicaid payment system changed to ProviderOne. This system only shows one month of a client's eligibility, which enables the Department to close Take Charge certifications when needed. This new functionality in ProviderOne will eliminate the Take Charge problem since the Department regularly terminates these cases when eligibility ends, rather than waiting until the end of the certification period as before. During September 2010, MPA staff received training in the procedures for requiring and verifying SSNs. Also in September, MPA began auditing two percent of Take Charge cases and 10 percent of MEDS applications and reviews monthly MPA shares monthly reports on cases that lack SSNs or have invalid SSNs with the ESA allowing workers in either administration to correct them quickly. Staff has now been trained on the need for SSNs and how to verify them through the State On-Line Query. In addition, the Eligibility A-Z manual has been updated with the most current procedures. Completion Date: Estimated October 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	44	Finding: The Department of Social and Health Services Medicaid Purchasing Administration's[3] internal controls are insufficient to ensure payment rates for its Healthy Options managed care program are based on accurate data. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 ARRA and non-ARRA Status: Refer to finding 11-40 Corrective Action: The Department's Medicaid Purchasing Administration (MPA) does not concur with this finding. MPA believes there are sufficient controls in place to assure managed care rates are set based on the verified managed care organizations' (MCO) actual costs of care. The controls MPA has in place are: • Actuarially certified, proprietary cost information is submitted directly to the MPA's actuary. The actuary verifies the information submitted by comparing it to audited financial statements submitted to the Office of the Insurance Commissioner, and encounter data submitted to the MPA. • The actuary also does analysis of prior years, compares MCOs to each other and resolves outliers that arise from its analyses with the MCOs.

[3] Formerly Health and Recovery Services Administration (HRSA)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	44 (Cont'd)		In addition, the MCOs each have compliant fraud and abuse controls to prevent provider fraud. These controls provide reasonable assurance that the data used in rate-setting is accurate and complete. This assertion is supported by the fact that the MPA has had no findings regarding rate setting in two Centers for Medicare and Medicaid Services (CMS) reviews and has had its rates consistently approved by CMS with their full understanding of the rate setting methodology. **The conditions noted in this finding were previously reported in finding 09-22.**
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-40.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	45	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, does not have adequate controls in place to ensure all applicant-owned assets are counted when Medicaid eligibility is determined. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 ARRA and non-ARRA Status: Refer to finding 11-36 Corrective Action: The Department does not concur with this finding. The Department disagrees with the SAO for the following reasons: • Most clients do not have proof of all financial activities that occurred during the last five years, which would be all of their financial statements from banks and other financial institutions. The process that the client or Department would have to go through to provide that much history would be lengthy and expensive, and would not meet the federal requirement in 42CFR 435.902 that an agency's policies and procedures for determining eligibility must be conducted in a manner consistent with simplicity of administration and is in the best interests of applicants and recipients. • The Department would have to pay banks to provide archived statements that the clients no longer have per WAC 388-490-0005(7). The length of time it would take to request and then review a minimum of 60 bank statements, with the possibility of hundreds more if there are multiple accounts at different banks, would make it impossible to meet our standard of promptness for Medicaid applications with existing staff. Many additional FTEs would be required. Requiring all clients to provide 60 months of bank statements would not be cost-effective.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	45 (Cont'd)	• Unless transfers were made with the intent of qualifying for long-term care benefits, the Department cannot impose a transfer penalty. RCW 74.08.080(2)(g) states that "the burden is on the department to prove by a preponderance of the evidence that the person knowingly and willingly assigned or transferred the resource at less than fair market value for the purpose of qualifying…for medical assistance." Applicants who have or had enough resources to consider transferring assets are usually applying for public assistance for the first time. If transfers occurred between 2 – 5 years prior to applying, the Department finds that those persons were usually unaware of Medicaid policies at that time because they were in reasonably good health, were not contemplating future long-term care needs, and were simply helping family members. If they were transferring assets to qualify that long ago, it is often difficult to prove. Generally, specific planning for future Medicaid eligibility occurs within a few months of the application. • Requiring clients to provide five years of bank statements would only pertain to bank accounts that are declared. No system is in place to identify undeclared bank accounts and other types of undeclared transfers which is the primary reason for reliance on self-declaration. • The Department is committed to ensuring that Medicaid clients are financially eligible for the program benefits that they receive and will continue to pursue and verify any asset transfers that it becomes aware of through the written application, the subsequent interview, or other means. Applicants complete the DSHS Application for Benefits. This form specifically asks if the applicant or applicant's spouse has sold, traded, given away, or transferred a resource in the last five years, and if so, what and when. The application states that the person signing it is declaring an understanding that they can be criminally prosecuted for making a false statement or failing to report something. The signature certifies and declares under penalty of perjury under the laws of the State of Washington that the information given is true and correct.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	45 (Cont'd)	In addition, the Department is taking the following actions: o Staff routinely checks online county assessor systems to see if clients have transferred property within the county they reside in. o If the bank statements from the last three or six months contain payments or credits that present red flags, staff looks as far into this as necessary to resolve the issue. o If the client declares a transfer, staff requests and obtains verification and thoroughly evaluate that transfer to ensure that it is consistent with Medicaid rules. o If the interview is inconsistent with the application, staff evaluates and probes inconsistencies as necessary. o If staff learn of possible transfers through other means, they always follow-up and verify. The Department submitted policies and procedures to the Centers for Medicare and Medicaid Services (CMS) in June 2009 asking for an opinion as to whether or not federal guidelines were being met. CMS responded on December 22, 2009. CMS indicated that states have flexibility in implementing the 5year look-back provision according to the "general rules of reason." The Department believes the CMS response validates the position that asking for bank statements for the entire look-back period is not required. The Department believes the methods described above meet the "rules of reason" test referred to by CMS. **The conditions noted in this finding were previously reported in finding 09-17.** Completion Date: The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-36.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	46	Finding: The Department of Social and Health Services, Economic Services Administration, does not have adequate controls to ensure sufficient action is taken to correct errors identified by the Medical Eligibility Quality Control Unit. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 ARRA and non-ARRA Status: Corrective action complete Corrective Action: The Department concurs with this finding. In April 2010, the Department formalized monitoring procedures for assigning, tracking and follow-up on the correction of errors identified through the MEQC reviews. The specific procedures are: • Upon completion of an MEQC project review, the MEQC Unit creates a spreadsheet (problem report), identifying potential errors. • This spreadsheet is uploaded to Barcode and sent to the MEQC Program Manager at the Medicaid Purchasing Administration (MPA) for distribution to the field. • The MPA MEQC Program Manager classifies the problem report by Community Services Division Customer Service Center district (region) based on where the client resides.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	46 (Cont'd)	• Each district specific report is sent to the appropriate district contact (a supervisor in the district office) for correction. • The district contact (supervisor) assigns the case errors to staff in the district call center for correction. • The district contact reports back to the MPA MEQC Program Manager upon completion of the corrections. Corrections are then reported back to the MEQC unit. **The conditions noted in this finding were previously reported in finding 09-25.** Completion Date: April 2010

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	47	Finding: The Department of Social and Health Services, Medicaid Purchasing Administration[4], does not have adequate controls in place to ensure all individuals who receive Medicaid benefits are financially eligible. Questioned Costs: CFDA # / Amount: 93.775 / $0 93.776 93.777 93.778 ARRA and non-ARRA Status: Corrective action complete Corrective Action: The Department's Medicaid Purchasing Administration (MPA) partially concurs with this finding. The total children's medical caseload for July 1, 2009, through March 31, 2010, was at 384,033. Two hundred cases were sampled, and 15 cases were cited with exceptions. MPA agrees that two of the 15 cases lacked income documentation to determine if the clients were eligible for medical coverage. To address this, MPA took the following action in January 2010: • Staff were trained on income eligibility determinations and required documentation. Classroom instruction was and continues to be provided with handouts that can be used at the worker's desk to reinforce class learning. Specific training and handouts are provided on self-employment and corporations. • Policy and Procedure Manual sections have been updated with requirements on income calculations and documentation. • Medicaid Eligibility Quality Control focused audits are performed on income eligibility requirements, calculations, and documentation to ensure staff follow rules and procedures.

[4] Formerly Health and Recovery Services Administration (HRSA)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	47 (Cont'd)	MPA disagrees with the other thirteen cases, which contained procedural errors even though the clients remained eligible for medical benefits. The procedural errors amounted to weak verification of determining accountable household income for self-employed individuals. Additionally, per RCW 74.09.402 (WAC 388-416-0015), children's medical cases remain open for a 12-month continuous certification period, regardless of changes other than death, moving out of Washington State, or aging out of the program. This means that any increase in income during the audit certification period would not affect the children's eligibility during those 12 months. Completion Date: January 2010

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	48	Finding: The Department of Social and Health Services' internal controls are inadequate to ensure non-emergency medical transportation expenditures are allowable and adequately supported. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 ARRA and non-ARRA Status: Refer to finding 11-47 Corrective Action: The Department's Medicaid Purchasing Administration (MPA) concurs with this finding. MPA acknowledged that on-site monitoring of activities for the transportation brokers was not completed according to the monitoring plan for 2010. This was primarily due to budget restrictions. Also, the workload required for the re-procurement of non-emergency medical transportation (NEMT) contracts was considerable. To address this finding, MPA is reviewing broker subcontractors monitoring schedules, broker incident/accident reports, and broker invoice packets. MPA is also reviewing and resolving broker complaints.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	48 (Cont'd)	Additionally, MPA will take or took the following actions: • The broker's fleet inventory reports were reviewed in February 2011. • The Trips Database was developed and tested in March 2011. This database allows for improved monitoring capabilities. The database also allows MPA to match a client's trip to a covered medical service. • By December 2011, desk audits of all NEMT brokers will be completed, along with site visits of those brokers. Eastern Washington brokers site visits were completed in July 2011. Four of the six desk audits have been completed and the remaining two are scheduled. **The conditions noted in this finding were previously reported in finding 09-31.** Completion Date: The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-47.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	49	Finding:	The Department of Social and Health Services did not have adequate controls to ensure the federal share of overpayments made to Medicaid providers are refunded to the federal government in an accurate and timely manner.
		Questioned Costs:	CFDA # / Amount 93.775 / $0 93.776 93.777 93.778 ARRA and non-ARRA
		Status:	Refer to finding 11-27
		Corrective Action:	The Department concurs with this finding. While the Department's Office of Financial Recovery (OFR) has found that monthly reminders to Administrations have not been effective in ensuring timely overpayment referrals, OFR will comply with current policy while working to change the policy and implement effective refund practices. Policy revisions have been made and are under review. The Department anticipates the review will be completed by December 2011. **The conditions noted in this finding were previously reported in finding 09-28.**
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-27.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	50	Finding: The Department of Social and Health Services paid Medicaid providers for services that were not provided to Medicaid beneficiaries. Questioned Costs: CFDA # — Amount 93.775 — non-ARRA: $30,408.79 93.776 — ARRA: $ 7,622.59 93.777 93.778 ARRA and non-ARRA Status: Corrective action in progress Corrective Action: This finding involved the Aging and Disability Services Administration and the Medicaid Purchasing Administration. Both administrations concur with the finding. Aging and Disability Services Administration (ADSA) ADSA will continue its work to strengthen processes that may provide a timelier and more consistent way to inform field staff about deceased clients. Currently, field staff receive this information from a variety of sources, including relatives, death notices in the papers, and ACES-Social Security Data Exchange matches. There is no departmental or legal requirement to notify field offices. The availability and consistency of this information will improve when phase two of Provider One is completed. At that time staff should have uniform access to the same data sources for information about client deaths. ADSA took the following action in April 2011: • Provided the Payment Review Program (PRP) the client list with dates of death (DOD) .This assisted the PRP determine if there are algorithm improvements that will assist in strengthening procedures for identifying deceased beneficiaries. • Established overpayments for those payments identified after the audit began. By the end of September 2011: • Federal share costs will be reimbursed to the federal grantor.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	50 (Cont'd)	Medicaid Purchasing Administration (MPA) The audit identified transactions totaling $3,266 in payments made through the Medicaid Management Information System (MMIS) that were paid after the date of death. In January 2011, the Date of Death was documented in the MMIS and the payments have been recouped. The audit recommended that MPA "continue to strengthen procedures for identifying deceased beneficiaries to prevent overpayments in the future." MPA continues to be a stakeholder in a Department of Health (DOH) initiative that will provide on-line access to DOH death data. The initiative will provide death data in a timelier manner, but has yet to be implemented. DOH remains dependent upon counties for receipt of death data, resulting in a delay in receiving the information. Due to this delay, DSHS will continue its successful post-pay review activities by using the quarterly DOH death data file to identify and recoup claims paid for deceased clients. Completion Date: Estimated September 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	51	Finding:	The Department of Social and Health Services, Health and Recovery Services Administration, does not have adequate procedures to ensure Medicaid is the payer of last resort for pharmacies.
		Questioned Costs:	CFDA # / Amount 93.775 / $0 93.776 93.777 93.778 ARRA and non-ARRA
		Status:	Refer to finding 11-43
		Corrective Action:	The Department's Medicaid Purchasing Administration (MPA) does not concur with this finding. However, MPA will take the following action to strengthen internal controls: MPA plans to enhance functionality related to third party payers in ProviderOne by December 2012 through implementation of a change request. Until then MPA will continue to allow providers to make eligibility checks with ProviderOne that include known third party payer information. In June 2010, CMS announced recommended transmission formats for sharing eligibility and benefit information. The formats are the Payer Initiated Eligibility/Benefit (PIE) Transaction and the Accredited Standards Committee (ASC). MPA will be pursuing implementation of these transactions. On an ongoing basis as resources are available, MPA will retrospectively examine pharmacy claims for the use of Third Party Liability override codes. **The conditions noted in this finding were previously reported in finding 09-24.**
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-43.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	52	Finding: The Department of Social and Health Services, Medicaid Purchasing Administration[5], does not have adequate controls to ensure providers meet initial and ongoing eligibility requirements to participate in the Medicaid program. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 ARRA and non-ARRA Status: Refer to finding 11-48 Corrective Action: The Department's Medicaid Purchasing Administration (MPA) does not concur with this finding. The MPA does ensure that all requirements for Durable Medical Equipment providers are met. Although MPA does not concur with this finding, the following actions will be taken to improve services. • MPA has a Change Request (CR) in process with the ProviderOne vendor, CNSI, which will allow a data exchange of professional and facility license information between MPA and the Department of Health. This will identify claims from expired professional and facility licenses so that they will not be paid. This change request is expected to be in effect by September 2011. Business licenses were not captured in the MMIS system (the system that preceded ProviderOne). The business license field is new to the ProviderOne system. It is a requirement for enrollment to document the business license dates. ProviderOne automatically sends the provider a letter 30 days prior to the expiration date of a business license. The provider is required to then send the Provider Enrollment Unit proof of an updated license. There is currently no edit in place to deny claims on business license end dates. This edit will be put into place by February 2012.

[5] Formerly Health and Recovery Services Administration

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	52 (Cont'd)	• Beginning in April 2011, new federal regulations require the states to perform pre- and post-enrollment site visits of newly enrolling DME providers, and as current DME providers' enrollment is updated. Regulations allow that states may accept the results of Medicare's or another state Medicaid agency's screening results (i.e. if the provider is already a Medicare provider and Medicare has done the pre- and post-enrollment site visit). MPA is taking all steps necessary to comply with these new federal requirements. Completion Date: The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-48.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	53	Finding:	The Department of Social and Health Services Medicaid Purchasing Administration[6] does not perform a retrospective drug use review of pharmaceutical claims data to identify patterns of fraud or abuse as required by federal law.
		Questioned Costs:	CFDA # / Amount 93.775 / $0 93.776 93.777 93.778 ARRA and non-ARRA
		Status:	Refer to finding 11-41
		Corrective Action:	The Department's Medicaid Purchasing Administration (MPA) does not concur with this finding. MPA believes that it is in full compliance with the federal rules for retrospective drug utilization review. The Centers for Medicare and Medicaid Services (CMS) has provided previous validation that MPA's retrospective Drug Utilization Review (DUR) reports meet all federal requirements. MPA will submit its required annual Drug Utilization Review report to CMS for federal fiscal year 2010. **The conditions noted in this finding were previously reported in finding 09-20.**
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-41.

[6] Formerly Health and Recovery Services Administration (HRSA)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
10	54	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, billed approximately $600,000 to the Medicaid program for services provided to ineligible individuals. Questioned Costs: CFDA # — Amount 93.775 — non-ARRA: $322,204.66 93.776 — ARRA: $ 80,767.25 93.777 93.778 ARRA and non-ARRA Status: Corrective action complete Corrective Action: The Department concurs with this finding. Department staff within Aging and Disability Services Administration (ADSA) was not aware of the correct process and client eligibility criteria for charging funds to the State Children's Health Insurance Program (SCHIP) grant. ADSA worked with other administrations within the Department including the Medicaid Purchasing Administration (MPA) and the Economic Services Administration (ESA) to ensure that expenditures are properly charged to the SCHIP grant and not Medicaid. In August 2011, the Department: • Obtained reports from MPA that assisted in identifying eligible SCHIP clients. • Established Social Service Payment System (SSPS) codes for state only and SCHIP enhanced clients and moved unidentified clients to state only until correct funding determination can be made. • Established a routine process for identifying and journal vouchering SCHIP eligible expenditures. • Worked with the Centers for Medicare and Medicaid Services (CMS) and the Department's Office of Accounting Services. The outcome was that some of the expenditures were moved to the SCHIP 2010 grant. A journal voucher was completed that moved all eligible CHIP expenditures. Ineligible expenditures were moved to state only funding. Completion Date: August 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	55	Finding:	The Department of Social and Health Services, Medicaid Purchasing Administration, did not ensure managed care premium payments were paid only for Medicaid eligible clients, resulting in the loss of approximately $1 million of public funds.
		Questioned Costs:	CFDA # / Amount 93.775 non-ARRA: $474,387.67 93.776 ARRA: $118,915.06 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Department's Medicaid Purchasing Administration (MPA) concurs with this finding. MPA conducted a thorough analysis of the data submitted by the auditors and concluded that the small group of cases cited was accurately described. The findings were a result of limitations within the legacy Medicaid Management Information System (MMIS). With the implementation of ProviderOne in May 2010, this limitation was resolved. Currently, MPA has established business rules that will disenroll ineligible clients when their eligibility changes between cutoff and premium payment. By September 2011, the MPA will work with the Centers for Medicare and Medicaid Services (CMS) to refund the federal dollars identified in the audit.
		Completion Date:	Estimated September 2011

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Health (DOH)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	56	Finding:	The Department of Health charged federal grants for expenditures after the grant period had closed.
		Questioned Costs:	CFDA# 93.889 — Amount ARRA: $154,991.62
		Status:	Refer to finding 11-49
		Corrective Action:	The Department has reviewed its process over expenditures for obligations incurred during the grant period and stressed the awareness of account coding for grants that have exceeded the 90 day period past closing. Accounting and Grants Management staff have clear instructions to close these account codes making them unavailable once they have exceeded their period of availability. In addition program managers have stressed the importance that the required financial reports are filed with the federal grantor by the due date. The Department is in communication with Health and Human Services, Assistant Secretary for Preparedness and Response; and has provided additional documentation that supports an extended deadline for a portion of these expenditures. In these discussions, the Department also stressed that all of these expenditures were otherwise allowable. The Department is awaiting the federal agency's final determination on the questioned costs.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2011 Washington Single Audit. Refer to finding 11-49.

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
10	57	Finding:	The Department of Social and Health Services, Aging and Disability Services Administration, Division of Behavioral Health and Recovery, did not comply with the federal requirement for independent peer reviews for the Substance Abuse Prevention and Treatment Block Grant.
		Questioned Costs:	CFDA # / Amount 93.959 / $0
		Status:	Corrective action in progress
		Corrective Action:	The Department concurs with this finding. In August 2011, the Department created the Behavioral Health Advisory Council (BHAC). The BHAC was developed jointly by the Mental Health Policy Council (MHPC) an the Chemical Dependency Citizen's Advisory Council. The BHAC is responsible for facilitating and overseeing the peer review process. Eight chemical dependency professionals and eight treatment agencies volunteered to act as peer reviewers. The Department trained the peer reviewers in the peer review process. Peer reviews of treatment programs were held during July and August 2011. The BHAC will submit a report discussing the peer review findings to the Director of Behavioral Health and Recovery by October 15, 2011.
		Completion Date:	Estimated October 2011

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Recreation and Conservation Funding Board (RCFB)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	03	Finding:	The Recreation and Conservation Office is not in compliance with federal cash management requirements.
		Questioned Costs:	CFDA # 11.438 — Amount Unknown
		Status:	Refer to finding 10-04
		Corrective Action:	The Recreation and Conservation Funding Board (Board) has received informal approval from the National Oceanic and Atmospheric Administration (NOAA) to allow 120 days to fully account for cash advances to sub-recipients. By March 15, 2010, the Board will request modifications to their NOAA grant agreements to formally reflect this approval. If the grant modifications are not approved by NOAA, the Board will revise this corrective action plan with an alternate approach to address this finding. By February 28, 2010, the Board will review its current policy and processes for cash advances. The Board will modify the number of days advances can be outstanding in order to ensure the 120 day limit is met. The Board will also review and fully document the internal processes used to ensure that the 120 day limit is not exceeded. By May 15, 2010, the Board will communicate to all potential sub-recipients the resulting cash advance policy, emphasizing changes, and restating the Board's intent to consistently enforce consequences for noncompliance with the policy.
		Completion Date:	The condition noted in this finding was repeated in the fiscal Year 2010 Washington Single Audit. Refer to finding 10-04.

Recreation and Conservation Funding Board (RCFB)

Fiscal Year	Finding Number	Finding and Corrective Action Plan

09	04	Finding: The Recreation and Conservation Office does not have adequate internal controls over sub-recipient monitoring.
		
		Questioned Costs: CFDA# 11.438 — Amount $0
		
		Status: Corrective action complete
		
		Corrective Action: The Recreation and Conservation Funding Board (Board) significantly strengthened internal controls over sub-recipient monitoring as follows:
		
		1. Risk assessment: The Board developed a tool to assess the risk that sub-recipients will submit incorrect billings. This risk assessment tool identifys three categories of sub-recipients: high risk, medium risk, and low risk. The risk assessment tool also evaluates several risk criteria and assigns a point value to each. By February 28, 2010, the Board conducted risk assessments on all sub-recipients that had active salmon grants. By March 15, 2010, the Board contacted each sub-recipient to share the results of the risk assessment and the level of documentation required of each sub-recipient.
		2. Invoice review process (change effective March 31, 2010):
		• Prior to payment of each invoice, fiscal staff will review the expenditure listing to ensure items are allowable under the grant, costs are within limitations of the grant, and expenditures occurred within the timeframe of the grant.
		• After fiscal review, outdoor grant managers will review the invoice and approve. Outdoor grant managers oversee projects and ensure timely completion within scope and program. After this approval, fiscal will perform a final review and release payment.
		• While grant managers review/approve all invoices, the fiscal office requires different levels of review depending upon each sub-recipient's risk classification.
		  • High risk sub-recipients will be required to submit all copies of invoices and timesheets.
		  • Medium risk sub-recipients will be required to submit copies of all invoices for two billings per year and are subject to a sub-recipient desk review.
		  • Low risk sub-recipients will continue to provide an original signed invoice voucher, summarized expenditure details and a progress report. These reimbursements are subject to a sub-recipient desk

Recreation and Conservation Funding Board (RCFB)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	04 (Cont'd)	review. Concurrent with this work, the Board will implement an automated progress report system which will assist in evaluating the accuracy of all submitted invoices. 3. Sub-recipient desk review: During the sub-recipient desk reviews, staff will request all back up documentation from sub-recipients for specified reimbursements. Staff will review the documentation to make sure all costs are correct, eligible, in the proper period and were used on the grant. Staff will follow up with any questions that arise in the review. 4. Site visits: Beginning in March 2010, staff will visit at least twelve sub-recipients annually. Because high-risk sub-recipients are already providing full substantiation of reimbursement requests, these visits will focus on the low and medium risk sub-recipients. The purpose of these visits is to review the sub-recipient's records and processes, answer their specific questions, and provide additional training to sub-recipient staff. These visits will also provide verification that the Board's sub-recipient risk assessment approach is effective. The Board will analyze the processes used, track identified issues, and report issues back to the sub-recipient. 5. Audit review: Annually, fiscal staff reviews the audit reports of all grantees required to undergo a federal audit. For grantees not required to have an audit, staff will ensure there is a letter on file certifying the grantee is below the dollar threshold requiring a federal audit. This process identifies audit issues with sub-recipients. 6. Training: Fiscal staff conducts weekly online training sessions on preparation of billing reimbursements. The training allows grantees to participate real-time and ask specific questions. Fiscal staff also performs training sessions as requested. 7. Review of closed grants: Each time an agreement is closed, grant management staff review the grant project file and the project information system to ensure site inspections, project deliverables, and final reports are complete and adequately documented. **The condition noted in this finding was previously reported in finding 08-06.** Completion Date: May 2010

Employment Security Department (ESD)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	05	Finding: The Employment Security Department did not comply with U.S. Department of Labor requirements for determining the accuracy of benefit payments. Questioned Costs: CFDA# — Amount 17.225 – ARRA and non-ARRA — $0 Status: Refer to finding 10-08 Corrective Action: The finding and recommendation for the Benefit Accuracy Measurement (BAM) program has prompted the Department to closely examine the detailed procedures for auditing unemployment insurance claims. Thorough review of the BAM investigative procedures has helped ignite new ideas for process improvement. The BAM team randomly pulls 930 cases a year for both paid and denied cases. The sampling of this audit was 30 cases. 18 of the 30 cases were found to have incomplete information needed to verify facts. While the BAM investigators follow the current written procedures for investigating cases, the Department sees an opportunity to be more aggressive in obtaining information and updating procedures to reflect changes for improvement. The BAM team proposes several process improvement ideas to implement in 2010: • Improve the record keeping of documented attempts to contact the claimant or employer. • Create and use a special "attention" stamp on all our envelopes of correspondence with verbiage to encourage the claimant and employer to respond. • Use certified mail in our letters of correspondence to both claimant and employer. • Set time specific appointments with claimants for the interview. • Increase the number of attempts to contact employers from two to four. • Make a more rigorous effort to verify all job search contacts, specifically the online applications. • Monitor investigator calls to observe content of their verbal communication.

Employment Security Department (ESD)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	05 (Cont'd)		Additionally, the BAM team has started to conduct their own internal quality control process, where the team meets monthly to review peer cases and give feedback that outlines successes and areas for improvement. The Department has a new BAM supervisor with an adjudication background who will lead this effort and monitor the quality of cases more closely.
		Completion Date:	The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-08.

Employment Security Department (ESD)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	06	Finding: The Employment Security Department does not adequately review job search logs to ensure unemployment insurance claimants are eligible for benefits. Questioned Costs: CFDA# 17.225 – ARRA and non-ARRA; Amount $0 Status: Refer to finding 10-10 Corrective Action: The Department recognizes there has been a shift in methods used to apply for jobs. Most jobs now require that the applicant apply online and often to a "blind ad posting." Employers determine the recruitment and application methods for available positions. As a result, the Department is revising regulations to address job search contacts, including contacts made in the on-line/internet world. Revisions related to job search contacts will be immediately incorporated into Job Search Review (JSR) program information, on-line resources, and training materials when approved. Staff is advised to ask additional clarifying questions with the claimant regarding their job search contacts to make sure all requirements for the contact are met. The Department makes every reasonable effort to ensure that job search contact requirements are consistently applied, regardless of the method of contact. The Department is committed to fair and equitable treatment of all claimants. Staff performing JSR will be made aware of and have access to numerous resources that clearly define the program requirements. The Department's Unemployment Insurance (UI) Division maintains a comprehensive reference website for staff that includes links to: • The UI Resource Manual – Job Search Review section, has been provided to all offices • Applicable Laws and Regulations • Desk Aids • Weekly Policy Updates • WorkSource UI Liaison Information. Other resources available include local training and coaching provided by trained JSR staff. A two-and-a-half day formal JSR training is available and

Employment Security Department (ESD)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	06 (Cont'd)		includes a comprehensive Training/Resource Manual for each trainee. A one day UI Reemployment Supervisors training that includes JSR requirements also is available. Supervisory reviews of monthly JSR activity will be conducted in WorkSource offices. Technical assistance is provided by Employment and Career Development Division (ECDD) Reemployment Services Administration staff. If questions arise related to program requirements, UI Policy is consulted and the response shared with the appropriate staff. The Department will be conducting job search log quality and performance monitoring on a weekly and monthly basis. Logs will be requested from a minimum of six WorkSource offices each quarter by ECDD Reemployment Services Administration staff. A standard format will be used to evaluate the logs for legal requirements and quality. Offices may be monitored multiple times. Other monitoring efforts include onsite technical assistance, monthly sampling of job search logs from selected locations, and formal corrective action plans, if necessary. Offices are selected based on workload, staffing, and results of previous monitoring conducted by ECDD. The Department's WorkSource Standards and Integration Division (WSID) also independently schedules monitoring visits to WorkSource locations monthly and include job search log reviews. ECDD coordinates with WSID to address and resolve findings/exceptions identified during an onsite review. Also, weekly random samples of job search logs are submitted to the UI Performance Audit Unit for verification. The UI Performance Audit Unit and ECDD staffs meet monthly to discuss job search log quality, common issues and process improvements.
		Completion Date:	The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-10.

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

Washington State Department of Transportation (WSDOT)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	09	Finding:	The Department of Transportation did not adequately support over $740,000 in payroll costs charged to the Formula Grants for Other Than Urbanized Areas.
		Questioned Costs:	CFDA # 20.509 — Amount $740,889.08
		Status:	Refer to finding 10-13
		Corrective Action:	The Department's current method for allocating direct payroll expenditures was approved by the grantor, the Federal Transit Administration (FTA), so the Department believed its allocation method was in compliance with Federal Regulations. As mentioned in the finding, the Department's Public Transportation Division administers a number of closely related grant programs, and the work performed by some staff support multiple programs. The Department is considered an innovative leader by FTA for its grant administration methods. However, the Department appreciates the State Auditor's recommendations and will make the necessary changes to follow the audit recommendations. The Department has begun to formalize its allocation of direct payroll costs, to meet the Federal requirements for a "substitute system," as addressed in the Federal regulations (OMB Circular A-87). The Department will work with FTA to receive grantor approval of that system and update policies and procedures to reflect the approved "substitute system." Additionally, the Department will confirm with the FTA that funds questioned in the finding should not be repaid, since the current allocation method is approved by the FTA.
		Completion Date:	The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-13.

Department of Early Learning (DEL)/Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	12	Finding:	The Department of Early Learning and the Department of Social and Health Services do not have adequate internal controls over direct payments to child care providers.
		Questioned Costs:	CFDA# / Amount 93.575 / $0 93.596 93.713 - ARRA
		Status:	Refer to finding 10-31
		Corrective Action:	The Department of Early Learning (DEL) and the Department of Social and Health Services (DSHS) implemented numerous activities to ensure there are adequate internal controls over subsidy payments to child care providers and will implement the following specific measures: • DSHS performs an audit of subsidy payments by comparing subsidy child care provider billings with attendance records for DEL. DEL required DSHS expand the audit scope when they identify a care child provider that has billed incorrectly. DSHS added three staff to the child care audit to handle the expanded scope. DSHS reviews their findings with DEL monthly. The expanded audits began in March 2010 and are an on-going activity. • When DSHS identifies child care providers that are having a difficult time billing properly, DEL is informed. DEL notifies the provider that they have technical assistance available through the DSHS provider line, subsidy training provided as a result of the collective bargaining agreement for the family child care home provider, and classes offered through the State Training and Registry System. • In February 2010, DEL sent all licensed providers an updated Subsidy Billing Booklet. This booklet is also available on-line. This guide booklet assists child care providers in proper billing methods. In addition to providing clearer instructions, DEL streamlined some of the calculations, such as absent days, to make it easier for providers to bill properly. DEL expects to see improvements in billings with the distribution of this new booklet. **The condition noted in this finding was previously reported in finding 08-13.**
		Completion Date:	The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-31.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	13	Finding:	The Department of Social and Health Services, Children's Administration, does not ensure the eligibility of foster care payment recipients prior to paying them.
		Questioned Costs:	CFDA # / Amount 93.658 – ARRA and non-ARRA / $48,602.20
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with this finding. The Department began a process to identify all cases that have been paid using a source of funds (SOF) not consistent with the eligibility of the client. These cases were corrected in FamLink (an automated foster care payment/tracking system) which automatically processes a correction of payment to adjust the funding according to the correct eligibility information. FamLink uses eligibility information on the case to determine the correct SOF and does not rely on a manual determination from the worker. On March 1, 2010, the Department released the second phase of Famlink which included additional edits to complement existing controls. In June 2010, all exceptions identified during the audit were addressed and funding implications corrected. To accomplish this, the Department analyzed queries of the payment history file in FamLink where the source of funds code does not match the eligibility information. In June 2011, the Department refunded federal funds that were drawn down inappropriately.
		Completion Date:	June 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	14	Finding:	Department of Social and Health Services, Children's Administration, is not following established internal controls to ensure the eligibility of clients receiving the adoption assistance payments.
		Questioned Costs:	CFDA # — Amount 93.659 – ARRA and non-ARRA — $156,302.00
		Status:	Refer to finding 10-32
		Corrective Action:	The Department partially concurs with this finding. Monitoring of cases for children turning 18 is an area in which the Department is trying to improve. The Department does not agree with attaching questioned costs to cases where a scheduled review has not been done. The intent of a 5 year review is not to verify eligibility, but to communicate with the adoptive parent and re-visit their adoption agreement. There is no risk in overpayments associated with a 5 year review. Exceptions identified in the audit where a 5 year review was not conducted did not result in an overpayment. Pursuant to RCW 74.13A.040, reviews are no longer required. Given this, the Department has incurred no liability for not having performed them. The Department will take the following action in response to the recommendations resulting from the audit: • By April 1, 2010, the Department will train staff in offices where exceptions were discovered in correct internal controls. • By May 1, 2010, the Department will review the cases for exceptions identified because of the ineligibility of the client. Where overpayments were made, corrections will be processed in FamLink, which will automatically return any federal portion of the payment. **The condition noted in this finding was previously reported in finding 08-17.**
		Completion Date:	The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-32.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	15	Finding:	The Department of Social and Health Services' internal controls are inadequate to ensure it refunds the appropriate amount to the federal Medicaid program when overpayments to providers are found.
		Questioned Costs:	CFDA # / Amount 93.775 / $0 93.776 93.777 93.778 – ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with this finding. The Aging and Disability Services Administration (ADSA) and the Health and Recovery Services Administration (HRSA) currently known as the Medicaid Purchasing Administration (MPA) were both involved with this finding. ADSA agreed with the information in the audit related to Home and Community Based waiver services. The information will be used to review all adjustments and ensure the correct Federal Medical Assistance Percentage (FMAP) rate is charged in the future. ADSA originally indicated this would be accomplished in February 2010. Due to administrative and budget related actions, the adjustments this were not accomplished until December 2010. ADSA verified that credit adjustments were charged to the correct FMAP rates. MPA acknowledged the Medicaid Management and Information System (MMIS), in place during the course of the audit, was not capable of identifying the correct FMAP rate for prior year adjustments. ProviderOne, which replaced MMIS, was implemented May 9, 2010. The new system has the capability to calculate the correct FMAP adjustment rate based on the original date of payment. In July 2010, MPA processed a journal voucher for claims covering the period from October 1, 2008 through December 31, 2008. This resulted in an adjustment of $351,299 in favor of the Department. In November 2010, MPA completed adjustments for the period from January 1, 2009 through May 8, 2009.
		Completion Date	December 2010

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	16	Finding:	The Department of Social and Health Services did not have adequate controls to ensure it complied with federal requirements for allocating employee salaries and wages and other administrative costs in accordance with its Public Assistance Agency Cost Allocation Plan.
		Questioned Costs:	CFDA # — Amount 93.778 – ARRA and non-ARRA — $6,081,875.00
		Status:	Corrective action complete
		Corrective Action:	The Department concurs that costs associated with Base 476 were incorrectly allocated from May through August 2009, however does not concur with the questioned costs of $12,163,750. Base 476 is an automated base in the Department's Public Assistance Cost Allocation Plan used to allocate Regional and Community Service Office administrative costs to various funding sources based on the Economic Services Administration (ESA) Random Moment Time Sample. Administrative costs allocated through Base 476 include salaries, benefits, building lease, goods and services and travel costs. The Department realized the error on August 18, 2009 and took action to correct the misallocation of funds. The base information was updated immediately and correcting journal vouchers were processed by the end of September 2009 before the federal claim was processed. In November 2009, written procedures were developed and implemented to mitigate the occurrence of future cost allocation base update errors. The procedures require an internal review, by an ESA fiscal staff person, of cost allocation forms used to update base information prior to submission to the Office of Accounting Services for input. The procedure also requires an internal review of the information entered in to the automated cost allocation system to determine if the information was input accurately. As of June 2011, the Department had not been contacted by the federal grantor. Should the grantor determine questioned costs need to be repaid the Department will respond accordingly.
		Completion Date:	June 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	17	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, does not have adequate controls in place to ensure all assets applicants own are counted when Medicaid eligibility is determined. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 – ARRA and non-ARRA Status: Refer to finding 10-45 Corrective Action: The Department does not concur with this finding for the following reasons: • Most clients do not have 60 months of bank statements available to provide. This is a very onerous request to make of clients, most of whom have not transferred assets in order to qualify. The process that the client or Department would have to go through to provide that much history would be lengthy and expensive, and would not meet the federal requirement in 42CFR 435.902 that an agency's policies and procedures for determining eligibility must be conducted in a manner consistent with simplicity of administration and is in the best interests of applicants and recipients. • The Department would have to pay banks to provide archived statements that the clients no longer have per WAC 388-490-0005(7). The length of time it would take to request and then review a minimum of 60 bank statements, with the possibility of hundreds more if there are multiple accounts at different banks, would make it impossible to meet the Department's standard of promptness for Medicaid applications with existing staff. Many additional FTEs would be required. Requiring all clients to provide 60 months of bank statements would not be cost-effective. • Requiring clients to provide five years of bank statements would only pertain to bank accounts that are declared. The Department does not have a system in place to identify undeclared bank accounts and other types of undeclared transfers which is the primary reason for reliance on self-declaration. • The Department is committed to ensuring that Medicaid clients are financially eligible for the program benefits that they receive and will continue to pursue and verify any asset transfers that it becomes aware of through the written application, the subsequent interview,

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	17 (Cont'd)	or discovered through other means. The Department is taking the following actions: o Staff will routinely check online county assessor systems to see if clients have transferred property within the county they reside in. o If the bank statements from the last three or six months contain payments or credits that present red flags, staff will look as far into this as necessary to resolve the issue. o If the client declares a transfer, staff will request and obtain verification and thoroughly evaluate that transfer to ensure that it is consistent with Medicaid rules. o If the interview is inconsistent with the application, staff will evaluate and probe inconsistencies as necessary. o If staff learn of possible transfers through other means, they always follow-up and verify. The Department submitted policies and procedures to the Centers for Medicare and Medicaid Services (CMS) Region 10 in June 2009 requesting an opinion as to whether or not the federal guidelines were being met. CMS responded in December 22, 2009. CMS indicated states have flexibility on implementing the five year look-back provision according to the general "rules of reason." The Department believes the response from CMS validates the position that asking for bank statements for the entire look-back period is not required. The Department believes the methods described above meet the "rules of reason" test referred to by CMS in their email. **The condition noted in this finding was previously reported in finding 08-31.** Completion Date: The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-45.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	18	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, Home and Community Based Services Division, does not have adequate controls to ensure Medicaid recipients have received the services for which Medicaid is being billed. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 – ARRA and non-ARRA Status: Refer to finding 10-36 Corrective Action: The Department concurs with this finding. The Department does not have a process that provides Medicaid recipients with information on the number of hours billed to the Department by individual providers (IP). The Department is in the process of procuring a Provider Compensation System (PCS) that will improve the verification process. The PCS will be a sub-system of Provider One, the new Medicaid Management Information System. Specifically, the new system will generate monthly notices to all clients informing them how many hours were paid to the provider on their behalf during the previous month. The clients will be instructed to notify the Department if they notice a discrepancy in the hours provided versus the hours billed. Unfortunately, it will be approximately two years before the new system is implemented. Until then the Department will rely on the following controls which are currently in place to ensure Medicaid recipients receive the services for which Medicaid is billed: • Case managers complete an assessment that results in an authorization of hours that cannot be exceeded by a provider invoice. • Clients receive a copy of the service summary that tells them the number of hours of service they are eligible to receive. Clients are advised that they can choose when those hours are provided and direct the individual provider when to provide them. Case Managers also advise clients to contact them if they are not receiving the hours (or care) for which they are eligible. • Clients are expected to keep copies of timesheets for their individual providers and case managers periodically review these time sheets and verify with the client that authorized services have been provided. Case managers are instructed to document the review of time sheets and the discussion of service verification in a Service Episode Record

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	18 (Cont'd)	• The Department, through its Payment Review Program, runs algorithms to detect possible fraudulent claims. Overpayments are initiated and referrals are made to the Medicaid Fraud Control Unit as indicated by findings. • The Social Service Payment System will not process payments in excess of hours authorized. A provider is therefore unable to claim and be reimbursed for hours that exceed those authorized by the case manager. Additionally, the Department will take the following actions: • By April 30, 2010, the Department will send a letter to all currently authorized Individual Providers reminding them of their responsibilities as a contracted provider. Specifically, they will be reminded of their obligation to maintain records and respond to inquiries to produce documentation. • By October 31, 2010, staff will review their document titled "Acknowledgement of My Responsibilities As the Employer of My Individual Providers" with all clients who employ an individual provider. **The condition noted in this finding was previously reported in finding 08-34**. Completion Date: The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-36.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	19	Finding: The Department of Social and Health Services, Health and Recovery Services Administration, does not comply with state law and the federal Deficit Reduction Act of 2005, thereby increasing the likelihood that the state is paying claims that should have been paid by liable third parties. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 – ARRA and non-ARRA Status: Refer to finding 10-40 Corrective Action: The Department does not concur with this finding. The Department believes it is in compliance with the Deficit Reduction Act of 2005. The Department meets this standard by making data available to all insurers to use for Third Party Liability (TPL) reporting and by matching data directly with those insurers most likely to provide third party coverage to Medicaid recipients. The Department's position has recently been corroborated by an independent review. In November 2009, Health Management Systems (HMS) performed an assessment of the Health and Recovery Services Administration's (HRSA) Coordination of Benefits (COB) operations, including recommendations addressing applicable legislation and state statutes. HMS is currently engaged with 40 Medicaid agencies to conduct TPL identification and recoveries. HMS brings a depth of subject matter expertise in Medicaid TPL best practices as well as a thorough understanding of current technologies and capabilities within the industry. A draft of the report indicated the following points. • "In 2007, Washington passed Substitute House Bill 1826, updating its Medicaid data matching and recovery regulations as required by Section 6035 of the federal Deficit Reduction Act (DRA) of 2005. As a result, Washington's federal DRA compliant laws are fragmented across several sections of state statute including: Rev. Code Wash. (ARCW) 74.09A.020, 42.48, 74.09, 74.04, 70.02, and 42.56RCW.***"*** • "However, despite the fragmentation, ***Washington's law is compliant with the requirements set forth in the DRA and U.S.C. Sec. 1396a."*** • "The current state statute instructs ***health insurers*** to determine joint-beneficiaries – those enrolled in Medicaid and commercial carriers." • "The current language instructs DSHS to focus on the carriers with the highest probability of coverage. It does make sense for DSHS to focus efforts on carriers with large populations. However, these carriers should not be the sole focus."

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	19 (Cont'd)	• **"**Although improvements can be made to the State's data sharing and matching laws, it should be noted that ***Washington has some of the strongest recovery language in the nation."*** While the Department believes it currently meets legal requirements, with the implementation of the new ProviderOne system which will replace the Medicaid Management Information System (MMIS), the Department will further enhance data matching activities. The anticipated implementation date for ProviderOne is April 2010. In September 2009, pending implementation of ProviderOne as a temporary measure to increase the opportunity for data matches with providers, the Department sent letters (4,024) to all active third party payers on file in MMIS reminding them of the Department's willingness to perform data matches. By June 2010, when ProviderOne is operating, HRSA will be able to send an electronic Coordination of Benefits eligibility inquiry to health plans who have signed Trading Partner Agreements with the Department. The trading partners will be able to respond electronically to eligibility inquiries to indicate the availability of third party health care coverage at a particular time. HRSA has no authority to compel insurers to sign a Trading Partner Agreement. Similarly, HRSA and the health insurers are waiting for Centers for Medicare and Medicaid Services (CMS) to approve a set of data elements that could be used in the agreements. However, the use of the Trading Partner Agreements is not dependant on CMS approval of language. For those insurers or carriers who may not have their systems ready to participate electronically, HRSA will continue working with them using the methods currently in place. **The condition noted in this finding was previously reported in finding 08-25.** While progress was noted, certain issues noted in this finding need further corrective action and were repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-40. Completion Date

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	20	Finding: The Department of Social and Health Services, Health and Recovery Services Administration, does not perform a quarterly retrospective drug use review of pharmaceutical claims data to identify patterns of fraud or abuse as required by federal and state law. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 – ARRA and non-ARRA Status: Refer to finding 10-53 Corrective Action: The Department does not concur with this finding. The Department believes that it is in full compliance with the federal rules for retrospective drug utilization review. The Department conducts retrospective reviews for this purpose every quarter. An analysis is completed for each of the measures cited Title 42 (b) CFR and the results of that analysis are reported to the Centers for Medicare and Medicaid Services (CMS) Region 10. These results are reported on forms CMS specifically created for reporting the results of the analysis on each of these measures, including overutilization and abuse and misuse. The Department's Pharmacy Administrator has attended in-service trainings hosted by CMS to understand this requirement and assure the Department has in place activities that will support compliance. The Pharmacy Administrator uses the data to determine which drug or class will be the focus for each quarter. Predetermined standards are used along with a professional drug advisory committee to monitor all the measures cited above, including overutilization and abuse and misuse of any medication for that quarter. If "Abuse" and "Misuse" is identified in the process, the "suspected" abuser is referred to the Department's internal resources: Office of Patient Review and Coordination (PRC), the Quality Management Team Unit (QMT), the Payment Review Program Unit (PRP) and the Office of Payment Review and Audit (OPRA). The Department believed it had presented reports to the state auditor's office (SAO) which document compliance with the CFR and will continue to work with the SAO to understand what additional documentation would meet their needs. The Department has designated the Office of Payment Review and Audit (OPRA), part of the payment integrity division, as the Department's contact

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	20 (Cont'd)	point for referrals to the Medicaid Fraud and Control Unit (MFCU). This was an internal protocol put into place in 2004 so there would be coordination and one source for this external body to interface with. The CFR does not stipulate which drug class or specific drug(s) should be reviewed each quarter. It does not stipulate these reviews must be done looking at every physician's prescribing practices every quarter. Nor does it say the DUR must be conducted on every drug every quarter. The Department meets this requirement by looking at drug utilization by types of drugs or groups of drugs in a systematic way designed to identify the flags outlined above. The Pharmacy Administrator contacted CMS in September 2009 to confirm that Washington Medicaid was in compliance with the federal requirements regarding retrospective and prospective DUR. The CMS pharmacist sent the following email that verifies Washington's compliance: "CMS finds that you are conducting your DUR program in accordance with Section 1927 (g) of the Social Security Act. You were acting appropriately to refer identified outliers to your internal audit and integrity section for further investigation. It is their responsibility to refer the case(s) on to MFCU if indeed fraud or abuse has been determined. The DUR program is designed to educate physicians and pharmacists and patients on therapeutic appropriateness, over and under utilizations, therapeutic duplication, drug-disease contraindications, drug-drug interactions as well as clinical abuse and misuse." "In addition, you are in compliance with 42 CFR Ch. IV sec. 456.714 which states: **§ 456.714 DUR/surveillance and utilization review relationship.** (a) The retrospective DUR requirements in this subpart parallel a portion of the surveillance and utilization review (SUR) requirements in subpart A of this part and in part 455 of this chapter. (b) A State agency may direct DUR staffs to limit review activities to those that focus on what constitutes appropriate and medically necessary care to avoid duplication of activities relating to fraud and abuse under the SUR program." This audit area continues to be one in which the auditors and DSHS disagree on the intent and focus of the CFR requirements. The Department's focus is on the appropriateness of prescribing physicians drug selection; the auditors focus was on the usefulness of the utilization review in detecting fraud. The Department will continue to work with the auditors and jointly request CMS review of the Department's efforts to comply with this CFR.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	20 (Cont'd)		In February 2010, CMS will be meeting with the state Medicaid pharmacists during the American Drug Utilization Review Symposium (ADURS) to discuss any updates to the Annual DUR reporting required by CMS. Any changes in the rules will not be effective until FFY 2010 or later. No action will be taken at this time except that a HRSA pharmacist will be attending the ADURS in February 2010 to hear the discussion and the possible changes to the format of the future Annual DUR Reports. **The condition noted in this finding was previously reported in finding 08-29.**
		Completion Date:	The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-53.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	21	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, Home and Community Based Services Division, does not have adequate internal controls to ensure Medicaid payments to in-home service providers are allowable and supported. Questioned Costs: CFDA # — Amount 93.775 — $1,030,677.00 93.776 93.777 93.778 – ARRA and non-ARRA Status: Refer to finding 10-42 Corrective Action: The Department concurs with this finding. The Department concurs it does not have a process that provides Medicaid recipients with information on the number of hours billed to the Department by individual providers (IP). The Department is in the process of procuring a Provider Compensation System (PCS) that will improve the verification process. The PCS will be a sub-system of the Provider One, the new Medicaid Management Information System. Unfortunately, it will be approximately two years before the system is implemented. When implemented the new system will generate monthly notices to all clients informing them how many hours were paid to the provider on their behalf during the previous month. The clients will be instructed to notify the Department if they notice a discrepancy in the hours provided versus the hours billed. Until the new system is implemented the Department will: • Inform clients during annual assessments, as well as at the time of contracting with an individual provider, they are responsible for supervising their care provider. If a client is unable to do so, agency managed personal care may be available or the client and case manager can identify a representative who will monitor services. If a representative is not available, by policy (Chapter 3 of the Long Term Care Manual – Assessment Minimum Standards) the client receives more frequent contacts with the case manager who monitors the provision of services. • Inform clients that as the employer they can terminate their provider. Also, the Department has the authority to terminate payment if there is a good faith belief that services are not being provided as authorized to a Medicaid client.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	21 (Cont'd)		The Department provides the client a form titled - "Acknowledgement of My Responsibilities as the Employer of My Individual Providers" that explains the above bulleted information. Also, the Social Service Payment System (SSPS) will not process payments in excess of hours authorized. A provider is, therefore, unable to claim and be reimbursed for hours that exceed those authorized by the case manager. By April 30, 2010, the Department will send a letter to all currently authorized Individual Providers reminding them of their obligation to maintain records and respond to inquiries to produce documentation. **The condition noted in this finding was previously reported in finding 08-27.** While progress was noted, certain issues noted in this finding need further corrective action and were repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-42.
		Completion Date:	

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	22	Finding:	The Department of Social and Health Services, Health and Recovery Services Administration's internal controls are insufficient to ensure payment rates to its Healthy Options managed care providers are based on accurate data.
		Questioned Costs:	CFDA # / Amount 93.775 / $0 93.776 93.777 93.778 – ARRA and non-ARRA
		Status:	Refer to finding 10-44
		Corrective Action:	The Department does not concur with this audit finding. The Department believes there are sufficient controls in-place to assure that managed care rates are set based on the verified managed care organizations (MCO) actual costs of care. Actuarially certified, proprietary cost information is submitted directly to the Department's actuary from the MCOs. The Department's actuary verifies the information submitted by comparing it to audited financial statements submitted to the Office of the Insurance Commissioner, and encounter data submitted to the Department. The actuary also does analysis of prior years, compares MCOs to each other and resolves outliers that arise from its analyses with the MCOs. In addition, the MCOs each have compliant fraud and abuse controls to prevent provider fraud. These controls provide reasonable assurance that the data used in rate-setting is accurate and complete. This assertion is supported by the fact that the Department has had no findings regarding rate setting in two Centers for Medicare and Medicaid Services (CMS) reviews and has had its rates consistently approved by CMS with their full understanding of the Department's rate setting methodology. **The condition noted in this finding was previously reported in finding 08-24.**
		Completion Date:	The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-44.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	24	Finding: The Department of Social and Health Services, Health and Recovery Services Administration, does not have a system in place to adequately compensate for an inherent control weakness that is susceptible to errors and abuse. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 – ARRA and non-ARRA Status: Refer to finding 10-51 Corrective Action: The Department partially concurs with this finding. The Department concurs with the recommendation to strengthen controls over the entry of claims into the Pharmacy Point of Sale (POS) and will continue to explore and pursue these changes via the established system Change Control process. Some controls have already been identified that have the potential to provide enhanced information to pharmacies via POS. These changes are dependent upon additional information in the Coordination of Benefits (COB) portion of ProviderOne and will be further explored as soon as ProviderOne is implemented. The Department is also exploring the feasibility of other cost-avoidance methods including contracting with vendors for some COB eligibility reviews at the point of adjudication. By June 2010, it is anticipated the new ProviderOne System will strengthen initial controls by allowing providers to send and receive eligibility inquiries from ProviderOne. DSHS staff will also be able to perform these eligibility checks with other payers. When DSHS staff verifies third party liability (TPL) information from payers, DSHS staff will update recipient's TPL information in ProviderOne.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	24 (Cont'd)		The Department does not concur with the statement in the audit finding that due to the lack of risk analysis and adequate post-payment audits, the Department cannot reasonably assure improper payments will be identified and recovered. This statement contradicts the State Auditor's *State Government Performance Review Opportunities for Washington* dated December 2009. In the Government Reform section of that report, "*Medicaid Pharmacy Overpayments"* the auditor found that "the Department uses a risk assessment to prioritize and target pharmacy claims with a high potential for a return of investment." The report further states that the risk assessment process is effective in identifying high-risk payments, but current Department resources are limited and that an opportunity for funding additional auditors was identified. **The condition noted in this finding was previously reported in finding 08-21.**
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2010 Washington Single Audit. Refer to finding 10-51.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	25	Finding:	The Department of Social and Health Services, Health and Recovery Services Administration, internal controls are inadequate to ensure errors identified by the Medical Eligibility Quality Control Unit are reviewed adequately and in a timely manner.
		Questioned Costs:	CFDA # / Amount 93.775 / $0 93.776 93.777 93.778 – ARRA and non-ARRA
		Status:	Refer to finding 10-46
		Corrective Action:	The Department concurs with this finding. In November 2008, the Department took action to establish internal controls and ensure errors identified by Medicaid Eligibility Quality Control audits are corrected by field offices in a timely manner by designating a program manager to process and monitor corrective actions for MEQC audits. The process is as follows: • The MEQC program manager notifies HRSA's audit liaison and HRSA's regional representative of all MEQC audits; • The HRSA audit liaison notifies the regional representative within a specified time when an audit is outstanding and informs the representative that the field must take corrective action on the audit within a specified period of time; and • All corrective actions are monitored by the HRSA audit liaison and reported back to the MEQC program manager on a monthly basis until corrective actions are completed. **The condition noted in this finding was previously reported in finding 08-32.**
		Completion Date:	The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-46.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	26	Finding:	The Department of Social and Health Services, Aging and Disability Services Administration, does not adequately monitor subrecipients to ensure Medicaid expenditures are allowable and supported.
		Questioned Costs:	CFDA # / Amount 93.775 / $0 93.776 93.777 93.778 – ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with this finding. During the timeframe of this audit, Department resources were used to operate and train one Area Agency on Aging while it received certification and became operational, as well as to resolve findings from prior years' monitoring. Due to this workload, subrecipient monitoring, which was scheduled to begin in 2009, was delayed until 2010. Approximately 98 percent of the referenced $425 million for the 13 Area Agencies on Aging is for client services and the administration of those services. All Area Agencies on Aging received in-depth monitoring of Medicaid case management, nursing services activities, and client services between May 2008 and December 2009. The monitoring was performed by a quality assurance unit within Aging and Disability Services Administration (ADSA). By November 2010 the Department completed on-site reviews of four Area Agencies on Aging.
		Completion Date:	November 2010

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	27	Finding: The Department of Social and Health Services did not ensure Medicaid services provided to undocumented aliens were allowable under its Alien Emergency Medical program. Questioned Costs: CFDA # — Amount 93.775 — non-ARRA: $181,841.59 93.776 — ARRA: $ 26,297.27 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Department does not concur with this finding. The Aging and Disability Services Administration (ADSA) and the Health and Recovery Services Administration were both involved in this finding. Each administration offered a reason for not concurring. Also, each offered actions they will take improve the situation. **Aging and Disability Services Administration** Seventeen of the exceptions noted in the finding were for undocumented alien clients who received services from ADSA however they did not receive services under the Alien Emergency Medical (AEM) program. Fifteen of the clients received Personal Care Services, 14 of which were minors who received those services from the Division of Developmental Disabilities. The minors were eligible for services under the state funded Categorically Needy Scope of Care which is allowed by RCW 74.09.520, WAC 388-501-0060(5) (w) and WAC 388-505-0210. Three of the above were undocumented clients who received long term care services. The services were authorized through an exception to rule (ETR). State funded programs paid for the services these clients received. All 17 of the ADSA clients were eligible for services that were 100% state-funded. For this reason, the ARRA enhanced match identified by the auditor did not affect the total state dollars to be expended for the programs. Currently, tracking and maintaining cost adjustments to the federal share expenditures is a manual process requiring the use of spreadsheets to track the services received by individual clients. State dollars are journal vouchered back to the Medicaid programs after expenditures are identified. This process will become automated when the Provider One phase two project is implemented.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	27 (Cont'd)	ADSA will take the following actions as a result of this finding: • In June 2010, procedures were developed that ensure Medicaid funds for undocumented clients are used appropriately and properly reported on the CMS 64. • By December 31, 2011, the Department of Health and Human Services will be contacted to determine if any unallowable costs need to be reimbursed. **Health and Recovery Services Administration** The Department did not receive details for the claims relating to one client for insurance premiums and family planning services totaling $863 to validate this finding. All medical related costs for individuals who are covered under the Alien Emergency Medical (AEM) program are charged to state only dollars. On a quarterly basis, the Department identifies by claim types and diagnoses codes, costs that are allowable for federal match and transfers those costs to earn federal match. Completion Date: Estimated December 2011

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
09	28	Finding:	The Department of Social and Health Services' internal controls are inadequate to ensure the federal share of overpayments made to Medicaid providers are refunded to the federal government in a timely manner.
		Questioned Costs:	CFDA # / Amount 93.775 / $0 93.776 93.777 93.778 – ARRA and non-ARRA
		Status:	Refer to finding 10-49
		Corrective Action:	The Department does not concur with this finding. The Department had a similar finding in fiscal year 2008. The Department discussed its process with the Centers for Medicare and Medicaid Services (CMS) auditor. The CMS auditor did not raise internal control concerns regarding the Department's accuracy and timeliness for refunding the federal share of overpayments to the federal government. The CMS auditor reviewed the Department's quarterly CMS-64 claim report as well as its accounting processes and procedures that create the CMS-64. Since the Department's Medicaid overpayment process is acceptable by CMS, the Department does not see a beneficial reason to change the process. Significant staff training occurred within the last year and has proven successful in addressing the issues from the previous audit finding. The Department will request that Health and Human Services (HHS) review the process identified in this audit finding during the federal clearing house audit process to ensure HHS is satisfied the overpayments have been properly refunded. **The condition noted in this finding was previously reported in finding 08-20.**
		Completion Date:	The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-49.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	29	Finding: The Department of Social and Health Services did not ensure all individuals who receive Medicaid benefits have valid Social Security numbers. Questioned Costs: CFDA # — Amount 93.775 — $169,063.20 93.776 93.777 93.778 – ARRA and non-ARRA Status: Corrective action complete Corrective Action: The Department partially concurs with this finding. This finding involved Economic Services Administration (ESA), Children's Administration (CA), and the Medicaid Purchasing Administration ((MPA) formerly known as the Health and Recovery Services Administration). ESA, CA, and MPA have followed up on the exceptions identified in the audit as follows: • In September 2010, ESA reviewed and took appropriate action on all exceptions identified during the audit. All actions have been documented in ACES. • In March 2010, CA took action on exceptions for which they were responsible. In reviewing the exceptions, CA determined of the nine identified for CA only three were actually claiming Medicaid. The three used a temporary SSN of 123456789. CA corrected the three cases and verified the Social Security Numbers. • MPA resolved all exceptions identified during the audit. Cases were corrected and social security numbers were verified in the state online query (SOLQ) system. Also, ProviderOne was implemented in May 2010 allowing cases to be closed when an individual has not provided a valid social security number. • Staff from both ESA and MPA received training on SSN verification procedures. Training was completed by October 7, 2010. Completion Date: October 2010

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	31	Finding: The Department of Social and Health Services' internal controls are inadequate to ensure non-emergency medical transportation expenditures are allowable and adequately supported. Questioned Costs: CFDA # — Amount 93.775 — $0 93.776 93.777 93.778 – ARRA and non-ARRA Status: Refer to finding 10-48 Corrective Action: The Department does not concur with this finding, however the following actions will be taken to improve oversight of transportation brokers: By July 2010, the Department will: • Train staff involved in contract monitoring to ensure contract monitoring activities are recorded in the Agency Contracts Database (ACD). • Develop a formal monthly desk review and on-site contract monitoring document to ensure monitoring activities are documented and properly recorded in the ACD. Also hard copies of monitoring documents will be maintained. • Have the Health and Recovery Services Administration (HRSA) Contracts Steering Committee review transportation contracts in preparation for the Request for Proposal (RFP). Also, in conjunction with the steering committee review, an internal contract review process exploring ways to improve monitoring activities will be completed. • Have the Non-Emergency Medical Transportation (NEMT) and Division of Behavioral Health and Recovery (DBHR) workgroup investigate ideas to reduce transportation costs associated with transporting clients needing regular methadone treatment and improve the monitoring of trips provided under the RSN contracts. • Develop a formal process allowing Clinical Utilization Management and Patient Review and Coordination staff to review medically complex client cases that are associated with increased transportation costs.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	31 (Cont'd)	By January 2011, the Department will: • Develop a database that will allow the Department to receive trip data from transportation brokers. Also, it will allow Department staff to review individual trips to ensure they are authorized and appropriate. • Have HRSA participate in developing and implementing the RFP. It is anticipated the RFP will result in a new contract that will better define allowable medical appointments and client and service eligibility. The new contract will be performance based. Also, staff will review and strengthen contract language, policies, procedures, and guidelines to ensure robust monitoring. • Develop Working Agreements/Memorandums of Understanding with partner agencies to better define what constitutes allowable trips. **The condition noted in this finding was previously reported in finding 08-26.** Completion Date: The condition noted in this finding was repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-48.

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	32	Finding: The Department of Social and Health Services, Health and Recovery Services Administration's, internal controls are inadequate to ensure controlled substances prescribed for Medicaid clients are authorized and allowable. Questioned Costs: CFDA # — Amount 93.775 — $84,046.47 93.776 93.777 93.778 – ARRA and non-ARRA Status: Refer to finding 10-38 Corrective Action: The Department does not concur with this finding. The Department is of the opinion there are no federal or state statutes that require a payer (e.g. state) to validate the Drug Enforcement Administration (DEA) number of a prescriber. Therefore, the Department does not believe the lack of an edit that validates DEA for Schedule 2-5 drugs constitutes inadequate internal controls or the lack of such validation renders the payment unallowable. The Department believes that responsibility for compliance with controlled substance requirements lies with the prescribing provider and the dispensing pharmacies. There are no provisions in the Controlled Substance Act (21 USC Sec. 821) or the State Uniform Controlled Substance Act (RCW 69.50) that could be interpreted as a requirement relating to payment of claims for controlled substances. Below is the Title 21 CFR Section 1306.04 which clearly states that the prescribing practitioner is responsible for assuring that the prescription conforms in all essential respects to the law and regulation: *(a) A prescription for a controlled substance to be effective must be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his professional practice. The responsibility for the proper prescribing and dispensing of controlled substances is upon the prescribing practitioner, but a corresponding responsibility rests with the pharmacist who fills the prescription.*

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
09	32 (Cont'd)	*An order purporting to be a prescription issued not in the usual course of professional treatment or in legitimate and authorized research is not a prescription within the meaning and intent of section 309 of the Act (21 USC 829) and the person knowingly filling such a purported prescription, as well as the person issuing it, shall be subject to the penalties provided for violations of the provisions of law relating to controlled substances.* The Department implemented a Pharmacy Point of Sale (POS) edit in July 2002 for the purpose of validating the DEA of the prescribing physician for Schedule II drugs. While the Department considered this to be an essential validation to add to the POS, it was not implemented because of any federal/state requirement. Rather, the Department implemented this because Schedule II drugs are subject to the highest risk of abuse and the Department considered it prudent to provide this additional validation to guard against the potential for fraud and abuse. At implementation of the new Pharmacy POS in October 2008, the prescriber identifier changed to the National Provider Identifier (NPI). This change caused the POS to experience some difficulty with the Schedule II system edit due to the incomplete nature of the association between NPI and DEA. No comprehensive national file exists which can be used to crosswalk all NPI to DEA. While the POS continues to validate DEA numbers for Schedule II drugs, a Change Request is currently in process to complete implementation of a comprehensive NPI to DEA association crosswalk and to add DEA effective date spans to the file. It is anticipated this will be implemented in December 2010. In addition to the POS edit that validates the DEA for Schedule II drugs, DSHS has a set of robust Program Integrity activities including pharmacy utilization review, pharmacy rules-based algorithms that identify improper payments, and data mining activities that identify patterns outside the norm. In the absence of any requirement to validate DEA for controlled substances, DSHS considers that this set of Program Integrity activities provide adequate controls to ensure that controlled substances are authorized and allowable. **The condition noted in this finding was previously reported in finding 08-28.** While progress was noted, certain issues noted in this finding need further corrective action and were repeated in the fiscal year 2010 Washington Single Audit. Refer to finding 10-38. Completion Date:

University of Washington (UW)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
05	50	Finding: Certain University departments' controls are not working effectively to ensure Time And Effort Certification forms are completed in a timely manner and to ensure monthly certification of salaries and wages paid for federal programs are completed as required. Questioned Costs: CFDA # — Amount 93.389 — $0 93.866 93.846 93.837 93.864 93.856 93.859 Status: Corrective action in progress Corrective Action: Faculty Effort Certifications (FECs): The University has enhanced its follow-up process to ensure FECs are certified in a timely manner. A formal process with escalating communication as well as some modifications to the procedure was rolled out in an effort to ensure FECs are certified timely. Also, individual departments cited in this finding have strengthened their monitoring and follow-up processes. These actions have resulted in significant improvement in the timeliness in the certification of FEC reports. Finally, the University continues with the process to replace the existing manual system with an electronic effort reporting and certification system. The cost share module and Phase II have rolled out. Phase III will be pilot tested during October – December 2011 followed by Beta testing for the FEC cycle ending December 31, 2011. Full implementation of Phase III is anticipated in the spring/summer of 2012. The new system includes enhanced tracking and follow-up capabilities (Phase III). Grant and Contract Certification Reports (GCCRs): The University continues to work with departments on a campus-wide basis to strengthen controls that ensure GCCRs are reviewed and signed in a timely manner. This includes, but is not limited to, routine general emphasis on this requirement through meetings such as the monthly research administrators meeting as well as individual consultation.

University of Washington (UW)

Fiscal Year	Finding Number	Finding and Corrective Action Plan
05	50 (Cont'd)	Additionally, enhanced documentation has been completed for the University's website reinforcing the requirements and procedures for GCCRs and a more streamlined process has been implemented to provide efficiencies and better monitoring capabilities. Completion Date: Estimated Spring/Summer 2012

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects corrective action status as of September 30, 2011.)

University of Washington (UW)

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
05	51	Finding:	The University did not submit financial status reports in a timely manner.
		Questioned Costs:	CFDA # / Amount Not Specified / $0
		Status:	Corrective action complete
		Corrective Action:	In 2008, Grant and Contract Accounting (GCA) developed and implemented an improved follow-up and escalation process to improve timeliness of communication related to fiscal reporting from campus departments. As a follow up to this process, in 2009 GCA created a Grant Manager calendar specific to the escalation process deadlines. The intent is to ensure that all teams are submitting the necessary closing and reporting messages on time and to facilitate the submission of timely FSR's. In 2009, GCA created a fiscal Reports process improvement team that is focused specifically on automating the FSRs. The first phase includes federal fiscal reports and will be implemented by April 2010. This automation will significantly reduce the time required to submit an FSR. In 2009, GCA also implemented a new Notice of Expiration (NOE) letter with a clearly identified Final Action Date. This newly revised letter will facilitate more timely reports. GCA continues to develop tools, outreach, and guidance for campus departments to ensure their responsibilities within the closing process, including the deadlines for submission, are clear. During the past year, GCA continued its process improvement efforts in order to submit Financial Status Reports in a timely manner. In January 2009, a new online application, GrantTracker, was implemented in GCA in order to provide more information to campus on their grant awards in addition to streamlining the fiscal reporting process. In addition, GCA continued to provide training for new and existing staff through 2010.
		Completion Date:	December 2010

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Washington State Agency Codes (By Agency Alphabetically)

For the Fiscal Year Ended June 30, 2011

Agency No.	Agency
165	Accountancy, Board of (ACB)
035	Actuary, Office of the State (OSA)
110	Administrative Hearings, Office of (OAH)
055	Administrative Office of the Courts (AOC)
119	African-American Affairs, Commission on (CAA)
495	Agriculture, Department of (AGR)
355	Archaeology and Historic Preservation, Department of (DAHP)
387	Arts Commission, Washington State (ART)
087	Asian-Pacific-American Affairs, Commission on (APA)
100	Attorney General, Office of the (ATG)
095	Auditor, Office of the State (SAO)
695	Bates Technical College (BATES)
627	Bellevue College (BC)
694	Bellingham Technical College (BTC)
629	Big Bend Community College (BBC)
315	Blind, Department of Services for the (DSB)
351	Blind, State School for the (SFB)
101	Caseload Forecast Council (CFC)
634	Cascadia Community College (CCC)
375	Central Washington University (CWU)
632	Centralia College (CEC)
353	Childhood Deafness and Hearing Loss, CTR for (CDHL)
057	Civil Legal Aid, Office of (OCLA)
635	Clark College (CLC)
696	Clover Park Technical College (CPTC)
639	Columbia Basin Community College (CBC)
460	Columbia River Gorge Commission (CRG)
103	Commerce, Department of (COM)
352	Community and Technical Colleges, State Board for (SBCTC)
699	Community and Technical College System (CTCS)
471	Conservation Commission, State (SCC)
550	Convention and Trade Center (CTC)
310	Corrections, Department of (DOC)
406	County Road Administration Board (CRAB)
048	Court of Appeals (COA)
227	Criminal Justice Training Commission (CJT)
357	Early Learning, Department of (DEL)
395	Eastern Washington Historical Society (EWH)
370	Eastern Washington University (EWU)
461	Ecology, Department of (ECY)
104	Economic and Revenue Forecast Council (ERFC)
106	Economic Development Finance Authority (EDA)
610	Edmonds Community College (EDC)
345	Education, State Board of (SBE)
540	Employment Security Department (ESD)
468	Environmental Hearings Office (EHO)
605	Everett Community College (EVC)
102	Financial Institutions, Department of (DFI)
105	Financial Management, Office of (OFM)
477	Fish and Wildlife, Department of (DFW)
167	Forensic Investigation Council (FIC)
411	Freight Mobility Strategic Investment Board (FMSIB)
117	Gambling Commission, Washington State (GMB)
150	General Administration, Department of (GA)
075	Governor, Office of the (GOV)
648	Grays Harbor College (GHC)
649	Green River Community College (GRC)
476	Growth Management Hearings Board (GMHB)
303	Health, Department of (DOH)
107	Health Care Authority, Washington (HCA)
599	Health Care Facilities Authority, Washington (WHCFA)
343	Higher Education Coordinating Board (HECB)
346	Higher Education Facilities Authority, Washington (WHEF)
652	Highline Community College (HCC)
118	Hispanic Affairs, Commission on (CHA)
390	Historical Society, Washington State (WHS)
302	Home Care Quality Authority (HCQA)
185	Horse Racing Commission (HRC)
011	House of Representatives (REP)
148	Housing Finance Commission, Washington State (HFC)
120	Human Rights Commission (HUM)
250	Indeterminate Sentence Review Board (SRB)
086	Indian Affairs, Governor's Office of (INA)
190	Industrial Insurance Appeals, Board of (IND)
155	Information Services, Department of (DIS)
160	Insurance Commissioner, Office of the (INS)
126	Investment Board, State (SIB)
014	Joint Legislative Audit and Review Committee (JLARC)
038	Joint Legislative Systems Committee (JLS)
013	Joint Transportation Commission (JTC)

Washington State Agency Codes (By Agency Alphabetically)

For the Fiscal Year Ended June 30, 2011

Agency No.	Agency
050	Judicial Conduct, Commission on (CJC)
235	Labor and Industries, Department of (L&I)
692	Lake Washington Institute of Technology (LWIT)
341	Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board (LEOFF)
046	Law Library, State (LAW)
020	Legislative Evaluation and Accountability Program Committee (LEAP)
240	Licensing, Department of (DOL)
080	Lieutenant Governor, Office of the (LTG)
356	Life Sciences Discovery Fund Authority (LSDFA)
195	Liquor Control Board (LCB)
116	Lottery Commission, State (LOT)
657	Lower Columbia College (LCC)
408	Marine Employees' Commission (MAR)
412	Materials Management and Financing Authority, Washington (WMMFA)
245	Military Department (MIL)
147	Minority & Women's Business Enterprises, Office of (OMWBE)
490	Natural Resources, Department of (DNR)
662	Olympic College (OLC)
467	Outdoor Recreation, Interagency Committee for (IAC)
465	Parks and Recreation Commission, State (PARKS)
665	Peninsula College (PEC)
111	Personnel, Department of (DOP)
637	Pierce College (PIE)
205	Pilotage Commissioners, Board of (BPC)
462	Pollution Liability Insurance Program, Washington (PLI)
130	Printing, Department of (PRT)
056	Public Defense, Office of (OPD)
082	Public Disclosure Commission (PDC)
275	Public Employment Relations Commission (PERC)
478	Puget Sound Partnership (PSP)
467	Recreation and Conservation Funding Board (RCFB)
091	Redistricting Commission (RDC)
693	Renton Technical College (RTC)
124	Retirement Systems, Department of (DRS)
140	Revenue, Department of (DOR)
099	Salaries of Elected Officials, Washington Citizens' Commission on (COS)
670	Seattle Community Colleges - District 6 (SCCD-6)
085	Secretary of State, Office of the (SEC)
012	Senate (SEN)
325	Sentencing Guidelines Commission (SGC)
672	Shoreline Community College (SHC)
674	Skagit Valley College (SVC)
300	Social and Health Services, Department of (DSHS)
675	South Puget Sound Community College (SPS)
676	Spokane Community Colleges - District 17 (SCCD-17)
377	Spokane Intercollegiate Research and Technology Institute (SIRTI)
225	State Patrol, Washington (WSP)
040	Statute Law Committee (SLC)
350	Superintendent of Public Instruction (SPI)
045	Supreme Court (SUP)
678	Tacoma Community College (TCC)
142	Tax Appeals, Board of (BTA)
376	The Evergreen State College (TESC)
304	Tobacco Settlement Authority (TOB)
228	Traffic Safety Commission, Washington (STS)
410	Transportation Commission (TRC)
405	Transportation, Department of (DOT)
407	Transportation Improvement Board (TIB)
090	Treasurer, Office of the State (OST)
360	University of Washington (UW)
215	Utilities and Transportation Commission (UTC)
305	Veterans' Affairs, Department of (DVA)
220	Volunteer Firefighters and Reserve Officers, Board for (BVFFRO)
683	Walla Walla Community College (WLC)
365	Washington State University (WSU)
686	Wenatchee Valley College (WVC)
380	Western Washington University (WWU)
621	Whatcom Community College (WHC)
354	Work Force Training and Education Coordinating Board (WFTECB)
691	Yakima Valley College (YVC)

Washington State Agency Codes (By Agency Assigned Number)

For the Fiscal Year Ended June 30, 2011

Agency No.	Agency
011	House of Representatives (REP)
012	Senate (SEN)
013	Joint Transportation Commission (JTC)
014	Joint Legislative Audit and Review Committee (JLARC)
020	Legislative Evaluation and Accountability Program Committee (LEAP)
035	Office of the State Actuary (OSA)
038	Joint Legislative Systems Committee (JLS)
040	Statute Law Committee (SLC)
045	Supreme Court (SUP)
046	State Law Library (LAW)
048	Court of Appeals (COA)
050	Commission on Judicial Conduct (CJC)
055	Administrative Office of the Courts (AOC)
056	Office of Public Defense (OPD)
057	Civil Legal Aid, Office of (OCLA)
075	Office of the Governor (GOV)
080	Office of the Lieutenant Governor (LTG)
082	Public Disclosure Commission (PDC)
085	Office of the Secretary of State (SEC)
086	Governor's Office of Indian Affairs (INA)
087	Commission on Asian Pacific American Affairs (APA)
090	Office of the State Treasurer (OST)
091	Redistricting Commission (RDC)
095	Office of the State Auditor (SAO)
099	Washington Citizens' Commission on Salaries for Elected Officials (COS)
100	Office of the Attorney General (ATG)
101	Caseload Forecast Council (CFC)
102	Department of Financial Institutions (DFI)
103	Commerce, Department of (COM)
104	Economic and Revenue Forecast Council (ERFC)
105	Office of Financial Management (OFM)
106	Washington Economic Development Finance Authority (EDA)
107	State Health Care Authority (HCA)
110	Office of Administrative Hearings (OAH)
111	Department of Personnel (DOP)
116	State Lottery Commission (LOT)
117	Washington State Gambling Commission (GMB)
118	Commission on Hispanic Affairs (CHA)
119	Commission on African-American Affairs (CAA)
120	Human Rights Commission (HUM)
124	Department of Retirement Systems (DRS)
126	State Investment Board (SIB)
130	Department of Printing (PRT)
140	Department of Revenue (DOR)
142	Board of Tax Appeals (BTA)
147	Office of Minority and Women's Business Enterprises (OMWBE)
148	Washington State Housing Finance Commission (HFC)
150	Department of General Administration (GA)
155	Department of Information Services (DIS)
160	Office of the Insurance Commissioner (INS)
165	Board of Accountancy (ACB)
167	Forensic Investigation Council (FIC)
185	Horse Racing Commission (HRC)
190	Industrial Insurance Appeals, Board of (IND)
195	Liquor Control Board (LCB)
205	Board of Pilotage Commissioners (BPC)
215	Utilities and Transportation Commission (UTC)
220	Board for Volunteer Firefighters and Reserve Officers (BVFFRO)
225	Washington State Patrol (WSP)
227	Washington State Criminal Justice Training Commission (CJT)
228	Washington Traffic Safety Commission (STS)
235	Department of Labor and Industries (L&I)
240	Department of Licensing (DOL)
245	Military Department (MIL)
250	Indeterminate Sentence Review Board (SRB)
275	Public Employment Relations Commission (PERC)
300	Department of Social and Health Services (DSHS)
302	Home Care Quality Authority (HCQA)
303	Department of Health (DOH)
304	Tobacco Settlement Authority (TOB)
305	Department of Veterans' Affairs (DVA)
310	Department of Corrections (DOC)
315	Department of Services for the Blind (DSB)
325	Sentencing Guidelines Commission (SGC)
341	Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board (LEOFF)
343	Higher Education Coordinating Board (HECB)
346	Washington Higher Education Facilities Authority (WHEFA)
350	Superintendent of Public Instruction (SPI)
351	State School for the Blind (SFB)

Washington State Agency Codes (By Agency Assigned Number)

For the Fiscal Year Ended June 30, 2011

Agency No.	Agency
352	State Board for Community and Technical Colleges (SBCTC)
353	Childhood Deafness and Hearing Loss, CTR for (CDHL)
354	Work Force Training and Education Coordinating Board (WFTECB)
355	Archaeology and Historic Preservation, Department of (DAHP)
356	Life Sciences Discovery Fund Authority (LSDFA)
357	Early Learning, Department of (DEL)
360	University of Washington (UW)
365	Washington State University (WSU)
370	Eastern Washington University (EWU)
375	Central Washington University (CWU)
376	The Evergreen State College (TESC)
377	Spokane Intercollegiate Research and Technology Institute (SIRTI)
380	Western Washington University (WWU)
387	Washington State Arts Commission (ART)
390	Washington State Historical Society (WHS)
395	Eastern Washington State Historical Society (EWH)
405	Department of Transportation (DOT)
406	County Road Administration Board (CRAB)
407	Transportation Improvement Board (TIB)
408	Marine Employees' Commission (MAR)
410	Transportation Commission (TRC)
411	Freight Mobility Strategic Investment Board (FMSIB)
412	Materials Management and Financing Authority, Washington (WMMFA)
460	Columbia River Gorge Commission (CRG)
461	Department of Ecology (ECY)
462	Washington Pollution Liability Insurance Program (PLI)
465	State Parks and Recreation Commission (PARKS)
467	Recreation and Conservation Funding Board (RCFB)
468	Environmental Hearings Office (EHO)
471	State Conservation Commission (SCC)
476	Growth Management Hearings Board (GMHB)
477	Department of Fish and Wildlife (DFW)
478	Puget Sound Partnership (PSP)
490	Department of Natural Resources (DNR)
495	Department of Agriculture (AGR)
540	Employment Security Department (ESD)
550	State Convention and Trade Center (CTC)
599	Washington Health Care Facilities Authority (WHCFA)
605	Everett Community College (EVC)
610	Edmonds Community College (EDC)
621	Whatcom Community College (WHC)
627	Bellevue College (BC)
629	Big Bend Community College (BBC)
632	Centralia College (CEC)
634	Cascadia Community College (CCC)
635	Clark College (CLC)
637	Pierce College (PIE)
639	Columbia Basin Community College (CBC)
648	Grays Harbor College (GHC)
649	Green River Community College (GRC)
652	Highline Community College (HCC)
657	Lower Columbia College (LCC)
662	Olympic College (OLC)
665	Peninsula College (PEC)
670	Seattle Community Colleges - District 6 (SCCD-6)
672	Shoreline Community College (SHC)
674	Skagit Valley College (SVC)
675	South Puget Sound Community College (SPS)
676	Spokane Community Colleges - District 17 (SCCD-17)
678	Tacoma Community College (TCC)
683	Walla Walla Community College (WLC)
686	Wenatchee Valley College (WVC)
691	Yakima Valley College (YVC)
692	Lake Washington Institute of Technology (LWIT)
693	Renton Technical College (RTC)
694	Bellingham Technical College (BTC)
695	Bates Technical College (BATES)
696	Clover Park Technical College (CPTC)
699	Community and Technical College System (CTCS)

Community and Technical College Reporting

For the Fiscal Year Ended June 30, 2011

Agency 699 – Community and Technical College System is the administrative reporting agency for the following 30 community and technical colleges and the State Board for Community and Technical Colleges:

Bates Technical College
Bellevue College
Bellingham Technical College
Big Bend Community College
Cascadia Community College
Centralia College
Clark College
Clover Park Technical College
Columbia Basin Community College
Edmonds Community College
Everett Community College
Grays Harbor College
Green River Community College
Highline Community College
Lake Washington Institute of Technology
Lower Columbia College
Olympic College
Peninsula College
Pierce College
Renton Technical College
Seattle Community Colleges – District 6
Shoreline Community College
Skagit Valley College
South Puget Sound Community College
Spokane Community Colleges – District 17
Tacoma Community College
Walla Walla Community College
Wenatchee Valley College
Whatcom Community College
Yakima Valley College

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