

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 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, the Public Health Emergency Preparedness Programs, and the School Improvement Grants Cluster 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
10.551 10.561	<u>SNAP Cluster</u> Supplemental Nutrition Assistance Program (SNAP) State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
10.558	Child and Adult Care Food Program (CACFP)
11.436	Columbia River Fisheries Development Program
11.438	Pacific Coast Salmon Recovery – Pacific Salmon Treaty Program
14.239	Home Investment Partnerships Program
15.605 15.611	<u>Fish and Wildlife Cluster</u> Sport Fish Restoration Program Wildlife Restoration and Basic Hunter Education
17.225 17.225-ARRA	Unemployment Insurance Unemployment Insurance, American Recovery and Reinvestment Act (ARRA)
20.500 20.507	<u>Federal Transit Cluster</u> Federal Transit – Capital Investment Grants Federal Transit – Formula Grants (Urbanized Area Formula Program)
20.509 20.509-ARRA	Formula Grants for Other Than Urbanized Ares (Nonurbanized Area Formula Program) Formula Grants for Other Than Urbanized Areas (Nonurbanized Area Formula Program), American Recovery and Reinvestment Act (ARRA)
20.933	National Infrastructure Investments

66.458 66.458- ARRA	Capitalization Grants for Clean Water State Revolving Funds Capitalization Grants for Clean Water State Revolving Funds, American Recovery and Reinvestment Act (ARRA)
66.468 66.468-ARRA	Capitalization Grants for Drinking Water State Revolving Funds Capitalization Grants for Drinking Water State Revolving Funds, American Recovery and Reinvestment Act (ARRA)
84.126 84.390-ARRA	<u>Vocational Rehabilitation Services Cluster</u> Rehabilitation Services – Vocational Rehabilitation Grants to States Rehabilitation Services – Vocational Rehabilitation Grants to States, American Recovery and Reinvestment Act (ARRA)
84.377 84.388-ARRA	<u>School Improvement Grants Cluster</u> School Improvement Grants School Improvement Grants, American Recovery and Reinvestment Act (ARRA)
84.395-ARRA	State Fiscal Stabilization Fund (SFSF) Race-to-the-Top Incentive Grants, American Recovery and Reinvestment Act (ARRA)
93.069	Public Health Emergency Preparedness
93.145	AIDS Education and Training Centers
93.525	State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges
93.558	<u>Temporary Assistance for Needy Families Cluster</u> Temporary Assistance for Needy Families (TANF)
93.563	Child Support Enforcement
93.568	Low-Income Home Energy Assistance
93.575 93.596 93.713-ARRA	<u>Child Care and Development Cluster</u> Child Care and Development Block Grant Child Care Mandatory and Matching Funds of the Child Care and Development Fund Child Care and Development Block Grant – American Recovery and Reinvestment Act (ARRA)

93.600 93.708-ARRA 93.709-ARRA	<u>HeadStart Cluster</u> Head Start Head Start, American Recovery and Reinvestment Act (ARRA) Early Head Start, American Recovery and Reinvestment Act (ARRA)
93.659	Adoption Assistance – Title IV-E
93.720-ARRA 93.775 93.777 93.778 93.778-ARRA	<u>Medicaid Cluster</u> State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative, American Recovery and Reinvestment Act (ARRA) State Medicaid Fraud Control Units State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare Medical Assistance Program (Medicaid; Title XIX) Medical Assistance Program (Medicaid), American Recovery and Reinvestment Act (ARRA)
93.889	National Bioterrorism Hospital Preparedness Program
93.917	HIV Care Formula Grants
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.067	Homeland Security Grant Program

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. 1007720
An employee of the Washington State Department of Social and Health Services, Frances Haddon Morgan Center, misappropriated Medicaid funds.